

SK Securities Co., Ltd. and Subsidiaries

Consolidated Financial Statements
December 31, 2024 and 2023

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Independent Auditor's Report

(English Translation of a Report Originally Issued in Korean)

To the Shareholders and Board of Directors of SK Securities Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of SK Securities Co., Ltd. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (Korean IFRS).

We also have audited, in accordance with Korean Standards on Auditing, the Company's Internal Control over Financial Reporting for consolidation purposes as of December 31, 2024, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*, and our report dated March 18, 2025 expressed an unqualified opinion.

Basis for Opinion

We conducted our audits in accordance with Korean Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of the consolidated financial statements and we have fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(1) Assessment of the fair value of derivative and derivative-linked securities classified under Level 3

Reasons determined as key audit matters

The fair value estimation of derivatives and derivative-linked securities classified under Level 3 of the Group includes derivatives assets and derivatives liabilities of KRW 677 million and KRW 8,657 million, respectively, and financial assets measured at FVTPL and financial liabilities measured at FVTPL of KRW 17,286 million and KRW 1,053,049 million, respectively (Note 36).

The Group's assessment on derivatives and derivative-linked securities under Level 3 was selected as a key audit matter in consideration of the complex valuation technique and the involvement of management's estimation and judgment in inputs and assumptions.

Audit procedures to the key audit matters

To verify the accuracy of the valuation inputs (face value, interest rate, maturity, etc.) in the system used in the valuation of derivatives, we tested the controls which verifies the underlying transaction details are accurately applied in the management's valuation system. In addition, we tested the accuracy of transaction details in the system used in the valuation of derivatives by examining the supporting documents such as contracts.

To verify the accuracy of the estimated fair value of derivatives and derivative-linked securities, we tested the management's monitoring control of fair value estimation, and also tested the review and approval control for the new transactions that examines whether the valuation techniques and inputs to be applied to the fair value estimation have reflected the characteristic of instruments.

In addition, we used derivatives valuation specialists to estimate the fair value of derivatives and derivative-linked securities through independent valuation techniques and inputs to confirm that the fair value estimate calculated independently is not significantly different from that of management.

(2) Revenue recognition of commission fee from irregular way transactions

Reasons determined as key audit matters

The Group recognized commission revenues of KRW 155,781 million for the year ended December 31, 2024, which include revenues derived from irregular way transactions of KRW 71,327 million (Note 25).

Korean IFRS 1115 (Revenue from Contracts with Customers) requires judgement of the timing of revenue recognition and the amount recognised. The timing of revenue recognition and the amount of recognition of commission income that occurred through irregular way transactions were selected as key audit matters considering that related transactions are complex and include significant accounting judgements by management.

Audit procedures to the key audit matters

We tested the control of management to identify the performance obligation of the contract with the customer and review the timing of the revenue recognition and the recognized amount of commission income that occurred through irregular way transactions by using the revenue recognition checklist.

We tested the appropriateness of the timing of revenue recognition and revenue amount of commission income that occurred through irregular way transactions in accordance with Korean IFRS 1115 on a sample basis by reviewing whether the performance obligations have been completed and completion point with relevant evidences such as contracts and bank transactions.

Other Matter

Auditing standards and their application in practice vary among countries. The procedures and practices used in the Republic of Korea to audit such consolidated financial statements may differ from those generally accepted and applied in other countries.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Korean IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Korean Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Korean Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Yeob Yu, Certified Public Accountant.

Samil PricewaterhouseCoopers

Seoul, Korea

March 18, 2025

<p>This report is effective as of March 18, 2025, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying consolidated financial statements and notes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.</p>

SK Securities Co., Ltd. and Subsidiaries
Consolidated Statements of Financial Position
December 31, 2024 and 2023
(in Korean won)

	Notes	2024	2023
Assets			
Cash and due from banks	4,35,36,37,40	₩ 440,425,377,099	₩ 426,379,899,624
Financial assets at FVTPL	5,35,36,37,38,40,43	3,459,908,029,995	3,665,816,267,309
Financial assets at FVOCI	6,35,36,37	161,651,670,660	167,240,703,818
Securities at amortised cost	7,36,37	2,360,000	19,998,210,000
Investments in associates	8,35,43	235,393,549,508	232,441,824,439
Derivative assets	9,34,35,36,37	155,076,269,001	48,160,103,782
Loan receivables	10,35,36,37	1,168,976,010,133	1,208,147,072,236
Property and equipment	11	31,930,418,682	31,578,576,120
Leased assets	12	19,136,652,740	20,257,321,508
Right-of-use assets	13,44	66,029,118,608	76,593,784,199
Investment in properties	16	2,959,881,306	6,800,332,150
Intangible assets	14	30,400,534,910	39,489,957,646
Current tax assets	33	17,838,357,583	14,701,977,643
Deferred tax assets	33	272,194,428	152,341,897
Other financial assets	15	296,902,895,046	468,119,012,468
Other non-financial assets	15	22,392,075,939	23,216,386,761
Total assets		₩ 6,109,295,395,638	₩ 6,449,093,771,600
Liabilities			
Deposits	17,36,37	₩ 852,200,701,891	₩ 1,037,579,483,729
Financial liabilities at FVTPL	18,36,37	1,199,667,581,209	952,836,038,800
Borrowings	19,36,37,38,44	2,951,766,924,635	3,111,834,437,973
Derivative liabilities	9,34,36,37,44	159,053,730,552	107,907,736,938
Defined benefit liabilities	20	4,999,143,576	-
Lease liabilities	21,36,37	73,726,969,007	83,751,091,598
Current tax liabilities	33	1,080,515,896	908,648,985
Deferred tax liabilities	33	2,081,570,072	19,682,367,999
Provision	22,23,36,37,42,44	9,007,565,748	10,159,099,817
Other financial liabilities	22	249,397,338,066	424,718,990,435
Other non-financial liabilities	22	47,036,759,384	52,477,397,092
Total liabilities		₩ 5,550,018,800,036	₩ 5,801,855,293,366
Equity			
Owners' equity:		₩ 550,995,937,275	₩ 636,324,143,459
Issued capital	1,24	238,251,342,500	238,251,342,500
Capital surplus	24	70,336,007,457	70,336,007,457
Elements of other stock holders equity	24	(35,543,028,984)	(35,448,808,767)
Accumulated other comprehensive income	24	114,686,961,724	116,429,908,383
Retained earnings	24	163,264,654,578	246,755,693,886
(Regulatory reserve for credit loss			
December 31, 2024 : ₩ 23,241 million			
December 31, 2023 : ₩ 8,680 million			
Provision for (reversal of) reserve for credit loss, scheduled			
December 31, 2024 : ₩ 12,008 milion			
December 31, 2023 : ₩ 14,741 milion)			
Non-controlling interests		8,280,658,327	10,914,334,775
Total equity		₩ 559,276,595,602	₩ 647,238,478,234
Total liabilities and equity		₩ 6,109,295,395,638	₩ 6,449,093,771,600

The above consolidated statements of financial position should be read in conjunction with the accompanying notes.

SK Securities Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income (Loss)
Years ended December 31, 2024 and 2023
(in Korean won)

	Notes	2024	2023
Net commission income			
Commission income	25,35,42,45	₩ 155,780,539,274	₩ 183,800,175,684
Commission expenses	25,35	8,659,336,019	10,925,964,928
		147,121,203,255	172,874,210,756
Net interest income			
Interest income	27,35	209,708,272,149	204,869,675,108
Interest income of effective interest rate		112,596,151,351	121,679,143,546
Interest income on financial assets at FVTPL		97,112,120,798	83,190,531,562
Interest expenses	27,35	154,203,483,722	167,530,346,944
		55,504,788,427	37,339,328,164
Net income related to financial instruments			
Gain related to financial instruments		692,291,303,021	712,219,595,827
Gain related to financial instruments at FVTPL	26,35,37	690,795,354,703	709,543,970,812
Gain related to financial instruments at amortized cost	28,35,37	1,495,948,318	2,675,625,015
Loss related to financial instruments		688,560,874,452	627,903,303,856
Loss related to financial instruments at FVTPL	26,35,37	683,026,838,687	626,896,214,665
Loss related to financial instruments at amortized cost	28,35,37	5,534,035,765	1,007,089,191
		3,730,428,569	84,316,291,971
Dividends income	29,42	18,305,407,841	14,559,996,731
Reversal to provision	10,15	22,434,829	-
Contribution to provision	10,15	78,747,069,930	38,205,824,264
Gain and loss on others			
Gain on others	31	25,634,518,109	29,032,806,271
Gain on foreign currency transactions		17,813,253,128	24,005,916,690
Gain on others		7,821,264,981	5,026,889,581
Loss on others	31	23,276,510,870	37,654,335,030
Loss on foreign currency transactions		20,561,569,295	24,042,575,346
Loss on others		2,714,941,575	13,611,759,684
		2,358,007,239	(8,621,528,759)
Net operating income		148,295,200,230	262,262,474,599
Selling and administrative expenses	30	256,171,588,815	249,164,616,988
Operating profit (loss)		(107,876,388,585)	13,097,857,611
Non-operating income	32	29,249,585,907	29,678,241,191
Non-operating expenses	32	20,956,241,685	36,894,656,437
Profit (Loss) before income tax		(99,583,044,363)	5,881,442,365
Income tax expense (income)	33	(16,312,782,580)	2,693,655,515
Profit (Loss) for the year		(83,270,261,783)	3,187,786,850
(Adjusted income(loss) after recognition of provision for bad debts 2024: ₩ (94,554) million, 2023: ₩ 12,190 million)			
Profit (Loss) for the year attributable to:			
Owners of the parent		(82,546,404,429)	2,551,279,241
Non-controlling interests		(723,857,354)	636,507,609
(Continued)			

SK Securities Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income (Loss)
Years ended December 31, 2024 and 2023 (Cont'd)
(in Korean won)

	Notes	2024	2023
Other comprehensive income (loss)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of net defined benefit liabilities		(1,263,925,275)	(1,247,737,502)
Gain and loss related to equity instruments at FVOCI	24,33	(4,297,966,499)	5,815,169,326
Effect of changes in the credit risk of financial liabilities		3,142,493,949	(665,942,698)
		<u>(2,419,397,825)</u>	<u>3,901,489,126</u>
Items that may be reclassified subsequently to profit or loss:			
Gain on translation of foreign operations		796,207,675	252,388,190
Changes in equity adjustments arising from equity method		(119,756,509)	354,315,799
		<u>676,451,166</u>	<u>606,703,989</u>
		<u>(1,742,946,659)</u>	<u>4,508,193,115</u>
Total comprehensive income (loss)		<u>₩ (85,013,208,442)</u>	<u>₩ 7,695,979,965</u>
Total comprehensive income (loss) attributable to:			
Owners of the parent		₩ (84,289,351,088)	₩ 7,059,472,356
Non-controlling interests		(723,857,354)	636,507,609
Earnings (Loss) per share			
Basic earnings (loss) per share	39	₩ (199.49)	₩ 6.07
Diluted earnings (loss) per share	39	(199.49)	6.07

The above consolidated statements of comprehensive income should be read in conjunction with the accompanying notes.

SK Securities Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
Years ended December 31, 2024 and 2023
(in Korean won)

	Notes	Issued capital	Capital surplus	Elements of other stock Holders equity	Accumulated other comprehensive income	Retained earnings	Controlling interests	Non-controlling interests	Total
As of January 1, 2023		₩ 238,251,342,500	₩ 70,307,527,673	₩ (35,448,758,319)	₩ 111,921,715,268	₩ 246,094,994,310	₩ 631,126,821,432	₩ 10,206,505,539	₩ 641,333,326,971
Profit for the year		-	-	-	-	2,551,279,241	2,551,279,241	636,507,609	3,187,786,850
Other comprehensive income (loss), net of tax		-	-	-	-	-	-	-	-
Losses on remeasurements of net defined benefit liabilities	20	-	-	-	(1,247,737,502)	-	(1,247,737,502)	-	(1,247,737,502)
Gains on translation of foreign operations		-	-	-	252,388,190	-	252,388,190	-	252,388,190
Gains on valuation of financial instruments at FVOCI		-	-	-	5,815,169,326	-	5,815,169,326	-	5,815,169,326
Effect of changes in the credit risk of financial liabilities		-	-	-	(665,942,698)	-	(665,942,698)	-	(665,942,698)
Changes in equity adjustments arising from equity method		-	-	-	354,315,799	-	354,315,799	-	354,315,799
Total comprehensive income		-	-	-	4,508,193,115	2,551,279,241	7,059,472,356	636,507,609	7,695,979,965
Transactions with owners		-	-	-	-	-	-	-	-
Dividends paid		-	-	-	-	(2,108,656,155)	(2,108,656,155)	-	(2,108,656,155)
Changes in non-controlling interests		-	-	-	-	-	-	71,321,627	71,321,627
Total transactions with owners		-	-	-	-	(2,108,656,155)	(2,108,656,155)	71,321,627	(2,037,334,528)
Others		-	28,479,784	(50,448)	-	218,076,490	246,505,826	-	246,505,826
As of December 31, 2023		₩ 238,251,342,500	₩ 70,336,007,457	₩ (35,448,808,767)	₩ 116,429,908,383	₩ 246,755,693,886	₩ 636,324,143,459	₩ 10,914,334,775	₩ 647,238,478,234
As of January 1, 2024		₩ 238,251,342,500	₩ 70,336,007,457	₩ (35,448,808,767)	₩ 116,429,908,383	₩ 246,755,693,886	₩ 636,324,143,459	₩ 10,914,334,775	₩ 647,238,478,234
Loss for the year		-	-	-	-	(82,546,404,429)	(82,546,404,429)	(723,857,354)	(83,270,261,783)
Other comprehensive income (loss), net of tax		-	-	-	-	-	-	-	-
Losses on remeasurements of net defined benefit liabilities	20	-	-	-	(1,263,925,275)	-	(1,263,925,275)	-	(1,263,925,275)
Gains on translation of foreign operations		-	-	-	796,207,675	-	796,207,675	-	796,207,675
Losses on valuation of financial instruments at FVOCI		-	-	-	(4,297,966,499)	-	(4,297,966,499)	-	(4,297,966,499)
Effect of changes in the credit risk of financial liabilities		-	-	-	3,142,493,949	-	3,142,493,949	-	3,142,493,949
Changes in equity adjustments arising from equity method		-	-	-	(119,756,509)	-	(119,756,509)	-	(119,756,509)
Total comprehensive loss		-	-	-	(1,742,946,659)	(82,546,404,429)	(84,289,351,088)	(723,857,354)	(85,013,208,442)
Transactions with owners		-	-	-	-	-	-	-	-
Dividends paid		-	-	-	-	(855,200,004)	(855,200,004)	-	(855,200,004)
Changes in non-controlling interests		-	-	-	-	-	-	(1,909,819,094)	(1,909,819,094)
Total transactions with owners		-	-	-	-	(855,200,004)	(855,200,004)	(1,909,819,094)	(2,765,019,098)
Others		-	-	(94,220,217)	-	(89,434,875)	(183,655,092)	-	(183,655,092)
As of December 31, 2024		₩ 238,251,342,500	₩ 70,336,007,457	₩ (35,543,028,984)	₩ 114,686,961,724	₩ 163,264,654,578	₩ 550,995,937,275	₩ 8,280,658,327	₩ 559,276,595,602

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

SK Securities Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
Years ended December 31, 2024 and 2023
(in Korean won)

	Notes	2024	2023
Cash flows from operating activities			
Profit (Loss) for the year	₩	(83,270,261,783)	₩ 3,187,786,850
Adjustments to reconcile profit for the year to net cash flows provided by used in operating activities:			
Interest income		(209,708,272,149)	(204,869,675,108)
Interest expenses		154,203,483,722	167,530,346,944
Dividend income		(18,305,407,841)	(14,559,996,731)
Income tax expense (income)		(16,312,782,580)	2,693,655,515
Loss (gain) on valuation of financial assets at FVTPL		15,093,118,945	(77,052,655,345)
Loss on valuation of financial liabilities at FVTPL		7,897,313,794	22,117,777,971
Loss (gain) on disposal of investments in associates		835,320,463	(1,752,617,767)
Loss on impairment of investments in associates		2,429,958,086	-
Reversal of impairment loss on investments in associates		(3,971,529,224)	-
Gain on valuation of derivatives instruments		(7,653,464,757)	(6,811,330,856)
Gain on valuation of loan receivables		(633,502,829)	(1,197,274,556)
Bad debt expenses		78,747,069,930	34,191,164,087
Other bad debt expenses		-	4,014,660,177
Reversal of allowance for other doubtful accounts		(22,434,829)	-
Gain on foreign currency translations		(1,911,560,550)	(986,294,706)
Depreciation		18,487,635,210	19,021,932,350
Loss (gain) on disposal of property and equipment		(6,888,300)	184,000
Impairment loss		280,081,000	978,314,598
Amortization		6,281,927,676	6,951,080,622
Gain on disposal of intangible assets		(1,278,451,795)	(998,602,486)
Loss on disposal of investment in properties		137,969,377	-
Share of profit of associates		(3,407,431,687)	(13,829,480,260)
Retirement benefits		9,173,590,792	9,903,329,932
Gain on disposal of leased assets		(278,872,008)	(33,125,237)
Increase (decrease) in provisions		(1,767,423,351)	5,577,020,449
Share-based payment costs		214,633,254	-
Gain on valuation of carbon credit permits		(490,654,303)	(675,030,233)
Others		97,144,906	(1,113,250,020)
		28,130,570,952	(50,899,866,660)
Changes in operating assets and liabilities:			
Due from banks		30,378,591,854	49,271,429,841
Financial assets at FVTPL		194,856,021,794	164,478,302,669
Securities at amortized cost		19,995,850,000	(19,953,780,000)
Derivative assets		11,161,352,693	38,036,404,503
Loan receivables		9,959,682,864	(11,850,927,190)
Leased assets		(3,474,232,817)	(4,494,226,167)
Other assets		176,523,179,341	(184,735,985,210)
Deposits		(185,620,241,036)	(69,477,806,565)
Financial liabilities at FVTPL		243,020,696,690	165,362,923,462
Derivatives liabilities		(59,278,059,541)	(40,064,593,296)
Defined benefit liabilities		(6,027,033,283)	(8,520,895,723)
Provisions		-	(2,000,000,000)
Other liabilities		(225,118,429,954)	136,651,096,237
		206,377,378,605	212,701,942,561
Income taxes paid (received)		(4,564,419,465)	2,483,114,421
Interest received		201,386,105,412	201,211,648,377
Interest paid		(148,945,082,125)	(168,263,813,731)
Dividends received		18,108,128,957	14,586,185,866
Net cash provided by operating activities		217,222,420,553	215,006,997,684

(Continued)

SK Securities Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
Years ended December 31, 2024 and 2023 (Cont'd)
(in Korean won)

	Notes	2024	2023
Cash flows from investing activities			
Disposal of investments in associates		45,066,405,578	36,693,610,786
Acquisition of investments in associates		(43,926,220,505)	(32,262,549,150)
Decrease in guarantee deposits		6,859,417,707	2,531,107,944
Increase in guarantee deposits		(3,588,350,295)	(340,387,150)
Disposal of property and equipment		6,888,300	-
Acquisition of property and equipment		(4,972,122,184)	(2,057,652,104)
Disposal of intangible assets		517,038,000	3,107,330,223
Acquisition of intangible assets		(2,230,575,373)	(6,746,932,248)
Disposal of Investment in properties		3,786,560,153	-
Acquisition of Investment in properties		(31,069,824)	-
Asset restoration costs paid		(44,646,558)	-
Net cash provided by investing activities		1,443,324,999	924,528,301
Cash flows from financing activities			
Increase in borrowings		2,692,920,364,184	3,128,328,344,632
Decrease in borrowings		(2,893,985,072,405)	(3,146,037,587,345)
Net increase (decrease) in bonds sold under repurchase agreements		13,889,594,904	(238,919,556,939)
Repayment of lease liabilities		(7,111,821,477)	(7,817,549,805)
Issuance of bonds		25,000,000,000	5,000,000,000
Repayment of bonds		(5,000,000,000)	(7,000,000,000)
Dividends paid		(855,253,110)	(2,108,625,130)
Increase in leasehold deposits received		268,449,941	-
Net cash used in from financing activities		(174,873,737,963)	(268,554,974,587)
Net increase (decrease) in cash and cash equivalents		43,792,007,589	(52,623,448,602)
Cash and cash equivalents at the beginning of the year	4	182,814,970,715	235,561,865,963
Effects of changes in exchange rate on cash and cash equivalents		383,206,837	(123,446,646)
Cash and cash equivalents at the end of the year	4	₩ 226,990,185,141	₩ 182,814,970,715

The above consolidated statements of cash flows should be read in conjunction with the accompanying notes.

SK Securities Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

1. General Information

General information of SK Securities Co., Ltd. (the "Parent Company") and its subsidiaries (collectively referred to as the "Group") are summarized as follows:

1.1 The Parent Company

SK Securities Co., Ltd. was established in July 1955 under the name of Sinwoo Securities Co., Ltd. and on January 1, 1998, the Parent Company changed its name to SK Securities Co., Ltd. The Parent Company is principally engaged in the business of brokerage services, trading and underwriting of securities and other such activities. The Parent Company's shares were listed on the Korea Exchange in September 1986 and as of December 31, 2024, its ordinary shares amount to ₩236,295 million and preferred shares amount to ₩1,956 million. The Parent Company operates 25 branches and a sales department in its headquarters. As of December 31, 2024, the largest shareholder of the Parent Company is J&W Big Co., Ltd. (19.44% ownership interest).

1.2 Consolidated subsidiaries

Details of the Group's equity ownership in its consolidated subsidiaries as of December 31, 2024 and 2023 is as follows:

(a) Subsidiaries and special purpose entities

Parent	Subsidiaries	Location	Main business	Closing month	Percentage of ownership (%)			
					2024		2023	
					The Parent Company	Non-controlling	The Parent Company	Non-controlling
SK Securities Co., Ltd.	SK securities Investment Asia Limited	Hongkong	Holding company	December	100.00	-	100.00	-
	SKS Private Equity	Korea	Finance	December	99.90	0.10	99.90	0.10
	Trinity Asset Management	Korea	Finance	December	70.00	30.00	70.00	30.00
	PTR Asset Management ²	Korea	Finance	December	-	-	70.00	30.00
	MS MUTUAL SAVINGS BANK	Korea	Savings Bank	December	97.03	2.97	95.71	4.29
	SK JANGGONG-9 ¹	Korea	SPE	March	100.00	-	100.00	-
	SK SHINDANGIAN-A3 ¹	Korea	SPE	October	85.40	14.60	85.40	14.60
	OK Subordinated Debt C1 ¹	Korea	SPE	March	59.00	41.00	59.00	41.00
	OK Subordinated Debt D2-1 ¹	Korea	SPE	April, October	100.00	-	100.00	-
	OK Subordinated Debt D2-2 ¹	Korea	SPE	April, October	100.00	-	100.00	-
	OK Subordinated Debt D2-3 ¹	Korea	SPE	May, November	100.00	-	100.00	-
	OK Subordinated Debt C2 ¹	Korea	SPE	May	100.00	-	100.00	-
	Trinity Shooting star C-1 ¹	Korea	SPE	May	100.00	-	100.00	-
	J&W Global Fin-tech PEF ¹	Korea	SPE	December	90.09	9.91	90.09	9.91
	Lode No.1 Bio Private Equity Fund ¹	Korea	SPE	December	98.00	2.00	98.00	2.00
	Rio 2nd Private Equity Fund ¹	Korea	SPE	December	95.94	4.06	95.94	4.06
	SKS-MYDATA Private Equity Fund ¹	Korea	SPE	December	91.79	8.21	91.79	8.21
	Trinity Multi strategy No.1 C ¹	Korea	SPE	March	100.00	-	100.00	-
	Lode No.2 ESG Private Equity Fund ¹	Korea	SPE	December	99.32	0.68	99.32	0.68
	Trinity Mezzanine Plus No.1 ¹	Korea	SPE	July	99.24	0.76	99.24	0.76

SK Securities Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
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	SKS-STARVENTURES Venture Fund ¹	Korea	SPE	December	98.04	1.96	98.04	1.96
	Star innovation 2nd Venture Fund ¹	Korea	SPE	December	98.52	1.48	-	-
	Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity] Class C-F ²	Korea	SPE	September	-	-	98.04	1.96
Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity] Class C-F	Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity] ²	Korea	SPE	September	-	-	77.51	22.49
Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity]	Kiwoom PTR Patent value Nasdaq Active Master Fund[Equity] ²	Korea	SPE	September	-	-	100.00	-
Trinity Asset Management	Trinity Shooting star C-S ¹	Korea	SPE	May	100.00	-	100.00	-
Trinity Shooting star C-S	Trinity Shooting star ¹	Korea	SPE	May	67.27	32.73	67.39	32.61
Trinity Multi strategy No.1 C	Trinity Multi strategy No.1 ¹	Korea	SPE	March	85.09	14.91	85.11	14.89
SKS Private Equity	SKS Credit	Korea	Finance	December	99.95	0.05	99.90	0.10
Rio 2nd Private Equity Fund	Rio 2nd Investment Co., Ltd	Korea	SPE	December	100.00	-	100.00	-
Rio 2nd Investment Co., Ltd.	NBH CAPITAL Co., Ltd	Korea	Finance	December	100.00	-	100.00	-
SKS-MYDATA Private Equity Fund	SKS-MYDATA Investment Co., Ltd	Korea	SPE	December	100.00	-	100.00	-
Happy Wings No.1 Co., Ltd	Barun Mixed Asset Private Investment LLC ¹	Korea	SPE	December	96.84	3.16	96.84	3.16
MS MUTUAL SAVINGS BANK	H Private Securities Investment Trust No. 5 ¹	Korea	SPE	August	71.83	28.17	-	-

¹ The Group consolidates those special purpose entities (“SPEs”) considering it is exposed, and has rights, to variable returns from its involvement with twenty-two SPEs and has the ability to affect those returns through its power over the investees.

² The subsidiary has been excluded from the consolidation for the year ended December 31, 2024.

SK Securities Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

1.2 Consolidated subsidiaries (cont'd)

(b) Structured entities

SPEs	Location	Remark
Happy Wings No.1 Co., Ltd	Korea	Asset backed securitized SPC
FS First Co., Ltd.	Korea	Asset backed securitized SPC
MNY 1st Co., Ltd.	Korea	Asset backed securitized SPC
The First GM 13rd Co., Ltd.	Korea	Asset backed securitized SPC
PTK Prime 1st Co., Ltd.	Korea	Asset backed securitized SPC
Joopasoo Buldang Co., Ltd.	Korea	Asset backed securitized SPC
Korea Masterpiece 1st Co., Ltd.	Korea	Asset backed securitized SPC
Two Dragon 1st Co., Ltd.	Korea	Asset backed securitized SPC
The Terrace, 2nd Co., Ltd.	Korea	Asset backed securitized SPC
Stone Island 1st Co., Ltd.	Korea	Asset backed securitized SPC
Joopasoo Choeup 1st Co., Ltd.	Korea	Asset backed securitized SPC
K-Stel 1st Co., Ltd.	Korea	Asset backed securitized SPC
Happy Wings No.2 Co., Ltd.	Korea	Asset backed securitized SPC
YB Lasierra Co., Ltd.	Korea	Asset backed securitized SPC
Happy Wings No.3 Co., Ltd.	Korea	Asset backed securitized SPC
The First GM 30th Co., Ltd.	Korea	Asset backed securitized SPC
Two Dragon Gamil Co., Ltd.	Korea	Asset backed securitized SPC
Namsan No.3 Co., Ltd.	Korea	Asset backed securitized SPC
Medigold No.1 Co., Ltd	Korea	Asset backed securitized SPC
Two Dragon hot spring Co., Ltd.	Korea	Asset backed securitized SPC
Namsan No.4 Co., Ltd.	Korea	Asset backed securitized SPC
Rten No1. Co., Ltd	Korea	Asset backed securitized SPC
S-Hyangdong Co., Ltd	Korea	Asset backed securitized SPC
MD Dragon No.1 Co., Ltd	Korea	Asset backed securitized SPC
Withgm 3ed Co., Ltd	Korea	Asset backed securitized SPC
Red Wings Co., Ltd	Korea	Asset backed securitized SPC
Valley alpha Co., Ltd	Korea	Asset backed securitized SPC
Two Dragon Gasan Co., Ltd.	Korea	Asset backed securitized SPC
SKS-BDGAP Co., Ltd.	Korea	Asset backed securitized SPC
North Cheonan Logistics Co., Ltd	Korea	Asset backed securitized SPC
Aquarius No.1.Co.Ltd	Korea	Asset backed securitized SPC
Withgm 25ed Co., Ltd	Korea	Asset backed securitized SPC
YB Geomdan Co., Ltd	Korea	Asset backed securitized SPC

As structured entities for asset backed securitization, the Group controls the entities when the Group is exposed to, or has rights to, variable returns from its involvement with the entities and has the ability to affect those returns through its power to direct the activities of the entities, although the Group owns less than 50% of voting rights of the entities.

SK Securities Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

1.3 Summarized financial information

Summarized financial information of consolidated subsidiaries as of and for the years ended December 31, 2024 and 2023 is as follows:

(in millions of Korean won)

	2024					
	Total assets	Total liabilities	Total equity	Operating revenue	Profit (loss) for the year	Total comprehensive income (loss)
SK securities Investment Asia Limited	₩ 13,121	₩ 900	₩ 12,221	₩ 467	₩ (135)	₩ (135)
SKS Private Equity	25,467	5,526	19,941	13,224	1,842	1,842
SKS Credit	1,461	199	1,262	1,898	56	56
Trinity Asset Management	22,435	1,261	21,174	4,261	(25)	(25)
PTR Asset Management ¹	-	-	-	2,866	(62)	(62)
MS MUTUAL SAVINGS BANK	438,431	381,352	57,079	31,065	(23,575)	(23,575)
Seven Collective Investment Entities, including SK JANGGONG-9	422	10	412	-	(33)	(33)
Trinity Shooting star C-I	109	-	109	25	(4)	(4)
Trinity Shooting star C-S	2,105	2	2,103	474	(80)	(80)
Trinity Shooting star	3,291	-	3,291	1,124	(106)	(106)
J&W Global Fin-tech PEF	2,944	15	2,929	441	426	426
Lode No.1 Bio Private Equity Fund	1,352	32	1,320	40,243	29,733	29,733
Rio 2nd Private Equity Fund	40,701	161	40,540	1,008	387	387
Rio 2nd Investment Co., Ltd.	54,456	15,734	38,722	3,000	1,905	1,905
NBH CAPITAL Co., Ltd.	110,657	47,282	63,375	18,092	4,818	4,818
SKS-MYDATA Private Equity Fund	83,234	2,148	81,086	-	(4,371)	(4,371)
SKS-MYDATA Investment Co., Ltd.	83,134	-	83,134	-	(2,870)	(2,870)
Trinity Multi strategy No.1 C	4,368	9	4,359	246	(1,124)	(1,124)
Trinity Multi strategy No.1	5,882	748	5,134	5,180	(1,239)	(1,239)
Lode No.2 ESG Private Equity Fund	8,561	66	8,495	2	(5,900)	(5,900)
Trinity Mezzanine Plus No.1	6,491	9	6,482	746	758	758
SKS-STARVENTURES Venture Fund	1,818	2	1,816	4	(60)	(60)
Barun Mixed Asset Private Investment LLC	7,997	10	7,987	210	(38)	(38)
Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity] Class C-F ¹	-	-	-	2,311	2,260	2,260
Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity] ¹	-	-	-	3,481	3,481	3,481
Kiwoom PTR Patent value Nasdaq Active Master Fund[Equity] ¹	-	-	-	3,665	3,477	3,477
Trinity short-term bonds No.1 ¹	-	-	-	35	34	34
Star innovation 2nd Venture Fund	1,001	1	1,000	6	(15)	(15)
PTR Stocks for public subscription Multi No.3 ¹	-	-	-	183	149	149
Trinity Stocks for public subscription Plus CS ¹	-	-	-	10	9	9
Trinity Stocks for public subscription Plus CF ¹	-	-	-	70	59	59
Trinity Stocks for public subscription Plus ¹	-	-	-	147	122	122
H Private Securities Investment Trust No. 5	7,110	9	7,101	10	1	1
Happy Wings No.1 Co., Ltd	8,118	9,500	(1,382)	-	(631)	(631)
FS First Co., Ltd.	4,962	5,276	(314)	530	(120)	(120)

SK Securities Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

(in millions of Korean won)

	2024					
	Total assets	Total liabilities	Total equity	Operating revenue	Profit (loss) for the year	Total comprehensive income (loss)
MNY 1st Co., Ltd.	6,764	7,324	(560)	390	(252)	(252)
The First GM 13rd Co., Ltd.	10,484	10,486	(2)	838	144	144
YB Dangsang Co., Ltd. ¹	-	-	-	316	69	69
PTK Prime 1st Co., Ltd.	5,230	5,064	166	776	122	122
Joopasoo Buldang Co., Ltd.	5,818	6,146	(328)	481	(61)	(61)
Five 1st Co., Ltd. ¹	-	-	-	2,040	1,001	1,001
DNH 1st Co., Ltd. ¹	-	-	-	523	81	81
Korea Masterpiece 1st Co., Ltd.	8,622	10,366	(1,744)	1,115	(1,392)	(1,392)
Two Dragon 1st Co., Ltd.	92	10,347	(10,255)	-	-	-
Federation 1st Co., Ltd. ¹	-	-	-	1,078	3,464	3,464
The Terrace, 2nd Co., Ltd.	5,182	5,150	32	560	36	36
Stone Island 1st Co., Ltd.	356	5,280	(4,924)	295	(4,900)	(4,900)
New MG Blue Co., Ltd. ¹	-	-	-	179	(8,226)	(8,226)
Joopasoo Choeup 1st Co., Ltd.	7,466	7,466	-	901	309	309
K-Stel 1st Co., Ltd.	9,955	9,166	789	1,257	1,077	1,077
Happy Wings No.2 Co., Ltd.	10,474	12,000	(1,526)	495	(1,085)	(1,085)
YB Lasierra Co., Ltd.	1,022	1,005	17	100	31	31
Happy Wings No.3 Co., Ltd.	110	2,000	(1,890)	-	(1,618)	(1,618)
The First GM 30th Co., Ltd.	3,280	3,251	29	743	250	250
Two Dragon Gamil Co., Ltd.	10,264	10,246	18	1,243	145	145
Namsan No.3 Co., Ltd.	23,157	22,700	457	477	426	426
Whale 1st Co., Ltd. ¹	-	-	-	8,064	185	185
USMG Co., Ltd. ¹	-	-	-	727	486	486
Medigold No.1 Co., Ltd	208	3,231	(3,023)	373	(2,992)	(2,992)
Two Dragon hot spring Co., Ltd.	281	3,291	(3,010)	-	-	-
Namsan No.4 Co., Ltd.	132	11,588	(11,456)	-	(11,398)	(11,398)
Rten No1. Co., Ltd	6,733	7,218	(485)	667	(391)	(391)
S-Hyangdong Co., Ltd	4,894	4,806	88	497	73	73
YB Haeundae Co., Ltd ¹	-	-	-	3,177	2,126	2,126
S-North Cheonan Co., Ltd ¹	-	-	-	365	(243)	(243)
MD Dragon No.1 Co., Ltd	81,792	82,265	(473)	4,519	784	784
Withgm 3ed Co., Ltd	10,430	11,464	(1,034)	576	(319)	(319)
The Central gm 20ed Co., Ltd ¹	-	-	-	2,000	(9)	(9)
Red Wings Co., Ltd	5,981	6,377	(396)	584	(66)	(66)
Valley alpha Co., Ltd	2,977	5,828	(2,851)	31	(2,065)	(2,065)
Two Dragon Gasan Co., Ltd.	5,078	5,138	(60)	484	24	24
SKS-BDGAP Co., Ltd.	45	2,081	(2,036)	-	(2,047)	(2,047)
YB Namcheon Co., Ltd ¹	-	-	-	993	102	102
Two Dragon Paju Co., Ltd. ¹	-	-	-	287	17	17
North Cheonan Logistics Co., Ltd	89	12,000	(11,911)	1,003	(12,280)	(12,280)
YB Cube Gwang-an Co., Ltd ¹	-	-	-	1,767	263	263
Aquarius No.1.Co., Ltd	7,242	7,242	-	776	61	61
Core Y No.1.Co., Ltd ¹	-	-	-	100	(37)	(37)
Withgm 25ed Co., Ltd	8,356	8,361	(5)	807	6	6
YB Geomdan Co., Ltd	10,087	10,269	(182)	1,313	(140)	(140)

¹ The subsidiary has been excluded from the consolidation for the year ended December 31, 2024.

SK Securities Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

1.3 Summarized financial information (cont'd)

(in millions of Korean won)

(in millions of Korean won)	2023						
	Total assets	Total liabilities	Total equity	Operating revenue	Profit (loss) for the year	Total comprehensive income (loss)	
SK securities Investment Asia Limited	₩ 11,560	₩ -	₩ 11,560	₩ 63	₩ (3,056)	₩ (3,056)	
SKS Private Equity	22,555	4,394	18,161	10,391	3,807	3,807	
SKS Credit	1,320	99	1,221	1,395	(194)	(194)	
Trinity Asset Management	22,498	1,299	21,199	5,287	1,220	1,220	
PTR Asset Management	8,214	1,236	6,978	3,474	899	899	
MS MUTUAL SAVINGS BANK	458,333	401,356	56,977	37,149	(61)	(61)	
ZIKPAY Inc. ¹	-	-	-	60	(102)	(102)	
SK JANGGONG-9 and SPCs	453	8	445	-	(2)	(2)	
Trinity Shooting star C-I	117	-	117	18	27	27	
Trinity Shooting star C-S	2,254	2	2,252	407	616	616	
Trinity Shooting star	3,607	88	3,519	1,029	698	698	
J&W Global Fin-tech PEF	2,516	13	2,503	999	984	984	
Lode No.1 Bio Private Equity Fund	14,578	66	14,512	818	(1,246)	(1,246)	
Rio 2nd Private Equity Fund	40,716	561	40,155	11	(611)	(611)	
Rio 2nd Investment Co., Ltd.	54,468	16,651	37,817	-	(781)	(781)	
NBH CAPITAL Co., Ltd.	103,114	41,557	61,557	19,778	3,248	3,248	
SKS-MYDATA Private Equity Fund	86,181	723	85,458	1	(7,090)	(7,090)	
SKS-MYDATA Investment Co., Ltd.	86,005	-	86,005	-	(4,930)	(4,930)	
Trinity Multi strategy No.1 C	5,498	11	5,487	1,420	2,062	2,062	
Trinity Multi strategy No.1	7,524	1,064	6,460	6,357	2,615	2,615	
Lode No.2 ESG Private Equity Fund	16,990	58	16,932	4,530	2,806	2,806	
Trinity Mezzanine Plus No.1	5,733	9	5,724	984	(297)	(297)	
SKS-STARVENTURES Venture Fund	1,878	2	1,876	12	(114)	(114)	
Barun Mixed Asset Private Investment LLC	8,035	10	8,025	353	(39)	(39)	
Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity] Class C-F	10,984	5	10,979	809	779	779	
Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity]	14,480	309	14,171	1,124	1,124	1,124	
Kiwoom PTR Patent value Nasdaq Active Master Fund[Equity]	14,301	317	13,984	1,579	1,122	1,122	
Paju Central 7th Co., Ltd. ²	-	-	-	375	210	210	
S-Pangyo Co., Ltd. ²	-	-	-	-	-	-	
Happy Wings No.1 Co., Ltd	8,749	9,500	(751)	-	(713)	(713)	
FS First Co., Ltd.	5,023	5,217	(194)	500	(120)	(120)	
Sky Challenge 1st Co., Ltd. ²	-	-	-	1,083	312	312	
DAYLIGHT 1st Co., Ltd. ²	-	-	-	271	51	51	
MNY 1st Co., Ltd.	6,938	7,247	(309)	570	(204)	(204)	
Detonex Co., Ltd. ²	-	-	-	-	-	-	
The First GM 13rd Co., Ltd.	10,189	10,335	(146)	819	4	4	
Mariacastle 1st Co., Ltd. ²	-	-	-	252	(19)	(19)	
YB Dangsang Co., Ltd	5,069	5,138	(69)	616	2	2	
PTK Prime 1st Co., Ltd.	5,289	5,246	43	720	93	93	
Joopasoo Buldang Co., Ltd.	5,799	6,065	(266)	480	(204)	(204)	
Five 1st Co., Ltd.	13,135	14,136	(1,001)	1,000	(778)	(778)	
DNH 1st Co., Ltd.	5,501	5,582	(81)	442	(2)	(2)	

SK Securities Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

1.3 Summarized financial information (cont'd)

(in millions of Korean won)

	2023					
	Total assets	Total liabilities	Total equity	Operating revenue	Profit (loss) for the year	Total comprehensive income (loss)
Korea Masterpiece 1st Co., Ltd.	10,366	10,718	(352)	1,653	(291)	(291)
LSAF Co., Ltd. ²	-	-	-	525	94	94
Two Dragon 1st Co., Ltd.	92	10,347	(10,255)	-	(117)	(117)
Federation 1st Co., Ltd.	2,156	5,620	(3,464)	449	(729)	(729)
Int Green 8th Co., Ltd. ²	-	-	-	34	(994)	(994)
The Terrace, 2nd Co., Ltd.	5,229	5,232	(3)	596	67	67
Stone Island 1st Co., Ltd.	5,135	5,159	(24)	436	(34)	(34)
New MG Blue Co., Ltd.	8,321	8,725	(404)	-	(247)	(247)
Joopasoo Choeup Co., Ltd.	6,990	7,299	(309)	702	(204)	(204)
K-Stel 1st Co., Ltd.	8,678	8,965	(287)	863	(160)	(160)
Happy Wings No.2 Co., Ltd.	11,560	12,000	(440)	483	(441)	(441)
YB Lasierra Co., Ltd.	1,026	1,040	(14)	89	(1)	(1)
Happy Wings No.3 Co., Ltd.	1,729	2,000	(271)	-	(165)	(165)
The First GM 30th Co., Ltd.	7,456	7,676	(220)	600	(178)	(178)
Two Dragon Gamil Co., Ltd.	10,115	10,242	(127)	1,261	5	5
Namsan No.3 Co., Ltd.	19,681	19,650	31	876	(304)	(304)
Whale 1st Co., Ltd.	95	7,980	(7,885)	836	(7,580)	(7,580)
USMG Co., Ltd.	13,105	13,591	(486)	718	(385)	(385)
Medigold No.1 Co., Ltd	3,017	3,048	(31)	379	14	14
Two Dragon hot spring Co., Ltd.	9	3,019	(3,010)	92	(2,957)	(2,957)
Namsan No.4 Co., Ltd.	9,566	9,624	(58)	652	(360)	(360)
Rten No1. Co., Ltd	7,125	7,219	(94)	668	15	15
S-Hyangdong Co., Ltd	4,918	4,903	15	498	7	7
YB Haeundae Co., Ltd	8,406	10,532	(2,126)	1,152	(1,970)	(1,970)
S-North Cheonan Co., Ltd	4,243	4,000	243	473	180	180
MD Dragon No.1 Co., Ltd	82,310	83,568	(1,258)	5,166	(1,151)	(1,151)
Withgm 3ed Co., Ltd	10,774	11,489	(715)	576	(550)	(550)
The Central gm 20ed Co., Ltd	21	2,039	(2,018)	98	(1,988)	(1,988)
Red Wings Co., Ltd	5,831	6,161	(330)	597	(241)	(241)
Valley alpha Co., Ltd	9,372	10,159	(787)	791	(620)	(620)
YBGW Co., Ltd ²	-	-	-	371	97	97
J-ALL No.1 Co., Ltd ²	-	-	-	41	14	14
Two Dragon Gasan Co., Ltd.	5,062	5,147	(85)	497	(16)	(16)
inlight No.1 Co., Ltd ²	-	-	-	1,002	270	270
SKS-BDGAP Co., Ltd.	2,092	2,081	11	161	31	31
YB Namcheon Co., Ltd	11,731	11,833	(102)	1,123	(47)	(47)
Two Dragon Paju Co., Ltd.	1,711	1,728	(17)	169	(17)	(17)
North Cheonan Logistics Co., Ltd	12,369	12,000	369	887	239	239
YB Cube Gwang-an Co., Ltd	30,087	30,350	(263)	2,488	(263)	(263)
Aquarius No.1.Co., Ltd	7,050	7,111	(61)	472	(61)	(61)
Core Y No.1.Co., Ltd	4,608	4,571	37	329	37	37
Withgm 25ed Co., Ltd	8,116	8,127	(11)	832	(11)	(11)
YB Geomdan Co., Ltd	13,804	13,846	(42)	372	(42)	(42)

¹ It was re-classified from a subsidiary to an associate for the year ended December 31, 2023.

² The subsidiary has been excluded from the consolidation for the year ended December 31, 2023.

SK Securities Co., Ltd. and Subsidiaries
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1.4 Changes in the scope of consolidation

Subsidiaries newly included in and excluded from the consolidation for the years ended December 31, 2024 and 2023 are as follows:

2024		
	Subsidiaries	Reason
Newly included	Trinity short-term bonds No.1 Star innovation 2nd Venture Fund PTR Stocks for public subscription Multi No.3 Trinity Stocks for public subscription Plus C-S Trinity Stocks for public subscription Plus C-F Trinity Stocks for public subscription Plus H Private Securities Investment Trust No. 5 SKS BD GAP Co., Ltd	Investments in equity Investments in equity Investments in equity Reclassified Investments in equity Investments in equity Investments in equity Variable profit exposure
Excluded	Whale 1st Co., Ltd. Core Y No.1.Co.Ltd Trinity short-term bonds No.1 New MG Blue Co., Ltd. Two Dragon Paju Co., Ltd. YB Dangsan Co., Ltd The Central GM No.20 Co., Ltd Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity] Class C-F Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity] Kiwoom PTR Patent value Nasdaq Active Master Fund[Equity] Federation 1st Co., Ltd. USMG Co., Ltd. YB Haeundae Co., Ltd SKS BD GAP Co., Ltd YB Namcheon Co., Ltd YB Cube Gwang-an Co., Ltd PTR Asset Management PTR Stocks for public subscription Multi No.3 Trinity Stocks for public subscription Plus C-S Trinity Stocks for public subscription Plus C-F Trinity Stocks for public subscription Plus Five 1st Co., Ltd. DNH 1st Co., Ltd. S-North Cheonan Co., Ltd	Termination of credit offering obligation Termination of credit offering obligation Disposal Termination of credit offering obligation Termination of credit offering obligation Termination of credit offering obligation Termination of credit offering obligation Reclassified Reclassified Reclassified Termination of credit offering obligation Termination of credit offering obligation Termination of credit offering obligation Termination of credit offering obligation Termination of credit offering obligation Disposal Reclassified Disposal Disposal Disposal Termination of credit offering obligation Termination of credit offering obligation Termination of credit offering obligation

SK Securities Co., Ltd. and Subsidiaries
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2023		
	Subsidiaries	Reason
Newly included	Two Dragon Paju Co., Ltd.	Credit offering
	North Cheonan Logistics Co., Ltd	Credit offering
	YB Cube Gwang-an Co., Ltd	Credit offering
	Aquarius No.1.Co., Ltd	Credit offering
	Core Y No.1.Co., Ltd	Credit offering
	Withgm 25ed Co., Ltd	Credit offering
	YB Geomdan Co., Ltd	Credit offering
	Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity] Class C-F	Investments in equity
	Kiwoom PTR Patent value Nasdaq Active Feeder Fund(UH)[Equity]	Investments in equity
	Kiwoom PTR Patent value Nasdaq Active Master Fund [Equity]	Investments in equity
Excluded	Paju Central 7th Co., Ltd	Termination of credit offering obligation
	S-Pangyo Co., Ltd	Termination of credit offering obligation
	Sky Challenge 1st Co., Ltd.	Termination of credit offering obligation
	DAYLIGHT 1st Co., Ltd.	Termination of credit offering obligation
	Detonex Co., Ltd	Termination of credit offering obligation
	Mariacastle 1st Co., Ltd.	Termination of credit offering obligation
	Int Green 8th Co., Ltd.	Termination of credit offering obligation
	YBGW Co., Ltd	Termination of credit offering obligation
	J-ALL No.1 Co., Ltd	Termination of credit offering obligation
	Inlight No.1 Co., Ltd	Termination of credit offering obligation
	LSAF Co., Ltd.	Termination of credit offering obligation
	ZIKPAY Inc. ¹	Reclassified

¹ It was re-classified from a subsidiary to an associate for the year ended December 31, 2023.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The Group maintains its official accounting records in Korean won and prepares statutory consolidated financial statements in the Korean language in accordance with Korean International Financial Reporting Standards ("K-IFRS"). The accompanying consolidated financial statements have been condensed, restructured and translated into English from the Korean language financial statements.

Certain information attached to the Korean language financial statements, but not required for a fair presentation of the Group's financial position, financial performance or cash flows, is not presented in the accompanying consolidated financial statements.

The consolidated financial statements of the Group have been prepared in accordance with K-IFRS. These are the standards, subsequent amendments and related interpretations issued by the International Accounting Standards Board (IASB) that have been adopted by the Republic of Korea.

The consolidated financial statements of the Group have been prepared on the historical cost basis except for the following main items recognized in the consolidated statement of financial position:

- Derivatives measured at fair value
- Financial instruments at FVTPL measured at fair value
- Financial assets at FVOCI measured at fair value
- Share-based payment measured at fair value
- Defined benefit liabilities which are the present value of defined benefit obligations less the fair value of plan assets

The preparation of the financial statements requires the use of critical accounting estimates. Management also needs to exercise judgement in applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

2.2 Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period beginning on January 1, 2024.

- Amendments to Korean IFRS 1001 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, Non-current Liabilities with Covenants

The amendments clarify that liabilities are classified as either current or non-current, depending on the substantive rights that exist at the end of the reporting period. Classification is unaffected by the likelihood that an entity will exercise right to defer settlement of the liability or the expectations of management. Also, the settlement of liability includes the transfer of the entity's own equity instruments, however, it would be excluded if an option to settle them by the entity's own equity instruments if compound financial instruments is met the definition of equity instruments and recognized separately from the liability. In addition, covenants that an entity is required to comply with after the end of the reporting period would not affect classification of a liability as current or non-current at the reporting date. When an entity classifies a liability that is subject to the covenants which an entity is required to comply with within twelve months of the reporting date as non-current at the end of the reporting period, the entity shall disclose information in the notes to understand the risk that non-current liabilities with covenants could become repayable within twelve months after the reporting period. The amendments do not have a significant impact on the financial statements.

- Amendments to Korean IFRS 1007 Statement of Cash Flows, Korean IFRS 1107 Financial Instruments: Disclosures – Supplier finance arrangements

When applying supplier finance arrangements, an entity shall disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. The amendments do not have a significant impact on the financial statements.

- Amendments to Korean IFRS 1116 Leases – Lease Liability in a Sale and Leaseback

When subsequently measuring lease liabilities arising from a sale and leaseback, a seller-lessee shall determine lease payments or revised lease payments in a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not have a significant impact on the financial statements.

- Amendments to Korean IFRS 1001 Presentation of Financial Statements – Disclosure of Cryptographic Assets

The amendments require an additional disclosure if an entity holds cryptographic assets, or holds cryptographic assets on behalf of the customer, or issues cryptographic assets. The amendments do not have a significant impact on the financial statements.

2.2 Changes in accounting policies and disclosures (cont'd)

(b) New standards and interpretations not yet adopted by the Group

The following new accounting standards and interpretations have been published that are not mandatory for December 31, 2024 reporting periods and have not been early adopted by the Group.

- Amendments to Korean IFRS 1021 The Effects of Changes in Foreign Exchange Rates and 1101 First-time Adoption of International Financial Reporting Standards – Lack of Exchangeability

When an entity estimates a spot exchange rate because exchangeability between two currencies is lacking, the entity shall disclose related information. The amendments should be applied for annual periods beginning on or after January 1, 2025, and earlier application is permitted. The Group is in review for the impact of these amendments on the financial statements.

- Amendments to Korean IFRS 1109 Financial Instruments, Korean IFRS 1107 Financial Instruments: Disclosures

Korean IFRS 1109 Financial Instruments and Korean IFRS 1107 Financial Instruments: Disclosures have been amended to respond to recent questions arising in practice, and to include new requirements. The amendments should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The Group is in review for the impact of these amendments on the financial statements.

These amendments:

- Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- Add new disclosures of impact on the entity and the extent to which the entity is exposed for each type of financial instruments if the timing or amount of contractual cash flow changes due to amendment of contract term; and
- Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

- Annual Improvements to Korean IFRS -Volume 11

Annual Improvements to Korean IFRS -Volume 11 should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The Group does not expect the amendments to have a significant impact on the financial statements.

- Korean IFRS No.1101 “First-time adoption of International Financial Reporting Standards”: Hedge accounting by a first-time adopter
- Korean IFRS No.1107 “Financial Instruments: Disclosures”: Gain or loss on derecognition, Application guidance
- Korean IFRS No.1109 “Financial Instruments”: Derecognition of lease liabilities, Definition of transaction price
- Korean IFRS No.1110 “Consolidated Financial Statements”: Determination of a ‘de facto agent’
- Korean IFRS Bo.1007 “Statement of Cash Flows”: Cost method

The Group believes that the impact of these amendments on its financial statements will not be significant.

2.3 Consolidation

The Group has prepared the consolidated financial statements in accordance with K-IFRS 1110 Consolidated Financial Statements.

(a) Subsidiaries

Subsidiaries are all entities over which the Parent Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred is measured at the fair values of the assets transferred, and identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. All other non-controlling interests are measured at fair values, unless otherwise required by other standards. Acquisition-related costs are expensed as incurred.

The excess of consideration transferred, amount of any non-controlling interest in the acquired entity and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in the profit or loss as a bargain purchase.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. If there is an objective evidence of impairment for the investment in the associate, the Group recognizes the difference between the recoverable amount of the associate and its Book value as impairment loss.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates (the "functional currency"). The consolidated financial statements are presented in Korean won, which is the Parent Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognized in other comprehensive income.

2.5 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in their fair value.

2.6 Non-derivative financial assets

Regular purchases or sales of financial assets are recognized or eliminated at the trade date. Regular purchase or sale of a financial asset is a contract in which a financial asset is purchased or sold in accordance with the terms of a contract to deliver the financial instrument within a period generally established by the relevant market regulations or practices.

All recognized financial assets are subsequently measured at amortized cost or fair value, depending on the classification of the financial asset.

(a) Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost:

- An entity holds financial assets under a business model whose objective is to hold them to collect contractual cash flows.
- The terms of the financial asset result in cash flows that are solely payments of principal and interest on the principal balance on a specified date.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- An entity holds financial assets under a business model whose objective is to hold them both to collect contractual cash flows and to sell.
- The terms of the financial asset result in cash flows that are solely payments of principal and interest on the principal balance on a specified date.

All other financial assets are subsequently measured at fair value through profit or loss.

2.6 Non-derivative financial assets (cont'd)

Notwithstanding the foregoing, the entity can make the following irrevocable choices or designations at initial recognition of the financial asset:

- If a particular requirement is met (see 3) below), an entity can choose to present in other comprehensive income subsequent changes in the fair value of the equity instrument.
- If the fair value through profit or loss measurement item is designated to eliminate or significantly reduce the accounting mismatch (see 4) below), an entity can designate at fair value through profit or loss a debt instrument that meets the requirements of an amortized cost measurement financial asset or a fair value through other comprehensive income measurement financial asset.

1) Amortized cost and effective interest method

The effective interest method calculates the amortized cost of a debt instrument and allocates interest revenue over the relevant period. Except financial assets that are impaired from acquisition, over the expected life of a financial asset or a shorter period (if appropriate), effective interest rates are rates that accurately match the present value of the expected future cash receipts at initial recognition, including fees and points paid or received, transaction costs and other premiums or discounts (which are a key component of the effective interest rate), but not taking into account expected credit losses. For financial assets that are impaired from acquisition, the credit-adjusted effective interest rate is calculated by discounting the present value of expected cash flows that take into account expected credit losses to amortized cost at initial recognition.

The amortized cost of a financial asset is calculated by deducting the principal amount repaid from the amount measured at initial recognition and by adjusting the loss allowance to the amount calculated by applying the effective interest method to the difference between the initial recognized amount and the maturity amount.

Interest income is recognized using the effective interest method for debt instruments that are subsequently measured at amortized cost and fair value through other comprehensive income. Except financial assets that are impaired from acquisition, interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset (except financial assets that are impaired after acquisition). For financial asset that are impaired after acquisition, interest income is recognized using the effective interest rate at the amortized cost of the financial asset. If the credit risk of the credit-impaired financial instrument improves in subsequent reporting periods and the financial asset is no longer impaired, interest revenue is recognized by applying the effective interest rate to the total carrying amount of the financial asset.

For financial assets that are impaired from acquisition, interest income is recognized from initial recognition by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset. Subsequently, the calculation of interest revenue is not changed to the gross carrying amount even though the financial asset is no longer impaired due to the improved credit risk of the financial asset.

2) Debt instruments classified as fair value through other comprehensive income

Fair value is determined by the method described in Note 36. At initial recognition, the debt instrument is measured by adding transaction costs to its fair value. At initial recognition, the debt instrument is measured by adding transaction costs to its fair value. Subsequent changes in the carrying amount of the debt instrument are recognized in profit or loss as a result of foreign currency translation gains and losses (returns) and interest income calculated under the effective interest method. The amount recognized in profit or loss is the same amount that would have been recognized in profit or loss if the debt instrument had been measured at amortized cost. Except this, all changes in the carrying amount of the debt instrument are recognized in other comprehensive income and are accumulated in accumulated valuation gains and losses. When a debt instrument is derecognized, the cumulative gain or loss recognized in other comprehensive income is reclassified to profit or loss.

2.6 Non-derivative financial assets (cont'd)

3) Equity instruments designated as fair value through other comprehensive income measurement items

At initial recognition, the Group can make an irrevocable choice (by instrument) to designate its investment in equity instruments as at fair value through other comprehensive income. If the equity instrument is held for trading or is a contingent consideration recognized by the acquirer in a business combination, the designation as at fair value through other comprehensive income is not permitted.

Financial assets are held for trading when:

- In case of acquisition primarily for the purpose of selling in a short period of time
- There is evidence that the form of operations is for short-term profit as part of a portfolio of specific financial instruments jointly managed at initial recognition.
- Derivatives (excluding derivatives that are designated and effective or are financial guarantee contracts)

Equity instruments that are fair value through other comprehensive income are recognized initially by adding transaction costs to fair value. These are subsequently measured at fair value and gains or losses arising from changes in fair value are recognized in other comprehensive income and accumulated in accumulated valuation gains and losses.

If a dividend on an investment in an equity instrument does not clearly represent a recovery of the investment cost, that dividend is recognized in profit or loss in accordance with K-IFRS 1109.

4) Financial assets at fair value through profit or loss

Financial assets that do not meet the measurement requirements at amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss.

- If equity instruments that are not held for trading and are not contingent consideration in a business combination are not designated at fair value through other comprehensive income at initial recognition, those equity instruments are classified as at fair value through profit or loss (see above 3))
- Debt instruments that do not meet the requirements of amortized cost measurement items or fair value through other comprehensive income measurement items (see above 1) and 2) are classified as fair value through profit or loss. In addition, if the designation as at fair value through profit or loss results in the removal or significant reduction of measurement or recognition inconsistencies ('account mismatches'), an entity may designate at fair value through profit or loss on initial recognition a liability item that meets the requirements of amortized cost measurement items or fair value through other comprehensive income measurement items if the entity recognizes at fair value through profit or loss.

Financial assets at fair value through profit or loss are measured at fair value at the end of each reporting period. The gain or loss on changes in fair value, excluding those designated as hedging relationships, is recognized in profit or loss.

(b) Derecognition of financial assets

Financial assets are derecognized only when the contractual right to cash flows of a financial asset expires, or when the financial asset is transferred and substantially all the risks and rewards of ownership of the financial asset are transferred to another entity. If most of the risks and rewards of ownership of a financial asset are not transferred or held, or if the transferred financial asset is continuously controlled, the Group continues to recognize its continuing involvement in the financial asset. If the entity retains substantially all the risks and rewards of ownership of the transferred financial asset, the entity continues to recognize the financial asset and recognizes the proceeds received as collateral borrowing.

When an entity derecognizes a financial asset at amortized cost, the difference between the carrying amount of the asset and the sum of the consideration received or receivable is recognized in profit or loss. If an investment in a debt instrument at fair value through other comprehensive income is eliminated, the cumulative amount of profit or loss previously recognized is reclassified to profit or loss. On the other hand, equity instruments designated at fair value through other comprehensive income at initial recognition are not reclassified to profit or loss, but are replaced by retained earnings.

2.6 Non-derivative financial assets (cont'd)

(c) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statements of financial position where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(d) Other receivable and other payable on brokerage transactions

The Group recognizes the receivable from and payable to the Korea Exchange, the clearing house, and customers in total amounts, which the Group recognizes as other financial assets and other financial liabilities. The Group offsets the receivable and payable that arise between a customer and the Group within the same day and through the same account, and that arise between Korea Exchange and the Group within the same day.

2.7 Derivatives

The Group enters into a number of derivatives contracts to manage interest rate risk and foreign currency risk, including currency forward, interest rate swap and currency swap.

Derivatives are initially measured at fair value at contract-date and subsequently remeasured at fair value at the end of each reporting period. If a derivative is not designated as a hedging instrument or is not effective in hedging, the gain or loss on the fair value of the derivative is immediately recognized in profit or loss. If the derivative is designated as a hedging instrument and is effective for hedging, the timing of recognition in profit or loss depends on the nature of the hedging relationship.

Derivatives with fair value of positive values are recognized as financial assets and derivatives with negative values are recognized as financial liabilities. Derivatives are not set off in the consolidated statement of financial position unless they are legally entitled or intend to be set off.

(a) Fair value hedge

The gain or loss on the eligible hedging instrument is recognized in profit or loss. However, if the hedging instrument hedges equity instruments designated as at fair value through other comprehensive income, the gain or loss on the hedging instrument is recognized in other comprehensive income.

The carrying amount of the hedged item that is not measured at fair value is adjusted for changes in fair value attributable to the hedged risk and recognized in profit or loss. For debt instruments measured at fair value through other comprehensive income, gains and losses on the hedged risk are recognized in profit or loss, rather than in other comprehensive income, without basis adjustment because their carrying amount is already fair value. If the hedged item is an equity instrument designated as at fair value through other comprehensive income, the gain or loss from the hedged risk is left in other comprehensive income to counteract the hedging instrument.

If the gain or loss attributable to the hedged risk is recognized in profit or loss, it is recognized as an item related to the hedged item.

An entity discontinues hedge accounting only if the hedging relationship (or part of the hedging relationship) does not qualify (if applicable, even after considering rebalancing of the hedging relationship). This includes the extinguishment, sale, termination and exercise of the hedging instrument and the discontinuation is accounted for prospectively. The fair value adjustment for the carrying amount of the hedged item attributable to the hedged risk is amortized to profit or loss from the date of discontinuation.

2.7 Derivatives (cont'd)

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the cash flow hedge reserve within equity, limited to the cumulative change in fair value of the hedged item from the inception of the hedge. The ineffective portion is recognized in profit or loss.

Previously recognized in other comprehensive income and accumulated gains and losses are reclassified to profit or loss when the hedged item affects profit or loss, and the reclassified amount is recognized in the consolidated statement of profit or loss and related items. However, if a future non-financial asset or non-financial liability is recognized in other comprehensive income in accordance with the forecast hedged transaction, the gain or loss on the hedging instrument previously recognized in equity is removed from equity and included in the initial cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. In addition, if the cash flow hedge reserve is a loss and the loss is not expected to be fully or partially recovered in a future period, the amount is immediately reclassified to profit or loss.

An entity discontinues hedge accounting only if the hedging relationship (or part of the hedging relationship) does not qualify (if applicable, even after considering rebalancing of the hedging relationship). This includes the extinguishment, sale, termination and exercise of the hedging instrument and the discontinuation is accounted for prospectively. The gain or loss on the hedging instrument that is recognized in other comprehensive income at the time of discontinuation of cash flow hedge accounting continues to be recognized as equity and is reclassified to profit or loss when the forecast transaction is ultimately recognized in profit or loss. However, if the forecast transaction is not expected to occur anymore, the cumulative gain or loss on the hedging instrument recognized as equity is reclassified to profit or loss immediately.

(c) Embedded derivatives

An embedded derivative is a component of a hybrid instrument that includes a non-derivative host contract. It has the effect of some of the cash flows of the compound instrument changing similarly to that of an independent derivative.

Derivatives embedded in hybrid contracts containing financial assets within the scope of K-IFRS 1109 are not separated. It is classified based on the composite contract as a whole and subsequently measured at amortized cost or fair value.

Derivatives embedded in a hybrid contract that includes a host contract (for example, a financial liability) that is not within the scope of K-IFRS 1109 are accounted for as separate derivatives if the embedded derivative meets the definition of a derivative and the nature and risk of the embedded derivative are not closely related to the nature and risk of the host contract and the host contract is not measured at fair value through profit or loss.

2.8 Impairment of financial assets

The Group recognizes expected credit losses on its investments in debt instruments at amortized cost or fair value through other comprehensive income as a loss allowance. The amount of expected credit losses is updated each reporting period to reflect changes in credit risk since the initial recognition of the financial instrument.

For financial assets, lifetime expected credit losses are recognized when credit risk has increased significantly since initial recognition. However, if the credit risk of a financial asset has not increased significantly since initial recognition, the Group measures the expected credit losses on the financial instrument at an amount equal to 12-month expected credit losses.

Lifetime expected credit losses are expected credit losses resulting from all default events that may occur during the expected life of the financial instrument. In contrast, 12-month expected credit losses represent part of the lifetime expected credit losses expected from a default event on a financial instrument that could occur within 12 months after the end of the reporting period.

(a) Significant increases in credit risk

When assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the risk of a default occurring on the financial instrument at the reporting date is compared with the risk of a default occurring at the date of initial recognition. To make this assessment, consider all reasonable and supportable quantitative and qualitative information, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, when assessing whether there has been a significant increase in credit risk since initial recognition, an entity considers the following:

- The actual or expected significant deterioration of an external or internal credit rating of a financial instrument (if available)
- Significant deterioration in external market indicators for the credit risk of a particular financial instrument, for example, a significant increase in credit default swap prices for borrowers, or a period or extent in which the fair value of a financial asset falls short of amortized cost.
- The actual or expected significant deterioration of the borrower's business performance
- A significant increase in credit risk for other financial instruments of the same borrower
- A change that causes a significant decrease in the borrower's ability to pay the debt as a significant adverse change in the regulatory, economic and technological environment of the borrower.

Regardless of the outcome of this assessment, if the contractual payments are past 30 days or more, the credit risk of the financial instrument is assumed to have increased significantly since initial recognition unless there is reasonable and supportable information to disprove them.

Notwithstanding the above, the consolidation entity determines that the credit risk on the financial instrument has not increased significantly at the reporting date if it determines that the financial instrument has a low credit risk. The Group decide that a financial instrument has a low credit risk in the following cases:

- the risk of a default occurring on a financial instrument is low
- the borrower has a strong ability to satisfy a contractual cash flow obligation in the short term
- the adverse changes in the economic and business environment in the long term may, but will not necessarily weaken, the borrower's ability to satisfy a contractual cash flow obligation.

2.8 Impairment of financial assets (cont'd)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable arrangement is the initial recognition date for the purpose of assessing the financial instrument for impairment. When assessing whether there has been a significant increase in credit risk since the initial recognition of a financial guarantee contract, an entity considers changes in the risk that a particular debtor will not perform the contract.

The Group regularly reviews the effectiveness of the requirements used to determine whether there has been a significant increase in credit risk, and modifies those requirements to ensure that they are able to determine whether there has been a significant increase in credit risk before the deferral.

In addition, unless reasonable and supportable information is provided that the requirements for later recognition of default are more appropriate, the Group considers that a default has occurred if the financial asset is past 90 days.

(b) Credit-impaired financial assets

In the event of one or more events that adversely affect the estimated future cash flows of a financial asset, the credit of that financial asset is impaired. Evidence of impaired credit for financial assets includes observable information about the following events:

- Significant financial difficulties of the issuer or borrower
- Violation of a contract, such as default or delinquency.
- The inevitable mitigation of borrowing conditions due to economic or contractual reasons related to the borrower's financial difficulties.
- The likelihood of a borrower's bankruptcy or other financial restructuring is high
- Expiration of an active market for a financial asset due to financial difficulties

(c) Measurement and recognition of expected credit losses

The measurement of expected credit losses depends on the probability of a default occurring, the rate of loss in default (i.e., the magnitude of the loss in the event of a default), and the amount of exposure to default. The probability of a default occurring and the rate of loss upon default are based on historical information and adjusted by forward-looking information, as noted above. The exposure to default on a financial asset represents the total carrying amount of the asset at the end of the reporting period and includes the amount used at the end of the reporting period that is expected to be used in the future until the date of default based on past trends and the Group's understanding of the debtor's specific future financial needs and other relevant forward-looking information.

For financial assets, expected credit losses are the amount of discounting the difference between all contractual cash flows to be paid under the contract and all cash flows expected to be received at the original effective interest rate. For lease receivables, the cash flows to determine expected credit losses are consistent with the cash flows used to measure lease receivables in accordance with K-IFRS 1116 *Leases*.

In the case of financial guarantee contracts, the Group is required to pay only for the default event of the debtor in accordance with the terms of the financial instrument to be guaranteed, and the expected credit losses are determined by deducting the amount expected to be received from the guarantor, debtor, or other third parties.

If a loss allowance was measured for a financial instrument at an amount equal to lifetime expected credit losses in the previous period, but is no longer a requirement for lifetime expected credit losses, the loss allowance is measured at an amount equal to 12-month expected credit losses at the end of the current term (other than financial assets subject to the simplified method).

Any impairment gains or losses on all financial assets are recognized in profit or loss and the carrying amount of the asset is adjusted through the loss allowance account. However, for debt instruments at fair value through other comprehensive income, they are recognized in other comprehensive income and accumulated in cumulative gain or loss and do not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

2.9 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items, the estimated cost of dismantling and removing the asset and restoring the site.

Depreciation of all property and equipment, except for land, is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows:

	<u>Useful lives (years)</u>
Buildings	40
Vehicles	5
Furniture and equipment	5
Others	5

The assets' depreciation method, residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.10 Leases

(a) Criteria for lease classification

The Group classifies lease contracts as finance leases if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset but classifies lease contracts as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

1) Accounts for finance leases

A lease contract in which the Group transfers most of the risks and rewards of owning a lease to a lessee is generally classified as a finance lease if one or more of the following apply:

- The lease transfers ownership of the asset to the lessee by the end of the lease term
- At the inception date, the lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value and the option becomes exercisable for it to be reasonably certain at the date
- The lease term is for a major part of the economic life of the asset even if title is not transferred
- At the inception date, the present value of the lease payments amounts to at least substantially all of the fair value of the asset as at the interest rate implicit in the lease.
- The asset is of such a specialized nature that only the lessee can use it without major modifications

The net investment in the lease is recognized as a finance lease receivable, and the difference from the carrying amount is recognized as selling profit or loss of the leased asset. Also, financial income is recognized by applying the effective interest rate to the unrecovered net investment in the lease.

The net investment in the lease discounted at the interest rate implicit in the sum of the lease payments receivable by a lessor under a finance lease and any unguaranteed residual value accruing to the lessor.

2.10 Leases (Cont'd)

The lease payment is the amount that the lessee must pay to the Group as the lessor during the lease term, and includes the following amounts;

- Payment specified by the lessee contractually to the lessor relation to the lease contract at the commencement date
- If the lessor decides to transfer ownership of the asset to the lessee at the end of the lease contract, the fixed payment
- Any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee
- At the commencement date, if the lessee has a low-price purchase option that is certain to be exercised, the minimum payment to be paid during the lease term of the low-price purchase option and the exercise price of the option

2) Account for operating leases

Leases that are not classified as finance leases are classified as operating leases. Assets under operating leases are recognized on the basis of cost of the underlying asset at the commencement date.

The depreciation policy for depreciable underlying assets subject to operating leases consistent with the lessor's normal depreciation policy for similar assets. Also, the minimum lease payments excluding the guaranteed residual value are generally evenly distributed over the lease term and recognized as operating lease income.

3) Initial direct costs associated with the lease

In the case of operating leases, at the contract stage of the lease, the initial direct costs associated with the lease, such as commissions and legal expenses incurred in connection with the lease, are recognized as separate assets. And it is amortized over the lease term in response to operating lease income.

In the case of finance leases, initial direct costs are included in the amount of the net investment in the lease. And, during the lease term, it is amortized according to the effective interest method and deducted from finance income.

(b) Variable lease payments

Although the amount has not been determined, lease payments that are determined by future accruals of factors other than time value are recognized in profit or loss in the period in which the lease payments are incurred.

(c) Prepaid lease assets

In connection with the acquisition of leased assets, costs incurred from the contract date to the commence date are recognized as prepaid leased assets. And at the commencement date, it is replaced with a finance lease or an operating lease according to the criteria for lease classification.

(d) Accounting as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest rate method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under K-IFRS 1037. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in profit or loss.

As a practical expedient, K-IFRS 1116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

2.11 Intangible assets

Intangible assets are initially recognized at its historical cost, and carried at cost less accumulated amortization and accumulated impairment losses.

Development costs that are directly attributable to internally generated by the Group are recognized when the criteria; such as, technically feasible, generate probable future economic benefits and other, are met. Membership rights that have an indefinite useful life are not subject to amortization because there is no foreseeable limit to the period over which the assets are expected to be utilized. The Group amortizes intangible assets with a limited useful life using the straight-line method over the following periods:

	<u>Useful lives (years)</u>
Development costs	5
Software	5

2.12 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.13 Non-derivative financial liabilities

(a) Classification and measurement

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at fair value through profit or loss. However, financial liabilities and financial guarantee contracts issued in the event that the transfer of financial assets does not meet the derecognition requirements or that the continuing involvement approach is applied are measured in accordance with the particular accounting policies described below.

1) Financial liabilities at fair value through profit or loss

Financial liabilities are classified as financial liabilities at fair value through profit or loss when:

- The acquirer's contingent consideration or
- Short-term transaction item in a business combination or
- Designation as at fair value through profit or loss on initial recognition

Financial liabilities are held for trading in the following cases:

- In case of payment primarily for the purpose of repurchasing in a short period of time
- There is evidence that the form of operations is for short-term profit as part of a portfolio of specific financial instruments jointly managed at initial recognition.
- Derivatives (except derivatives that are financial guarantee contracts or are designated and effective as hedging instruments)

2.13 Non-derivative financial liabilities (cont'd)

Financial liabilities that are not held for trading or are not contingent consideration paid by the acquirer as part of a business combination may be designated as at fair value through profit or loss on initial recognition if:

- The designation as at fair value through profit or loss may eliminate or significantly reduce measurement or recognition inconsistencies that would otherwise arise.
- When a financial liability forms part of a group of financial instruments (a group of financial assets, financial liabilities, or a combination of financial assets and financial liabilities) in accordance with the group's documented risk management or investment strategy, is managed on a fair value basis, its performance is assessed, and that information is provided internally.
- When a financial liability forms part of a contract that includes one or more embedded derivatives and, in accordance with K-IFRS 1109, the entity can designate the entire hybrid contract (asset or liability) as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are measured at fair value and gains or losses arising from changes in fair value, excluding those designated as hedging relationships, are recognized in profit or loss.

However, when a financial liability is designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability attributable to changes in the liability's credit risk is recognized in other comprehensive income unless recognising the effects of changes in the liability's credit risk in other comprehensive income creates or expands an accounting mismatch in profit or loss. The remaining fair value changes of the liability are recognized in profit or loss. Changes in fair value attributable to the credit risk of financial liabilities recognized in other comprehensive income are not subsequently reclassified to profit or loss, but are instead replaced by retained earnings when the financial liabilities are derecognized.

Any gain or loss on a financial guarantee contract designated as at fair value through profit or loss shall be recognized in profit or loss.

2) Amortized cost measurement financial liabilities

Financial liabilities are subsequently measured at amortized cost using the effective interest method unless they are contingent consideration of the acquirer in a business combination, held for trading or designated at fair value through profit or loss on initial recognition.

The effective interest method is to calculate the amortized cost of a financial liability and allocate the interest expense over the relevant period. The effective interest rate is the interest rate that exactly matches the current value of the expected future cash payment, including fees and points paid or received (that is a major component of the effective interest rate) in the expected life of the financial liability or in a shorter period (if appropriate), transaction costs and other premiums or discounts, to the amortized cost of the financial liability.

3) Financial guarantee liabilities

A financial guarantee contract is a contract in which the issuer has to pay a specified amount to compensate for losses incurred by the holder due to the failure of a particular debtor to pay at the date of payment in accordance with the initial or modified terms of the debt instrument.

Financial guarantee liabilities are initially measured at fair value and, unless they are designated at fair value through profit or loss or arise from a transfer of assets, they shall be subsequently measured at the greater of the following:

- The loss allowance calculated in accordance with K-IFRS 1109 (see 'Non-derivative Financial Assets' above)
- The amount recognized initially less accumulated profit in accordance with K-IFRS 1115

2.13 Non-derivative financial liabilities (cont'd)

(b) Derecognition

The Group removes the financial liability only if the obligation of the company has been fulfilled, cancelled or expired. The difference between the carrying amount of the financial liability being derecognized and the amount to be paid or paid is recognized in profit or loss.

If a debt instrument is exchanged on a condition that is substantially different from the existing lender, the existing financial liability is accounted for as extinguished and the new financial liability is recognized. Similarly, if the terms of an existing financial liability (or part of a financial liability) have changed substantially, the existing financial liability is accounted for as extinguished and the recognition of a new liability. If the present value of discounting cash flows under the new terms, including the net amount of fees received less than the net amount of fees received from the fees paid, at least 10 percent of the present value of the remaining cash flows of the existing financial liability, the terms are deemed to have changed substantially.

2.14 Securities borrowed and securities sold

The Group recognizes borrowed securities only in the memorandum accounts when borrowing securities from Korea Securities Depository (KSD). The Group records those securities as securities sold, which is categorized as financial liability at fair value through profit or loss, in the consolidated statement of financial position when those securities are sold. The changes in fair value of securities sold are recognized as 'gain (loss) on valuation and disposal of financial instruments' in the consolidated statement of comprehensive income.

2.15 Securities purchased (sold) under resale (repurchase) agreements

When the Group purchases a security under the resale agreement, the purchased amount is recognized as a security purchased under the resale agreement as a type of loans in assets, while the sold amounts are recognized as the securities sold under the repurchase agreement in liabilities when the Group sells securities under repurchase agreements. Interest incurred when the security is sold or purchased, are recognized as interest income or interest expenses.

2.16 Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period, and the increase in the provision due to the passage of time is recognized as interest expenses.

2.17 Current and deferred tax

The tax expense for the period consists of current and deferred tax. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The tax expense is measured at the amount expected to be paid to the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Group recognizes current income tax on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

The Group recognizes a deferred tax liability all taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint arrangements, except to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. In addition, The Group recognizes a deferred tax asset for all deductible temporary differences arising from such investments to the extent that it is probable the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis.

2.18 Employee benefits

(a) Retirement benefits

The Group operates both defined contribution and defined benefit pension plans.

The defined contribution plan is a pension plan in which the Group pays fixed contributions into a separate fund. Obligations for contributions to defined contribution plan are expensed as the related service is provided.

A defined benefit plan is a pension plan that is not a defined contribution plan. Generally, post-employment benefits are payable after the completion of employment, and the benefit amount depended on the employee's age, periods of service or salary levels. The liability recognized in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service costs.

2.19 Revenue recognition

The Group recognizes fees relating to brokerage trading and others on the trade date. The Group recognizes financial service fee in accordance with the accounting standard of the financial instrument related to the fee earned.

(a) Fee income and others

1) Fees that are an integral part of the effective interest of a financial instrument

Fees relating to the creation or acquisition of a financial instrument at fair value through profit or loss are recognized as revenue at initial recognition, and fees that are an integral part of the effective interest rate of a financial instrument are generally treated as adjustments of effective interest rate.

2) Fees earned as services are provided

Such fees are recognized as revenue as the services are provided.

3) Fees that are earned on the execution of a significant act

Such fees are recognized as revenue when the significant act has been completed.

(b) Interest income

Interest income is recognized using the effective interest method according to the time passed. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognized using the original effective interest rate.

(c) Dividend income

Dividend income is recognized when the right to receive payment is established.

2.20 Segment reporting

Information of each operating segment is reported in a manner consistent with the internal business segment reporting provided to the chief operating decision-maker (Note 35). The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

2.21 Approval of issuance of the consolidated financial statements

The consolidated financial statements were approved for issue by the Board of Directors on February 7, 2025 and March 5, 2025, and will be approved at the general shareholder's meeting to be held on March 27, 2025.

3. Critical accounting estimates and assumptions

The preparation of consolidated financial statements requires the Group to make estimates and assumptions concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period (Note 36).

(b) Loss allowance

The Group reflects forward-looking information based on a variety of information when measuring expected credit losses. For the purpose of estimating these forward-looking information, the Group utilizes the economic outlook published by domestic and overseas research institutes or government and public agencies.

When an event of default occurs, expected loss is estimates based on the differences on contracted cash flows and expected cash flows with consideration of collaterals or other credit facilities.

In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The probability of default is a key assumption in measurement of expected credit loss. The probability of default occurring is an estimate of the likelihood of a default occurring over the target period, including assumptions and expectations of past information and future conditions (Note 10).

(c) Income taxes

The Group's taxable income generated from these operations are subject to income taxes based on tax laws and interpretations of tax authorities in numerous jurisdictions. There are many transactions and calculations for which the ultimate tax determination is uncertain (Note 33).

If certain portion of the taxable income is not used for investments or increase in wages, the Group is liable to pay additional income tax calculated based on the tax laws. Accordingly, the measurement of current and deferred tax is affected by the tax effects for such period. As the Group's income tax is dependent on the investments, increase in wages and dividends, there is an uncertainty measuring the final tax effects.

(d) Net defined benefit liabilities

The present value of net defined benefit liabilities depends on a number of factors that are determined on an actuarial basis using a number of assumptions including the discount rate (Note 20).

(e) Provisions

As of December 31, 2024, the Group recognizes provisions as explained in Note 23. These provisions are estimated based on past experience.

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4. Cash and due from banks

(a) Details of cash and due from banks as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Cash and cash equivalents		
Time or installment deposits	₩ 1,040	₩ 1,110
Ordinary deposits	44,798	33,459
Current deposits	436	3,628
Foreign currency deposits	31,030	29,692
MMDA	39,197	33,855
Financial bills	80,000	80,000
Others	30,489	1,071
Due from banks		
Subscription deposits	149	-
Reserve for claims of customers' deposit	27,458	88,851
Securities borrowed	23,756	-
Guarantee trading deposits for securities market	3,904	8,691
Guarantee trading deposits for exchange-traded derivatives	54,523	69,315
Guarantee deposits for stock borrowing from KSFC	-	57
Guarantee deposits for KSFC trading	62,500	43,500
Long-term deposits	2,084	2,084
Restricted due from financial institution	33	33
Reserve deposits	18,038	18,038
Federation of savings banks deposits	3,000	13,000
Others	18,000	3
Loss allowance	(10)	(7)
	₩ 440,425	₩ 426,380

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4. Cash and due from banks (cont'd)

(b) Restricted deposits as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023	Reason
Subscription deposits	₩ 149	₩ -	Financial Investment Services and Capital Market Act
Reserve for claims of customers' deposits	27,458	88,851	Financial Investment Services and Capital Market Act
Reserve for claims of customers' deposits (trust) ¹	409,112	472,724	Financial Investment Services and Capital Market Act
Securities borrowed	23,756	-	Securities borrowed
Guarantee trading deposits for securities market	3,904	8,691	Guarantee trading deposits for securities market
Guarantee trading deposits for exchange-traded derivatives	54,523	69,315	Guarantee trading deposits for derivative transaction
Guarantee deposits for stock borrowing from KSFC	-	57	Pledged assets for securities distribution finance
Guarantee deposits for KSFC trading	62,500	43,500	Pledged assets for securities distribution finance
Restricted due from financial institution	33	33	Pledged assets for DLB, deposits for checking accounts
Collective fund for default loss ¹	12,347	13,493	Financial Investment Services and Capital Market Act
Demand deposits	4	16	Security Interest over Borrowings from KSFC Primary Marketing
Long-term deposits	2,000	2,000	Deposit for micro payment
Reserve deposits ²	18,038	18,038	Domestic exchange transaction, cashier's checks, reserve deposits
Federation of savings banks deposits ³	3,000	3,000	Domestic exchange transaction
Monetary Receivables Trust ^{1,4}	-	154	Securitization of assets backed by operating lease receivables
	<u>₩ 616,824</u>	<u>₩ 719,872</u>	

¹ Reserve for claims of customers' deposits (trust), collective fund for default loss and monetary receivables trust is accounted for as financial assets at FVTPL.

² The Group deposited reserve assets in Korea Federation of savings banks in accordance with Mutual Savings Banks Act.

³ Pledged deposits provided for Domestic Exchange Agreements.

⁴ On July 9, 2021, the Group securitized assets (trust period: July 9, 2021 to July 9, 2024) with Korea Development Bank as collateral for operating lease receivables to raise ₩ 5,000 million in borrowings (issued ₩ 11,844 million in Class 1 revenue certificates).

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5. Financial assets at FVTPL

Details of financial assets at FVTPL as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Shares	₩ 209,956	₩ 277,894
Government bonds, local government bonds	143,766	142,874
Special bonds	862,191	736,003
Corporate bonds	1,191,438	1,373,971
Asset backed short-term bonds	5,072	33,536
Collective investment securities	370,790	405,530
Commercial paper securities	74,440	19,768
Foreign currency shares	8,106	17,561
Foreign currency bonds	71,267	72,759
Foreign currency collective investment securities	3,134	2,791
Reserve for claims of customers deposits (trust)	409,112	472,724
Collective fund for default loss	12,348	13,493
Other derivatives-linked bonds	17,286	16,623
Other domestic securities	81,002	80,289
	₩ 3,459,908	₩ 3,665,816

6. Financial assets at FVOCI

(a) Details of financial assets at FVOCI as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Shares ^{1,2}	₩ 11,474	₩ 11,204
Investments in partnership ^{1,2}	150,178	156,037
	₩ 161,652	₩ 167,241

¹ The securities institution's shares held by the Group were designated as financial assets at FVOCI for strategic investment purposes.

² The amounts of recognized dividends related to the equity instruments held are ₩ 5,538 million and ₩ 3,353 million, as of December 31, 2024 and 2023, respectively.

(b) Changes in financial assets at FVOCI for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Beginning balance	₩ 167,241	₩ 159,876
Acquisition	-	-
Disposals	-	-
Remeasurements	(5,589)	7,365
Ending balance	₩ 161,652	₩ 167,241

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7. Securities at amortized cost

(a) Details of securities at amortized cost as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024		2023	
Government bond and Municipal bond	₩	2	₩	19,998

(b) There are no changes in the expected credit loss allowance for securities at amortized cost for the years ended December 31, 2024 and 2023.

(c) Changes in the total carrying amount of securities at amortized cost for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024			
	Lifetime expected credit loss			Book value
	12-month expected credit losses	Non credit- impaired loans	Credit-impaired loans	
Beginning balance	₩ 19,998	₩ -	₩ -	₩ 19,998
Transfer to 12 month expected credit losses	-	-	-	-
Transfer to lifetime expected credit loss	-	-	-	-
Transfer to credit-impaired loans	-	-	-	-
Recovery	(19,996)	-	-	(19,996)
Changes in the scope of consolidation	-	-	-	-
Write off	-	-	-	-
Ending balance	₩ 2	₩ -	₩ -	₩ 2

<i>(in millions of Korean won)</i>	2023			
	Lifetime expected credit loss			Book value
	12-month expected credit losses	Non credit- impaired loans	Credit-impaired loans	
Beginning balance	₩ 44	₩ -	₩ -	₩ 44
Transfer to 12 month expected credit losses	-	-	-	-
Transfer to lifetime expected credit loss	-	-	-	-
Transfer to credit-impaired loans	-	-	-	-
Execution	19,954	-	-	19,954
Changes in the scope of consolidation	-	-	-	-
Write off	-	-	-	-
Ending balance	₩ 19,998	₩ -	₩ -	₩ 19,998

SK Securities Co., Ltd. and Subsidiaries
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8. Investments in associates

(a) Details of investments in associates of the Group as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024						Main business
	Percentage of ownership (%)	Location	Closing month	Acquisition cost	Carrying amount		
IBK SKS Private Equity Fund 2012 ^{1,3}	6.67	Korea	December	₩ -	₩ 415		Private Equity Fund
No 1 Technology Financing Private Equity Fund ^{1,3}	10.00	Korea	December	-	677		Private Equity Fund
Waterbridge SKS Private Equity Fund ¹	5.17	Korea	December	4,500	4,521		Private Equity Fund
Daesin SKS Secondary Private Equity Fund ¹	7.35	Korea	December	734	1,701		Private Equity Fund
CAPE SKS 1st Private Equity Fund ¹	17.28	Korea	December	7,000	4,515		Private Equity Fund
Shinyoung SKS Co-Investment 2017 Private Equity Fund ¹	10.00	Korea	December	3,825	3,799		Private Equity Fund
YD-SKS-KDB Social Value Fund ¹	4.65	Korea	December	1,938	1,887		Investment Fund
SKS-MAVI PEF ¹	4.83	Korea	December	711	743		Private Equity Fund
SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF ¹	1.20	Korea	December	3,835	4,254		Private Equity Fund
Join Asset Global Asset Management	28.57	Korea	December	1,000	1,242		Asset management
Daishin-SKS No.2 Private Equity Fund ¹	4.93	Korea	December	6,157	6,890		Private Equity Fund
SKS Korea Investment No. 1 Private Equity Fund ¹	7.21	Korea	December	3,597	2,645		Private Equity Fund
SKS-WizDomain New Technology Business Investment Fund I ¹	7.98	Korea	December	1,548	1,672		New Technology Investment Fund
Shinhan SKS Corporate Recovery Private Equity Fund ¹	8.71	Korea	December	5,478	6,194		Private Equity Fund
SKS-Wizdomain Big5 Innovation Investment Fund ¹	8.71	Korea	December	730	927		New Technology Investment Fund
SKS-KNT Global Biostar Fund No. 1 ¹	9.22	Korea	December	1,000	-		New Technology Investment Fund
SKS-YP Fund No.1 ¹	3.16	Korea	December	800	1,915		New Technology Investment Fund
SKS METIS Fund No.1 ¹	3.83	Korea	December	300	332		New Technology Investment Fund
SKS METIS Fund No.2 ¹	3.04	Korea	December	300	-		New Technology Investment Fund
SKS-Heungkuk Fund No.1 ¹	14.77	Korea	December	1,000	982		New Technology Investment Fund
SKS EcoService 1st Private Equity Fund ¹	14.08	Korea	December	4,622	5,238		Private Equity Fund
SKS Co-Investment 2021 Private Equity Fund ¹	6.25	Korea	December	16,584	19,325		Private Equity Fund
SKS-Honest Unicorn Digital Healthcare Fund No.1 ¹	5.75	Korea	December	500	-		New Technology Investment Fund
SKS-EMFOD Fund No.2 ¹	19.76	Korea	December	400	627		New Technology Investment Fund
SKS-Welcome Fund No.1 ¹	4.12	Korea	December	200	-		New Technology Investment Fund
SKS-Victory New technology investment association No.1 ¹	18.05	Korea	December	500	-		New Technology Investment Fund
SKS-DA Unicorn Bio Fund NO.1 ¹	7.04	Korea	December	500	505		New Technology Investment Fund
SK Securities No.8 Special Purpose Acquisition Company ^{2,5}	0.13	Korea	December	5	10		Special Purpose Acquisition Company
THE CHAEUL FUND NO.11 ¹	4.69	Korea	December	150	-		New Technology Investment Fund

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(in millions of Korean won)

	2024						Main business
	Percentage of ownership (%)	Location	Closing month	Acquisition cost	Carrying amount		
SKS-YP Fund No.2 ¹	2.27	Korea	December	2	163		New Technology Investment Fund
SKS-KNT-THEHAHM Global Biostar Fund NO.1 ¹	4.85	Korea	December	500	77		New Technology Investment Fund
SKS-Golden Oak Fund No.1 ¹	3.10	Korea	December	700	967		New Technology Investment Fund
Hisstory 2023 Fintech Fund ¹	2.26	Korea	December	130	130		New Technology Investment Fund
Solaseado Smartcity Co., Ltd	38.43	Korea	December	1,000	994		Corporation
Happy Pet Lifecare Fund No.1 ¹	7.39	Korea	December	420	446		New Technology Investment Fund
SK Securities No.9 Special Purpose Acquisition Company ^{2,5}	0.40	Korea	December	20	37		Special Purpose Acquisition Company
ESG Blooming Private Equity Fund ¹	4.93	Korea	December	10,000	11,006		Private Equity Fund
SK Securities No.10 Special Purpose Acquisition Company ^{2,5}	0.30	Korea	December	10	20		Special Purpose Acquisition Company
ENSL 13th Venture Capital Fund	48.78	Korea	December	1,000	961		Investment Fund
NBH-Cape 2024 K-Farm Fund ¹	21.25	Korea	December	2,125	2,035		Investment Fund
BlockchainGlobal Co., Ltd.	23.55	Korea	December	2,700	2,615		Corporation
SKSPE-JBWoori New Technology Fund 1st ¹	25.93	Korea	December	4,200	2,326		New Technology Investment Fund
DVP-SKS Local Innovation Venture Fund ¹	4.67	Korea	December	650	633		Investment Fund
Happy Pet Lifecare Fund No.2 ¹	2.90	Korea	December	290	288		New Technology Investment Fund
SK Securities No.11 Special Purpose Acquisition Company ^{2,5}	0.12	Korea	December	5	11		Special Purpose Acquisition Company
SK Securities No.12 Special Purpose Acquisition Company ^{2,5}	0.30	Korea	December	10	20		Special Purpose Acquisition Company
SK Securities No.13 Special Purpose Acquisition Company ^{2,5}	0.45	Korea	December	20	39		Special Purpose Acquisition Company
Secondary battery Advanced Materials Fund No.1 ¹	2.25	Korea	December	50	77		New Technology Investment Fund
ZIKPAY Inc	20.00	Korea	December	175	-		Corporation
BYB-SKS Pre-IPO Fund No.1 ¹	2.39	Korea	December	300	295		New Technology Investment Fund
YS Secondary Battery Fund No.1 ¹	9.07	Korea	December	500	582		New Technology Investment Fund
GK K-5G Fund 1 ³	40.00	Korea	December	-	-		New Technology Investment Fund
Merit-SK Fund 1 ¹	18.87	Korea	December	1,000	973		New Technology Investment Fund
BNK safety Investment Fund	31.25	Korea	December	1,000	978		New Technology Investment Fund
GMB-SK Securities WLO Fund No.1 ¹	5.93	Korea	December	100	98		New Technology Investment Fund
Newmain V Fund	21.68	Korea	December	800	789		New Technology Investment Fund
NICE-SKS Fintech Venture Fund ¹	6.67	Korea	December	400	388		New Technology Investment Fund
UOS-ENSL Venture Fund No.1	30.00	Korea	December	300	300		New Technology Investment Fund
SLV Fund No.1 ¹	12.50	Korea	December	500	500		New Technology Investment Fund
YP-SKS K-Beauty Deep Tech Fund ¹	12.36	Korea	December	400	399		New Technology Investment Fund

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	2024					
	Percentage of ownership (%)	Location	Closing month	Acquisition cost	Carrying amount	Main business
AJ Creative Tourism Venture Fund 1 ³	20.00	Korea	December	-	895	Investment Fund
AJ Smart Tourism Venture Fund 2 ¹	30.33	Korea	December	3,702	2,811	Investment Fund
Green Energy New Technology Investment Fund ¹	0.46	Korea	December	43	71	Investment Fund
AJ-ISU GYEONGGI Agri-Food Venture Fund ¹	10.00	Korea	December	300	326	Investment Fund
ISU-AJ Sports Fund ¹	15.63	Korea	December	2,500	2,280	Investment Fund
AJ LINK New Technology Investment Fund ^{1,3}	0.86	Korea	December	-	30	Investment Fund
AJ KOSNET Semicon One Venture Fund ¹	1.11	Korea	December	150	160	Investment Fund
Dattoz-AJ Growth of Global-Technology Fund III ¹	0.38	Korea	December	48	28	Investment Fund
J& NBH Investment Fund ¹	12.90	Korea	December	400	229	Investment Fund
NBH-MINEB YY New Technology Investment Fund ¹	0.45	Korea	December	18	24	Investment Fund
NOVA Fund-1 ¹	10.64	Korea	December	1,000	945	Investment Fund
NBH-N3 New Technology Business Investment Fund I ¹	5.11	Korea	December	700	658	Investment Fund
NBH-KOSNET Semicon Growth Venture Fund ¹	7.00	Korea	December	700	754	Investment Fund
NBH-KOSNET Semicon Next Venture Fund ¹	22.73	Korea	December	500	552	Investment Fund
D'Alba New Technology Business Investment Fund I ³	21.43	Korea	December	-	8,794	Investment Fund
NBH-C-ONE NP Fund ¹	0.17	Korea	December	10	-	Investment Fund
CJ Cinema-index Fund No.1 ¹	5.41	Korea	December	480	156	Investment Fund
Dreamfarm Investment Fund No.1 ¹	5.42	Korea	December	1,100	206	Investment Fund
Rainist Co., Ltd. ⁵	21.31	Korea	December	95,000	83,131	Corporation
Cuber New Technology Business Investment Fund I ¹	15.63	Korea	December	250	5	Investment Fund
Forward-NBH New Technology Business Investment Fund I ¹	13.25	Korea	December	2,000	2,103	Investment Fund
Rechargeable battery value chain growth fund ¹	0.28	Korea	December	100	100	Investment Fund
LINEA-NBH Fund No.1 ¹	9.83	Korea	December	300	295	New Technology Investment Fund
Delta-NBH Global Food Tech Investment Fund No.1 ¹	6.12	Korea	December	30	29	Investment Fund
SKS Credit OF Private Equity Fund ¹	0.10	Korea	December	201	216	Private Equity Fund
Neo Value up Investment Fund ¹	0.66	Korea	December	100	99	New Technology Investment Fund
Chungnam-NCK Digital Tourism Venture Fund ¹	10.98	Korea	December	1,180	1,154	Investment Fund
WTS-NBH JEONBUK Agri-Food Venture Fund ¹	4.17	Korea	December	200	194	Investment Fund
LINEA-NBH Fund No.2 ¹	13.70	Korea	December	2,000	1,976	New Technology Investment Fund
Future Sea Food Venture Fund ¹	9.90	Korea	December	1,200	1,175	New Technology Investment Fund
ESG Ascending Private Equity Fund ¹	3.26	Korea	December	3,000	3,789	Investment Fund
KYOBO-NBH-ALPENROUTE SPORTS INNOVATION FUND ¹	6.22	Korea	December	400	395	Investment Fund
Forward-NBH New Technology Business Investment Fund II ¹	18.87	Korea	December	1,000	892	New Technology Investment Fund
NR 1st Recovery Support Private Equity Fund	31.16	Korea	December	13,400	13,281	Private Investment Fund
Global EMS No.1 Private Equity fund ¹	6.60	Korea	December	5,950	5,919	Private Investment Fund
Odyssey No.2 Private Equity Fund	25.00	Korea	December	500	584	Private Investment Fund

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(in millions of Korean won)		2024				
		Percentage of ownership (%)	Location	Closing month	Acquisition cost	Carrying amount
DAYLI Fountainhead Project No.3 Private Equity Fund	39.60	Korea	December	2,000	1,975	Private Investment Fund
				₩ 237,683	₩ 235,394	

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8. Investments in associates (cont'd)

(in millions of Korean won)

	2023					
	Percentage of ownership (%)	Location	Closing month	Acquisition cost	Carrying amount	Main business
KoFC KDBC-SKS Shared Growth No.3 Private Equity Fund ¹	9.80	Korea	December	₩ 3	₩ 32	Private Equity Fund
IBK SKS Private Equity Fund 2012 ^{1,3}	6.67	Korea	December	-	1,341	Private Equity Fund
No 1 Technology Financing Private Equity Fund ^{1,3}	10.00	Korea	December	-	1,375	Private Equity Fund
Waterbridge SKS Private Equity Fund ¹	5.17	Korea	December	4,500	471	Private Equity Fund
Daesin SKS Secondary Private Equity Fund ¹	7.35	Korea	December	1,103	2,236	Private Equity Fund
CAPE SKS 1st Private Equity Fund ¹	17.28	Korea	December	7,000	4,972	Private Equity Fund
Shinyoung SKS Co-Investment 2017 Private Equity Fund ¹	10.00	Korea	December	6,688	9,584	Private Equity Fund
SKS-KIWOOM Pioneer Private Equity Fund ³	9.76	Korea	December	-	-	Private Equity Fund
YD-SKS-KDB Social Value Fund ¹	4.65	Korea	December	1,938	1,962	Investment Fund
SKS-MAVI PEF ¹	4.83	Korea	December	10,000	10,262	Private Equity Fund
SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF ¹	1.20	Korea	December	3,563	3,666	Private Equity Fund
Join Asset Global Asset Management	28.57	Korea	December	1,000	1,181	Asset management
Daishin-SKS No.2 Private Equity Fund ¹	4.93	Korea	December	8,493	8,944	Private Equity Fund
SKS Korea Investment No. 1 Private Equity Fund ¹	7.21	Korea	December	5,986	6,750	Private Equity Fund
SKS-WizDomain New Technology Business Investment Fund I ¹	7.98	Korea	December	1,608	1,715	New Technology Investment Fund
Shinhan SKS Corporate Recovery Private Equity Fund ¹	8.71	Korea	December	5,582	5,658	Private Equity Fund
SKS-Wizdomain Big5 Innovation Investment Fund ¹	8.71	Korea	December	1,000	1,146	New Technology Investment Fund
FIRST On-line Investment Finance Company	31.95	Korea	December	620	-	P2P Finance
SKS-VLP Fund No.1 ¹	11.99	Korea	December	200	383	New Technology Investment Fund
SKS-Yozma Fund No. 1 ¹	4.98	Korea	December	310	608	New Technology Investment Fund
SKS-Nautic No. 1 Fund ¹	19.80	Korea	December	700	667	New Technology Investment Fund
SKS-KNT Global Biostar Fund No. 1 ¹	9.22	Korea	December	1,000	939	New Technology Investment Fund
SKS-YP Fund No.1 ¹	3.16	Korea	December	800	3,631	New Technology Investment Fund
SKS-Susung New technology investment association No.1 ¹	9.09	Korea	December	500	551	New Technology Investment Fund
WOO GEUM Co., Ltd ²	19.19	Korea	December	1,500	-	Corporation
SKS METIS Fund No.1 ¹	3.83	Korea	December	300	302	New Technology Investment Fund
SKS METIS Fund No.2 ¹	3.04	Korea	December	300	212	New Technology Investment Fund
SKS-Heungkuk Fund No.1 ¹	14.77	Korea	December	1,000	965	New Technology Investment Fund
SKS EcoService 1st Private Equity Fund ¹	14.08	Korea	December	4,622	6,650	Private Equity Fund
SKS Co-Investment 2021 Private Equity Fund ¹	6.25	Korea	December	19,959	23,193	Private Equity Fund
SKS-Honest Unicorn Digital Healthcare Fund No.1 ¹	5.75	Korea	December	500	403	New Technology Investment Fund
SKS-EMFOD Fund No.2 ¹	19.76	Korea	December	1,000	1,158	New Technology Investment Fund
SKS-Welcome Fund No.1 ¹	4.12	Korea	December	200	160	New Technology Investment Fund

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(in millions of Korean won)	2023					
	Percentage of ownership (%)	Location	Closing month	Acquisition cost	Carrying amount	Main business
SKS-Victory New technology investment association No.1 ¹	18.05	Korea	December	500	477	New Technology Investment Fund
SKS-DA Unicorn Bio Fund NO.1 ¹	7.04	Korea	December	500	485	New Technology Investment Fund
SK Securities No.8 Special Purpose Acquisition Company ^{2,5}	0.13	Korea	December	5	10	Special Purpose Acquisition Company
THE CHAEUL FUND NO.11 ¹	4.69	Korea	December	150	146	New Technology Investment Fund
SKS-YP Fund No.2 ¹	2.27	Korea	December	150	245	New Technology Investment Fund
SKS-KNT-THEHAHM Global Biostar Fund NO.1 ¹	4.85	Korea	December	500	480	New Technology Investment Fund
SKS-Golden Oak Fund No.1 ¹	3.10	Korea	December	700	786	New Technology Investment Fund
History 2023 Fintech Fund ¹	2.26	Korea	December	130	110	New Technology Investment Fund
Golden Oak-SK Securities Innovation Unicorn Fund ¹	9.82	Korea	December	700	947	New Technology Investment Fund
Solaseado Smartcity Co., Ltd	38.43	Korea	December	1,000	998	Corporation
Happy Pet Lifecare Fund No.1 ¹	7.39	Korea	December	600	638	New Technology Investment Fund
SK Securities No.9 Special Purpose Acquisition Company ^{2,5}	0.40	Korea	December	20	36	Special Purpose Acquisition Company
ESG Blooming Private Equity Fund ¹	4.93	Korea	December	10,000	10,272	Private Equity Fund
SK Securities No.10 Special Purpose Acquisition Company ^{2,5}	0.30	Korea	December	10	20	Special Purpose Acquisition Company
ENSL 13th Venture Capital Fund	48.78	Korea	December	600	585	Investment Fund
NBH-Cape 2024 K-Farm Fund ¹	21.25	Korea	December	425	406	Investment Fund
BlockchainGlobal Co., Ltd.	23.55	Korea	December	2,700	2,802	Corporation
SKSPE-JBWoori New Technology Fund 1st ¹	25.93	Korea	December	4,200	3,999	New Technology Investment Fund
DVP-SKS Local Innovation Venture Fund ¹	4.67	Korea	December	300	295	Investment Fund
Happy Pet Lifecare Fund No.2 ¹	2.90	Korea	December	290	343	New Technology Investment Fund
SK Securities No.11 Special Purpose Acquisition Company ²	3.23	Korea	December	5	15	Special Purpose Acquisition Company
SK Securities No.12 Special Purpose Acquisition Company ²	3.23	Korea	December	10	19	Special Purpose Acquisition Company
SK Securities No.13 Special Purpose Acquisition Company ²	4.76	Korea	December	20	33	Special Purpose Acquisition Company
Secondary battery Advanced Materials Fund No.1 ¹	2.25	Korea	December	50	50	New Technology Investment Fund
ZIKPAY Inc ⁴	20.00	Korea	December	175	175	Corporation
Kiwoom-Moonchase-PTR Innovative New Drug Investment Fund ¹	1.32	Korea	December	100	96	Investment Fund
AJ Creative Tourism Venture Fund 1 ¹	20.00	Korea	December	703	2,088	Investment Fund
AJ Smart Tourism Venture Fund 2 ¹	30.33	Korea	December	3,684	3,403	Investment Fund
Green Energy New Technology Investment Fund ¹	0.46	Korea	December	250	84	Investment Fund
AJ-Sejong Agrifood Export Promotion Fund ³	15.38	Korea	December	-	-	Investment Fund
AJ-ISU GYEONGGI Agri-Food Venture Fund ¹	10.00	Korea	December	372	966	Investment Fund
ISU-AJ Sports Fund ¹	15.63	Korea	December	2,363	2,213	Investment Fund
AJ LINK New Technology Investment Fund ¹	0.86	Korea	December	3	188	Investment Fund
AJ KOSNET Semicon One Venture Fund ¹	1.11	Korea	December	150	142	Investment Fund
Dattoz-AJ Growth of Global-Technology Fund III ¹	0.38	Korea	December	50	13	Investment Fund
J& NBH Investment Fund ¹	12.90	Korea	December	400	173	Investment Fund
NBH-MINEB YY New Technology Investment Fund ¹	0.45	Korea	December	18	17	Investment Fund

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	2023					
	Percentage of ownership (%)	Location	Closing month	Acquisition cost	Carrying amount	Main business
NOVA Fund-1 ¹	10.64	Korea	December	1,000	960	Investment Fund
NBH-N3 New Technology Business Investment Fund I ¹	5.11	Korea	December	700	671	Investment Fund
NBH-KOSNET Semicon Growth Venture Fund ¹	7.00	Korea	December	700	672	Investment Fund
NBH-KOSNET Semicon Next Venture Fund ¹	22.73	Korea	December	500	562	Investment Fund
D'Alba New Technology Business Investment Fund I ¹	21.43	Korea	December	1,710	3,946	Investment Fund
NBH-C-ONE NP Fund ¹	0.17	Korea	December	10	10	Investment Fund
CJ Cinema-index Fund No.1 ¹	5.41	Korea	December	480	540	Investment Fund
Dreamfarm Investment Fund No.1 ¹	5.42	Korea	December	1,100	330	Investment Fund
Rainist Co., Ltd.	21.31	Korea	December	95,000	85,989	Corporation
Cuber New Technology Business Investment Fund I ¹	15.63	Korea	December	250	243	Investment Fund
Forward-NBH New Technology Business Investment Fund I ¹	13.25	Korea	December	2,000	2,136	Investment Fund
Rechargeable battery value chain growth fund ¹	0.38	Korea	December	100	100	Investment Fund
LINEA-NBH Fund No.1 ¹	9.83	Korea	December	300	298	Investment Fund
Delta-NBH Global Food Tech Investment Fund No.1 ¹	6.12	Korea	December	30	30	Investment Fund
SKS Credit OF Private Equity Fund ¹	0.13	Korea	December	201	195	Private Equity Fund
Neo Value up Investment Fund ¹	0.83	Korea	December	100	89	New Technology Investment Fund
Solidium Synergy Fund ¹	2.29	Korea	December	500	500	New Technology Investment Fund
Chungnam-NCK Digital Tourism Venture Fund ¹	9.30	Korea	December	200	198	Investment Fund
WTS-NBH JEONBUK Agri-Food Venture Fund ¹	4.17	Korea	December	100	100	Investment Fund
				<u>₩ 228,789</u>	<u>₩ 232,441</u>	

¹ Classified as investments in associates as the Company is the general partner of the investees and can make important decisions regarding financial and operation policies of the investees.

² Although the Group's ownership is less than 20%, the Group has significant influence over the investees through their Board of Directors and thus was included as associate.

³ As of December 31, 2024, the original investment has been fully returned. However, the Group is entitled to its proportionate share of the residual property in accordance with the Articles of Association.

⁴ It was re-classified from a subsidiary to an associate due to loss of control for the year ended December 31, 2023.

⁵ In connection with the investment, a drag-along right agreement has been executed with the largest shareholder, and this is exercisable until June 30, 2025.

⁶ The closing prices of stocks with investments in associates of the Group are as follows:

(in Korean won)	2024	2023
SK Securities No.8 Special Purpose Acquisition Company	₩ 2,080	₩ 2,240
SK Securities No.9 Special Purpose Acquisition Company	2,090	2,100
SK Securities No.10 Special Purpose Acquisition Company	2,065	2,165
SK Securities No.11 Special Purpose Acquisition Company	2,025	-
SK Securities No.12 Special Purpose Acquisition Company	2,065	-
SK Securities No.13 Special Purpose Acquisition Company	1,986	-

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8. Investments in associates (cont'd)

(b) Summary of financial information of associates as of and the years ended December 31, 2024 and 2023 is as follows:

(in millions of Korean won)

	2024					
	Total assets	Total liabilities	Total equity	Operating revenue	Profit (Loss) for the year	Total comprehensive income (loss)
IBK-SKS Private Equity Fund 2012	₩ 6,231	₩ -	₩ 6,231	₩ 298	₩ (4,250)	₩ (4,250)
No 1 Technology Financing Private Equity Fund	8,190	1,421	6,769	8,273	8,227	8,227
Waterbridge SKS Private Equity Fund	38,418	2,248	36,170	1	(48,581)	(48,581)
Daesin SKS Secondary Private Equity Fund	23,131	2	23,129	1,637	766	766
CAPE SKS 1st Private Equity Fund	27,088	964	26,124	-	(2,644)	(2,644)
Shinyoung SKS Co-Investment 2017 Private Equity Fund	38,324	330	37,994	884	(14,982)	(14,982)
YD-SKS-KDB Social Value Fund	41,248	685	40,563	90	(1,625)	(1,625)
SKS-MAVI PEF	15,465	81	15,384	93,767	88,047	88,047
SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF	226,030	1,613	224,417	27,947	26,300	26,300
Join Asset Global Asset Management Co.,Ltd	4,389	41	4,348	2,697	462	462
Daishin-SKS No.2 Private Equity Fund	140,338	477	139,861	20,105	17,811	17,811
SKS Korea Investment No.1 Private Equity Fund	36,848	155	36,693	20,551	(9,209)	(9,209)
SKS-Wizdomain Exponential Innovation No.1 Investment Fund	21,370	297	21,073	231	318	318
Shinhan SKS Corporate Recovery Private Equity Fund	71,422	286	71,136	5,232	1,709	1,709
SKS-Wizdomain Big5 Innovation Investment Fund	10,720	84	10,636	304	577	577
SKS-KNT Global Biostar Fund No.1	10,129	147	9,982	-	(203)	(203)
SKS-YP Fund No.1	60,553	-	60,553	4	(54,271)	(54,271)
SKS METIS Fund No.1	8,668	3	8,665	1	(221)	(221)
SKS METIS Fund No.2	309	-	309	93	(6,672)	(6,672)
SKS-Heungkuk Fund No.1	6,816	170	6,646	1	110	110
SKS EcoService 1st Private Equity Fund	37,192	2	37,190	-	(10,023)	(10,023)
SKS Co-Investment 2021 Private Equity Fund	309,716	487	309,229	24,323	2,937	2,937
SKS-Honest Unicorn Digital Healthcare Fund No.1	3,382	218	3,164	2	(3,843)	(3,843)
SKS-EMFOD Fund No.2	3,182	8	3,174	1,497	350	350
SKS-Welcome Fund No.1	3,827	183	3,644	138	(240)	(240)
SKS-Victory New technology investment association No.1	40	-	40	-	(2,604)	(2,604)
SKS-DA Unicorn Bio Fund NO.1	7,175	1	7,174	5	283	283
SK Securities No.8 Special Purpose Acquisition Company	8,299	733	7,566	-	137	137
THE CHAEUL FUND NO.1	2,994	-	2,994	1	(206)	(206)
SKS-YP Fund No.2	7,178	-	7,178	4,694	4,828	4,828
SKS-KNT-THEHAHM Global Biostar Fund NO.1	9,620	-	9,620	-	(271)	(271)
SKS-Golden Oak Fund No.1	31,211	-	31,211	1	5,829	5,829
Hisstory 2022 Fintech Fund	5,790	55	5,735	1	858	858
Solaseado Smartcity Co., Ltd	2,439	455	1,984	-	(10)	(10)
Happy Pet Lifecare Fund No.1	6,074	41	6,033	149	(164)	(164)
SK Securities No.9 Special Purpose Acquisition Company	10,158	914	9,244	-	183	183
ESG Blooming Private Equity Fund	223,913	499	223,414	16,900	14,894	14,894
SK Securities No.10 Special Purpose Acquisition Company	8,098	1,547	6,551	-	93	93
ENSL 13th Venture Capital Fund	1,971	1	1,970	1	(50)	(50)

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	2024					
	Total assets	Total liabilities	Total equity	Operating revenue	Profit (Loss) for the year	Total comprehensive income (loss)
NBH-Cape 2023 K-Farm Fund	9,576	-	9,576	15	(335)	(335)
BlockchainGlobal Co., Ltd.	5,258	384	4,874	381	(797)	(797)
SKSPE-JBWoori New Technology Fund 1st	9,073	101	8,972	293	(6,451)	(6,451)
DVP-SKS Local Innovation Venture Fund	13,537	-	13,537	28	(193)	(193)
Happy Pet Lifecare Fund No.2	9,941	-	9,941	7	(1,870)	(1,870)
SK Securities No.11 Special Purpose Acquisition Company	10,026	1,638	8,388	-	66	66
SK Securities No.12 Special Purpose Acquisition Company	7,975	1,444	6,531	-	46	46
SK Securities No.13 Special Purpose Acquisition Company	9,898	1,354	8,544	-	90	90
Secondary Battery Advanced Materials Fund No.1	3,421	-	3,421	42	1,211	1,211
ZIKPAY Inc	1,049	1,262	(213)	60	(102)	(102)
BYB-SKS Pre-IPO Fund No.1	12,326	-	12,326	10	(224)	(224)
YS Secondary Battery Fund No.1	6,414	-	6,414	2	904	904
GK K-5G Fund 1	-	-	-	-	(36)	(36)
Meritz-SK Fund 1	5,157	2	5,155	2	(145)	(145)
BNK safety Investment Fund	3,130	-	3,130	-	(70)	(70)
GMB-SK Securities WLO Fund No.1	1,649	-	1,649	1	(38)	(38)
Newmain V Fund	3,644	3	3,641	2	(49)	(49)
NICE-SKS Fintech Venture Fund	5,967	151	5,816	53	(184)	(184)
UOS-ENSL Venture Fund No.1	1,000	-	1,000	-	-	-
SLV Fund No.1	4,001	2	3,999	-	(2)	(2)
YP-SKS K-Beauty Deep Tech Fund	3,225	-	3,225	-	(11)	(11)
AJ Creative Tourism Venture Fund 1	4,556	81	4,475	514	(1,850)	(1,850)
AJ Smart Tourism Venture Fund 2	9,529	260	9,269	32	(1,952)	(1,952)
Green Energy New Technology Investment Fund	25,250	-	25,250	17,049	16,011	16,011
AJ-ISU GYEONGGI Agri-Food Venture Fund	3,362	100	3,262	3,415	3,197	3,197
ISU-AJ Sports Fund	15,033	443	14,590	548	1,031	1,031
AJ LNK New Technology Investment Fund	3,471	-	3,471	13,522	10,395	10,395
AJ-KOSNET Semicon One Venture Fund	14,574	141	14,433	-	1,632	1,632
Dattoz-AJ Growth of Global-Technology Fund III	6,898	-	6,898	537	(4,689)	(4,689)
J&NBH Investment Fund	1,776	-	1,776	3	(1,243)	(1,243)
NBH-MINEB YY New Technology Investment Fund	5,279	-	5,279	64	1,206	1,206
NOVA Fund-1	8,881	-	8,881	44	(146)	(146)
NBH-N3 New Technology Business Investment Fund I	13,093	219	12,874	-	(262)	(262)
NBH-KOSNET Semicon Growth Venture Fund	10,878	112	10,766	-	1,160	1,160
NBH-KOSNET Semicon Next Venture Fund	2,455	27	2,428	-	326	326
D'Alba New Technology Business Investment Fund I	41,075	36	41,039	8,769	44,039	44,039
NBH-C-ONE NP Fund	5,545	218	5,327	-	(120)	(120)
CJ Cinema-index Fund No.1	2,877	-	2,877	97	(7,114)	(7,114)
Dreamfarm Investment Fund No.1	18,437	89	18,348	5	(1,351)	(1,351)
Rainist Co., Ltd.	38,526	7,599	30,927	19,517	(13,433)	(13,433)
Cuber New Technology Business Investment Fund I	1,535	-	1,535	-	(26)	(26)
Forward-NBH New Technology Business Investment Fund I	15,887	6	15,881	-	923	923
Rechargeable battery value chain growth fund	34,801	-	34,801	8	(528)	(528)

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	2024					
	Total assets	Total liabilities	Total equity	Operating revenue	Profit (Loss) for the year	Total comprehensive income (loss)
LINEA-NBH Fund No.1	3,003	-	3,003	-	(32)	(32)
Delta-NBH Global Food Tech Investment Fund No.1	474	-	474	-	(11)	(11)
SKS Credit OF Private Equity Fund	224,765	670	224,095	5,435	2,911	23,233
Neo Value up Investment Fund	15,003	-	15,003	142	(98)	(98)
Chungnam-NCK Digital Tourism Venture Fund	10,568	54	10,514	7	(212)	(212)
WTS-NHB JEONBUK Agri-Food Venture Fund	4,664	1	4,663	14	(136)	(136)
LINEA-NBH Fund No.2	14,422	-	14,422	3	(178)	(178)
Future Sea Food Venture Fund	11,870	-	11,870	6	(252)	(252)
ESG Ascending Private Equity Fund	116,462	257	116,205	25,160	24,205	24,205
KYOBO-NBH-ALPENROUTE SPORTS INNOVATION FUND	6,357	6	6,351	42	(79)	(79)
Forward-NBH New Technology Business Investment Fund II	4,728	3	4,725	-	(575)	(575)
NR 1st Recovery Support Private Equity Fund	42,787	169	42,618	3	(382)	(382)
Global EMS No.1 Private Equity fund	89,925	197	89,728	422	(472)	(472)
Odyssey No.2 Private Equity Fund	1,937	15	1,922	-	43	43
DAYLI Fountainhead Project No.3 Private Equity Fund	5,050	64	4,986	-	(64)	(64)
	₩ 2,439,946	₩ 31,256	₩ 2,408,690	₩ 326,082	₩ 78,334	₩ 98,656

(in millions of Korean won)

	2023					
	Total assets	Total liabilities	Total equity	Operating revenue	Profit (Loss) for the year	Total comprehensive income (loss)
KoFC KDBC-SKS Shared Growth No.3 Private Equity Fund	₩ 332	₩ -	₩ 332	₩ 5	₩ 51	₩ 51
IBK SKS Private Equity Fund 2012	20,121	-	20,121	2,363	2,350	2,350
No 1 Technology Financing Private Equity Fund	13,746	-	13,746	(8,386)	(8,399)	(8,399)
Waterbridge SKS Private Equity Fund	87,000	2,249	84,751	13	13	13
Daesin SKS Secondary Private Equity Fund	30,470	61	30,409	14,773	14,304	14,304
CAPE SKS 1st Private Equity Fund	29,722	954	28,768	10,114	10,097	10,097
Shinyoung SKS Co-Investment 2017 Private Equity Fund	96,055	212	95,843	22,665	21,700	21,700
SKS-KIWOOOM Pioneer Private Equity Fund	619	618	1	15,575	13,084	13,084
YD-SKS-KDB Social Value Fund	42,763	588	42,175	1,857	1,258	1,258
SKS-MAVI PEF	212,727	309	212,418	22,628	21,411	21,411
SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF	197,625	1,532	196,093	3,615	2,074	2,074
Join Asset Global Asset Management	4,207	74	4,133	2,053	53	53
Daishin-SKS No.2 Private Equity Fund	182,116	573	181,543	18,290	15,889	15,889
SKS Korea Investment No. 1 Private Equity Fund	94,021	387	93,634	1,456	(179)	(179)
SKS-WizDomain New Technology Business Investment Fund I	21,813	302	21,511	27	1,810	1,810
Shinhan SKS Corporate Recovery Private Equity Fund	65,206	230	64,976	846	(85)	(85)
SKS-Wizdomain Big5 Innovation Investment Fund	13,278	119	13,159	9	2,055	2,055
FIRST On-line Investment Finance Company	200	971	(771)	10	(700)	(700)
SKS-VLP Fund No.1	3,194	-	3,194	-	452	452
SKS-Yozma Fund No. 1	12,214	2	12,212	177	6,580	6,580
SKS-Nautic No. 1 Fund	3,593	225	3,368	30	(14)	(14)
SKS-KNT Global Biostar Fund No. 1	10,189	4	10,185	-	(283)	(283)

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	2023					
	Total assets	Total liabilities	Total equity	Operating revenue	Profit (Loss) for the year	Total comprehensive income (loss)
SKS-YP Fund No.1	114,830	7	114,823	8	90,225	90,225
SKS-Susung New technology investment association No.1	6,070	8	6,062	-	682	682
WOO GEUM Co., Ltd	-	-	-	-	-	-
SKS METIS Fund No.1	7,905	12	7,893	2	(221)	(221)
SKS METIS Fund No.2	6,981	-	6,981	91	(2,680)	(2,680)
SKS-Heungkuk Fund No.1	6,537	1	6,536	-	(52)	(52)
SKS EcoService 1st Private Equity Fund	47,427	214	47,213	9,254	8,820	8,820
SKS Co-Investment 2021 Private Equity Fund	371,700	612	371,088	32,402	29,984	29,984
SKS-Honest Unicorn Digital Healthcare Fund No.1	7,008	-	7,008	-	(1,491)	(1,491)
SKS-EMFOD Fund No.2	5,868	8	5,860	-	914	914
SKS-Welcome Fund No.1	3,946	62	3,884	-	(870)	(870)
SKS-Victory New technology investment association No.1	2,653	8	2,645	-	(75)	(75)
SKS-DA Unicorn Bio Fund NO.1	6,896	5	6,891	-	(104)	(104)
SK Securities No.8 Special Purpose Acquisition Company	8,077	701	7,376	-	93	93
THE CHAEUL FUND NO.11	3,111	-	3,111	1	(58)	(58)
SKS-YP Fund No.2	10,765	-	10,765	2	4,294	4,294
SKS-KNT-THEHAHM Global Biostar Fund NO.1	9,897	5	9,892	2	(268)	(268)
SKS-Golden Oak Fund No.1	25,392	10	25,382	4	3,107	3,107
Hisstory 2023 Fintech Fund	4,917	40	4,877	1	(817)	(817)
Golden Oak-SK Securities Innovation Unicorn Fund	9,647	-	9,647	7	2,521	2,521
Solaseado Smartcity Co., Ltd	1,994	-	1,994	-	(6)	(6)
Happy Pet Lifecare Fund No.1	8,633	-	8,633	-	513	513
SK Securities No.9 Special Purpose Acquisition Company	9,933	872	9,061	-	49	49
ESG Blooming Private Equity Fund	209,021	501	208,520	7,660	5,520	5,520
SK Securities No.10 Special Purpose Acquisition Company	7,935	1,477	6,458	-	(7)	(7)
ENSL 13th Venture Capital Fund	1,222	23	1,199	1	(31)	(31)
NBH-Cape 2024 K-Farm Fund	1,967	57	1,910	3	(90)	(90)
BlockchainGlobal Co., Ltd.	6,132	377	5,755	606	(728)	(728)
SKSPE-JBWoori New Technology Fund 1st	15,500	77	15,423	(500)	(777)	(777)
DVP-SKS Local Innovation Venture Fund	6,428	118	6,310	9	(110)	(110)
Happy Pet Lifecare Fund No.2	11,811	-	11,811	-	1,811	1,811
SK Securities No.11 Special Purpose Acquisition Company	1,985	1,517	468	-	(20)	(20)
SK Securities No.12 Special Purpose Acquisition Company	1,985	1,395	590	-	(16)	(16)
SK Securities No.13 Special Purpose Acquisition Company	1,992	1,313	679	-	(7)	(7)
Secondary Battery Advanced Materials Fund No.1	2,209	-	2,209	-	(9)	(9)
ZIKPAY Inc.	1,049	1,262	(213)	60	(102)	(102)
Kiwoom-Moonchase-PTR Innovative New Drug Investment Fund	7,279	3	7,276	-	(160)	(160)
AJ Creative Tourism Venture Fund 1	11,659	234	11,425	6,672	4,594	4,594
AJ Smart Tourism Venture Fund 2	11,367	146	11,221	14	(262)	(262)
Green Energy New Technology Investment Fund	18,259	-	18,259	5	(938)	(938)
AJ-Sejong Agrifood Export Promotion Fund	1,144	833	311	1,565	1,267	1,267
AJ-ISU GYEONGGI Agri-Food Venture Fund	9,278	151	9,127	1,898	1,826	1,826
ISU-AJ Sports Fund	14,521	460	14,061	299	18	18

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	2023					
	Total assets	Total liabilities	Total equity	Operating revenue	Profit (Loss) for the year	Total comprehensive income (loss)
AJ LINK New Technology Investment Fund	21,882	22	21,860	10,973	9,292	9,292
AJ KOSNET Semicon One Venture Fund	12,914	112	12,802	1	(236)	(236)
Dattoz-AJ Growth of Global-Technology Fund III	12,146	-	12,146	-	(323)	(323)
J& NBH Investment Fund	3,030	9	3,021	4	(28)	(28)
NBH-MINEB YY New Technology Investment Fund	4,094	21	4,073	276	156	156
NOVA Fund-1	9,026	-	9,026	44	(143)	(143)
NBH-N3 New Technology Business Investment Fund I	13,136	-	13,136	-	(262)	(262)
NBH-KOSNET Semicon Growth Venture Fund	9,655	48	9,607	-	(196)	(196)
NBH-KOSNET Semicon Next Venture Fund	2,114	13	2,101	-	(54)	(54)
D'Alba New Technology Business Investment Fund I	8,062	-	8,062	407	239	239
NBH-C-ONE NP Fund	5,552	104	5,448	-	(112)	(112)
CJ Cinema-index Fund No.1	10,049	57	9,992	1,487	1,255	1,255
Dreamfarm Investment Fund No.1	19,790	90	19,700	9	(360)	(360)
Rainist Co., Ltd.	43,054	2,812	40,242	5,948	(21,804)	(21,804)
Cuber New Technology Business Investment Fund I	1,561	-	1,561	-	(32)	(32)
Forward-NBH New Technology Business Investment Fund I	14,958	-	14,958	-	(142)	(142)
Rechargeable battery value chain growth fund	35,329	-	35,329	5	(271)	(271)
LINEA-NBH Fund No.1	3,034	-	3,034	-	(17)	(17)
Delta-NBH Global Food Tech Investment Fund No.1	488	5	483	-	(7)	(7)
SKS Credit OF Private Equity Fund	12,001	-	12,001	28	(109)	(109)
Neo Value up Investment Fund	1,967	57	1,910	3	(90)	(90)
Solidium Synergy Fund	21,559	-	21,559	23	(242)	(242)
Chungnam-NCK Digital Tourism Venture Fund	2,149	24	2,125	1	(24)	(24)
WTS-NBH JEONBUK Agri-Food Venture Fund	2,400	2	2,398	-	(1)	(1)
	<u>₩ 2,434,091</u>	<u>₩ 25,295</u>	<u>₩ 2,408,796</u>	<u>₩ 187,395</u>	<u>₩ 236,349</u>	<u>₩ 236,349</u>

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8. Investments in associates (cont'd)

(c) Changes in investments in associates for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024					
	Beginning balance	Acquisition (disposals)	Share of profit (loss) of associates	Share of other comprehensive income (loss) of associates	Others	Ending balance
KoFC KDBC-SKS Shared Growth No.3 Private Equity Fund ¹	₩ 32	₩ (26)	₩ (6)	₩ -	₩ -	₩ -
IBK-SKS Private Equity Fund 2012	1,341	(643)	(283)	-	-	415
No 1 Technology Financing Private Equity Fund	1,375	(1,520)	822	-	-	677
Waterbridge SKS Private Equity Fund	471	-	78	-	3,972	4,521
Daesin SKS Secondary Private Equity Fund	2,236	(473)	(62)	-	-	1,701
CAPE SKS 1st Private Equity Fund	4,972	-	(457)	-	-	4,515
Shinyoung SKS Co-Investment 2017 Private Equity Fund	9,584	(4,285)	(1,500)	-	-	3,799
YD-SKS-KDB Social Value Fund	1,962	-	(75)	-	-	1,887
SKS-MAVI PEF	10,262	(13,772)	4,253	-	-	743
SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF	3,666	272	316	-	-	4,254
Join Asset Global Asset Management Co., Ltd	1,181	(50)	140	(29)	-	1,242
Daishin-SKS No.2 Private Equity Fund	8,944	(2,931)	876	-	-	6,889
SKS Korea Investment No.1 Private Equity Fund	6,750	(3,433)	(673)	-	-	2,644
SKS-Wizdomain Exponential Innovation No.1 Investment Fund	1,715	(68)	25	-	-	1,672
Shinhan SKS Corporate Recovery Private Equity Fund	5,658	(104)	640	-	-	6,194
SKS-Wizdomain Big5 Innovation Investment Fund	1,146	(269)	50	-	-	927
FIRST On-line Investment Finance Company ¹	-	-	253	(253)	-	-
SKS-VLP Fund No.1 ¹	383	(417)	34	-	-	-
SKS-Yozma Fund No.1 ¹	608	(463)	(145)	-	-	-
SKS-Nautic No.1 Fund ¹	667	(700)	33	-	-	-
SKS-KNT Global Biostar Fund No.1	939	-	(19)	-	(920)	-
SKS-YP Fund No.1	3,631	-	(1,716)	-	-	1,915
SKS-Susung New technology investment association No.1 ¹	551	(559)	8	-	-	-
WOO GEUM Co., Ltd ¹	-	-	(251)	251	-	-
SKS METIS Fund No.1	302	-	52	(22)	-	332
SKS METIS Fund No.2	212	-	(203)	-	(9)	-
SKS-Heungkuk Fund No.1	965	1	16	-	-	982
SKS EcoService 1st Private Equity Fund	6,650	-	(1,412)	-	-	5,238
SKS Co-Investment 2021 Private Equity Fund	23,193	(4,000)	134	-	-	19,327
SKS-Honest Unicorn Digital Healthcare Fund No.1	403	-	(221)	-	(182)	-
SKS-EMFOD Fund No.2	1,158	(600)	69	-	-	627
SKS-Welcome Fund No.1	160	-	(10)	-	(150)	-
SKS-Victory New technology investment association No.1	477	1	(14)	-	(464)	-
SKS-DA Unicorn Bio Fund NO.1	485	-	20	-	-	505
SK Securities No.8 Special Purpose Acquisition Company	10	-	-	-	-	10
THE CHAEUL FUND NO.1	146	(1)	(5)	-	(140)	-
SKS-YP Fund No.2	245	(192)	110	-	-	163

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	2024					
	Beginning balance	Acquisition (disposals)	Share of profit (loss) of associates	Share of other comprehensive income (loss) of associates	Others	Ending balance
SKS-KNT-THEHAHM Global Biostar Fund NO.1	480	(1)	(13)	-	(389)	77
SKS-Golden Oak Fund No.1	786	-	181	-	-	967
HISTORY 2022 Fintech Fund	110	1	19	-	-	130
Golden Oak-SK Securities Innovation Unicorn Fund ¹	947	(941)	(6)	-	-	-
Solaseado Smartcity Co., Ltd	998	-	(4)	-	-	994
Happy Pet Lifecare Fund No.1	638	(180)	(12)	-	-	446
SK Securities No.9 Special Purpose Acquisition Company	36	-	1	-	-	37
ESG Blooming Private Equity Fund	10,272	-	734	-	-	11,006
SK Securities No.10 Special Purpose Acquisition Company	20	-	-	-	-	20
ENSL 13th Venture Capital Fund	585	400	(24)	-	-	961
NBH-Cape 2023 K-Farm Fund	406	1,700	(71)	-	-	2,035
BlockchainGlobal Co., Ltd.	2,802	1	(188)	-	-	2,615
SKSPE-JBWoori New Technology Fund 1st	3,999	(1)	(1,672)	-	-	2,326
DVP-SKS Local Innovation Venture Fund	295	350	(12)	-	-	633
Happy Pet Lifecare Fund No.2	343	(1)	(54)	-	-	288
SK Securities No.11 Special Purpose Acquisition Company	15	1	-	(5)	-	11
SK Securities No.12 Special Purpose Acquisition Company	19	-	-	1	-	20
SK Securities No.13 Special Purpose Acquisition Company	33	(1)	(2)	9	-	39
Secondary Battery Advanced Materials Fund No.1	50	-	27	-	-	77
ZIKPAY Inc.	175	-	-	-	(175)	-
BYB-SKS Pre-IPO Fund No.1	-	300	(5)	-	-	295
YS Secondary Battery Fund No.1	-	500	82	-	-	582
Meritz-SK Fund 1	-	1,000	(27)	-	-	973
BNK safety Investment Fund	-	1,000	(22)	-	-	978
GMB-SK Securities WLO Fund No.1	-	100	(2)	-	-	98
Newmain V Fund	-	800	(11)	-	-	789
NICE-SKS Fintech Venture Fund	-	400	(12)	-	-	388
UOS-ENSL Venture Fund No.1	-	300	-	-	-	300
SLV Fund No.1	-	500	-	-	-	500
YP-SKS K-Beauty Deep Tech Fund	-	400	(1)	-	-	399
Kiwoom-Moonchase-PTR Innovative New Drug Investment Fund ¹	96	-	(16)	-	(80)	-
AJ Creative Tourism Venture Fund 1	2,088	(991)	(202)	-	-	895
AJ Smart Tourism Venture Fund 2	3,403	-	(592)	-	-	2,811
Green Energy New Technology Investment Fund	84	(280)	267	-	-	71
AJ-ISU GYEONGGI Agri-Food Venture Fund	966	(553)	(87)	-	-	326
ISU-AJ Sports Fund	2,213	-	67	-	-	2,280
AJ LNK New Technology Investment Fund	188	(104)	(54)	-	-	30
AJ-KOSNET Semicon One Venture Fund	142	-	18	-	-	160
Dattoz-AJ Growth of Global-Technology Fund III	13	(2)	17	-	-	28
J&NBH Investment Fund	173	(1)	57	-	-	229
NBH-MINEB YY New Technology Investment Fund	17	1	6	-	-	24
NOVA Fund-1	960	1	(16)	-	-	945
NBH-N3 New Technology Business	671	-	(13)	-	-	658

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	2024					
	Beginning balance	Acquisition (disposals)	Share of profit (loss) of associates	Share of other comprehensive income (loss) of associates	Others	Ending balance
Investment Fund I						
NBH-KOSNET Semicon Growth Venture Fund	672	1	81	-	-	754
NBH-KOSNET Semicon Next Venture Fund	562	1	(11)	-	-	552
D'Alba New Technology Business Investment Fund I	3,946	(2,370)	7,218	-	-	8,794
NBH-C-ONE NP Fund	10	-	(10)	-	-	-
CJ Cinema-index Fund No.1	540	1	(385)	-	-	156
Dreamfarm Investment Fund No.1	330	-	(124)	-	-	206
Rainist Co., Ltd.	85,989	(1)	(2,857)	-	-	83,131
Cuber New Technology Business Investment Fund I	243	(1)	(237)	-	-	5
Forward-NBH New Technology Business Investment Fund I	2,136	-	(33)	-	-	2,103
Rechargeable battery value chain growth fund	100	-	-	-	-	100
LINEA-NBH Fund No.1	298	-	(3)	-	-	295
Delta-NBH Global Food Tech Investment Fund No.1	30	-	(1)	-	-	29
SKS Credit OF Private Equity Fund	195	(9)	3	27	-	216
Neo Value up Investment Fund	89	-	10	-	-	99
Solidium Synergy Fund ¹	500	(500)	-	-	-	-
Chungnam-NCK Digital Tourism Venture Fund	198	980	(24)	-	-	1,154
WTS-NHB JEONBUK Agri-Food Venture Fund	100	100	(6)	-	-	194
LINEA-NBH Fund No.2	-	2,000	(24)	-	-	1,976
Future Sea Food Venture Fund	-	1,200	(25)	-	-	1,175
ESG Ascending Private Equity Fund	-	3,000	789	-	-	3,789
KYOBO-NBH-ALPENROUTE SPORTS INNOVATION FUND	-	400	(5)	-	-	395
Forward-NBH New Technology Business Investment Fund II	-	1,000	(108)	-	-	892
NR 1st Recovery Support Private Equity Fund	-	13,400	(119)	-	-	13,281
Global EMS No.1 Private Equity fund	-	5,950	(31)	-	-	5,919
Odyssey No.2 Private Equity Fund	-	485	99	-	-	584
DAYLI Fountainhead Project No.3 Private Equity Fund	-	2,000	(25)	-	-	1,975
	₩ 232,441	₩ (1,896)	₩ 3,407	₩ (21)	₩ 1,463	₩ 235,394

(in millions of Korean won)

	2023					
	Beginning balance	Acquisition (disposals)	Share of profit (loss) of associates	Share of other comprehensive income (loss) of associates	Others	Ending balance
KoFC KDBC-SKS Shared Growth No.3 Private Equity Fund	₩ 28	₩ -	₩ 4	₩ -	₩ -	₩ 32
IBK SKS Private Equity Fund 2012	1,185	-	156	-	-	1,341
No 1 Technology Financing Private Equity Fund	2,318	(95)	(848)	-	-	1,375
Waterbridge SKS Private Equity Fund	471	-	-	-	-	471
Daesin SKS Secondary Private Equity Fund	6,312	(6,852)	2,776	-	-	2,236
CAPE SKS 1st Private Equity Fund	3,227	-	1,745	-	-	4,972
Shinyoung SKS Co-Investment 2017 Private Equity Fund	15,397	(7,983)	2,170	-	-	9,584
SK No.6 Special Purpose Acquisition Company ¹	20	(10)	(10)	-	-	-
SKS-KIWOOM Pioneer Private	10,700	(11,977)	1,277	-	-	-

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	2023					
	Beginning balance	Acquisition (disposals)	Share of profit (loss) of associates	Share of other comprehensive income (loss) of associates	Others	Ending balance
Equity Fund						
YD-SKS-KDB Social Value Fund	1,717	186	59	-	-	1,962
SKS-MAVI PEF	9,276	(48)	1,034	-	-	10,262
SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF	3,391	250	25	-	-	3,666
Join Asset Global Asset Management	1,186	-	(5)	-	-	1,181
Daishin-SKS No.2 Private Equity Fund	6,744	1,419	781	-	-	8,944
SKS Korea Investment No. 1 Private Equity Fund	7,466	(697)	(19)	-	-	6,750
SKS-WizDomain New Technology Business Investment Fund I	1,571	-	144	-	-	1,715
Shinhan SKS Corporate Recovery Private Equity Fund	3,345	2,321	(8)	-	-	5,658
SKS-Wizdomain Big5 Innovation Investment Fund	967	-	179	-	-	1,146
FIRST On-line Investment Finance Company	15	20	(35)	-	-	-
SKS-VLP Fund No.1	329	-	54	-	-	383
SKS-Yozma Fund No. 1	969	(690)	329	-	-	608
SKS-Nautic No. 1 Fund	970	(300)	(3)	-	-	667
SKS-VLP Fund No. 2 ¹	97	(100)	3	-	-	-
SKS-KNT Global Biostar Fund No. 1	965	-	(26)	-	-	939
SKS-YP Fund No.1	972	-	2,859	-	(200)	3,631
SKS-EMFOD Fund No.1 ¹	478	(1,329)	851	-	-	-
SKS-Susung New technology investment association No.1	489	-	62	-	-	551
SK Securities ACPC No.7 Special Purpose Acquisition Company ¹	36	(20)	(16)	-	-	-
WOO GEUM Co., Ltd	-	-	-	-	-	-
SKS METIS Fund No.1	306	-	(9)	5	-	302
SKS METIS Fund No.2	294	-	(82)	-	-	212
SKS-Heungkuk Fund No.1	973	-	(8)	-	-	965
SKS EcoService 1st Private Equity Fund	5,730	-	920	-	-	6,650
SKS Co-Investment 2021 Private Equity Fund	17,572	3,750	1,871	-	-	23,193
LD New Technology Business Investment Fund NO. 5 ¹	984	(1,303)	319	-	-	-
SKS-Honest Unicorn Digital Healthcare Fund No.1	488	-	(85)	-	-	403
SKS METIS Fund No.3 ¹	491	-	9	-	(500)	-
SKS-EMFOD Fund No.2	978	-	180	-	-	1,158
SKS-Welcome Fund No.1	196	-	(36)	-	-	160
SKS-Victory New technology investment association No.1	491	-	(14)	-	-	477
SKS-DA Unicorn Bio Fund NO.1	493	-	(8)	-	-	485
SK Securities No.8 Special Purpose Acquisition Company	10	-	-	-	-	10
THE CHAEUL FUND NO.11	148	-	(2)	-	-	146
SKS-YP Fund No.2	147	-	98	-	-	245
SKS-KNT-THEHAHM Global Biostar Fund NO.1	493	-	(13)	-	-	480
SKS-Golden Oak Fund No.1	690	-	96	-	-	786
Hisstory 2023 Fintech Fund	129	-	(19)	-	-	110
Golden Oak-SK Securities Innovation Unicorn Fund	700	-	247	-	-	947
Solaseado Smartcity Co., Ltd	-	1,000	(2)	-	-	998
Happy Pet Lifecare Fund No.1	-	600	38	-	-	638

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	2023					
	Beginning balance	Acquisition (disposals)	Share of profit (loss) of associates	Share of other comprehens- ive income (loss) of associates	Others	Ending balance
SK Securities No.9 Special Purpose Acquisition Company	-	20	-	16	-	36
ESG Blooming Private Equity Fund	-	10,000	272	-	-	10,272
SK Securities No.10 Special Purpose Acquisition Company	-	10	-	10	-	20
ENSL 13th Venture Capital Fund	-	600	(15)	-	-	585
NBH-Cape 2024 K-Farm Fund	-	425	(19)	-	-	406
BlockchainGlobal Co., Ltd.	-	2,700	(194)	296	-	2,802
SKSPE-JBWoori New Technology Fund 1st	-	4,200	(201)	-	-	3,999
DVP-SKS Local Innovation Venture Fund	-	300	(5)	-	-	295
Happy Pet Lifecare Fund No.2	-	290	53	-	-	343
SK Securities No.11 Special Purpose Acquisition Company	-	5	(1)	11	-	15
SK Securities No.12 Special Purpose Acquisition Company	-	10	(1)	10	-	19
SK Securities No.13 Special Purpose Acquisition Company	-	20	-	13	-	33
Secondary Battery Advanced Materials Fund No.1	-	50	-	-	-	50
ZIKPAY Inc.	-	-	-	-	175	175
Kiwoom-Moonchase-PTR Innovative New Drug Investment Fund	98	-	(2)	-	-	96
AJ Agrifood Export Promotion Venture Fund II ¹	757	(757)	-	-	-	-
AJ Creative Tourism Venture Fund 1	2,917	(1,200)	371	-	-	2,088
AJ Smart Tourism Venture Fund 2	2,928	555	(80)	-	-	3,403
Green Energy New Technology Investment Fund	258	-	(174)	-	-	84
AJ-Sejong Agrifood Export Promotion Fund	328	(411)	83	-	-	-
AJ-ISU GYEONGGI Agri-Food Venture Fund	720	(300)	546	-	-	966
ISU-AJ Sports Fund	2,262	-	(49)	-	-	2,213
AJ LINK New Technology Investment Fund	48	(47)	187	-	-	188
AJ KOSNET Semicon One Venture Fund	145	-	(3)	-	-	142
Dattoz-AJ Growth of Global- Technology Fund III	31	-	(18)	-	-	13
J& NBH Investment Fund	394	-	(221)	-	-	173
NBH-MINEB YY New Technology Investment Fund	49	(32)	-	-	-	17
NOVA Fund-1	976	-	(16)	-	-	960
NBH-N3 New Technology Business Investment Fund I	685	-	(14)	-	-	671
NBH-KOSNET Semicon Growth Venture Fund	686	-	(14)	-	-	672
NBH-KOSNET Semicon Next Venture Fund	490	-	72	-	-	562
D'Alba New Technology Business Investment Fund I	1,766	(90)	2,270	-	-	3,946
NBH-C-ONE NP Fund	10	-	-	-	-	10
CJ Cinema-index Fund No.1	472	-	68	-	-	540
Dreamfarm Investment Fund No.1	902	-	(572)	-	-	330
Rainist Co., Ltd.	91,638	-	(5,649)	-	-	85,989
Cuber New Technology Business Investment Fund I	249	-	(6)	-	-	243
Forward-NBH New Technology Business Investment Fund I	-	2,000	136	-	-	2,136
Rechargeable battery value chain growth fund	-	100	-	-	-	100

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	2023					
	Beginning balance	Acquisition (disposals)	Share of profit (loss) of associates	Share of other comprehens- ive income (loss) of associates	Others	Ending balance
LINEA-NBH Fund No.1	-	300	(2)	-	-	298
Delta-NBH Global Food Tech Investment Fund No.1	-	30	-	-	-	30
SKS Credit OF Private Equity Fund	-	201	1	(7)	-	195
Neo Value up Investment Fund	-	100	(11)	-	-	89
Solidium Synergy Fund	-	500	-	-	-	500
Chungnam-NCK Digital Tourism Venture Fund	-	200	(2)	-	-	198
WTS-NBH JEONBUK Agri-Food Venture Fund	-	100	-	-	-	100
	<u>₩ 220,763</u>	<u>₩ (1,979)</u>	<u>₩ 13,828</u>	<u>₩ 354</u>	<u>₩ (525)</u>	<u>₩ 232,441</u>

¹ During the current and prior periods, it was excluded from associate due to a loss of significant influence.

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8. Investments in associates (cont'd)

(d) Commitment amounts of equity investments in relation to investments in associates as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won, USD)

	2024			2023		
	Investment agreements	Accumulated investments	Remaining agreements	Accumulated investments	Remaining agreements	
IBK-SKS Private Equity Fund 2012	₩ 20,000	₩ 18,394	₩ 1,606	₩ 18,394	₩ 1,606	
No 1 Technology Financing Private Equity Fund	10,000	8,466	1,534	8,466	1,534	
Waterbridge SKS Private Equity Fund	4,500	4,500	-	4,500	-	
Daesin SKS Secondary Private Equity Fund	15,000	13,675	1,325	13,675	1,325	
CAPE SKS 1st Private Equity Fund	7,000	7,000	-	7,000	-	
Shinyoung SKS Co-Investment 2017 Private Equity Fund	25,000	23,672	1,328	23,672	1,328	
YD-SKS-KDB Social Value Fund	2,000	1,938	62	1,938	62	
SKS-MAVI PEF	10,000	10,000	-	10,000	-	
SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF	\$ 6,000,000	\$ 3,576,618	\$ 2,423,382	\$ 3,014,358	\$ 2,985,642	
Daishin-SKS No.2 Private Equity Fund	₩ 11,750	₩ 11,280	₩ 470	₩ 11,280	₩ 470	
SKS Korea Investment No.1 Private Equity Fund	9,400	8,915	485	8,915	485	
SKS-Wizdomain Exponential Innovation No.1 Investment Fund	2,010	1,608	402	1,608	402	
Shinhan SKS Corporate Recovery Private Equity Fund	9,075	9,075	-	5,686	3,389	
SKS-Wizdomain Big5 Innovation Investment Fund	1,000	1,000	-	1,000	-	
SKS-KNT Global Biostar Fund No.1	1,000	1,000	-	1,000	-	
SKS-YP Fund No.1	800	800	-	800	-	
SKS METIS Fund No.1	300	300	-	300	-	
SKS METIS Fund No.2	300	300	-	300	-	
SKS-Heungkuk Fund No.1	1,000	1,000	-	1,000	-	
SKS EcoService 1st Private Equity Fund	5,000	5,000	-	5,000	-	
SKS Co-Investment 2021 Private Equity Fund	20,000	19,959	41	19,959	41	
SKS-Honest Unicorn Digital Healthcare Fund No.1	500	500	-	500	-	
SKS-EMFOD Fund No.2	1,000	1,000	-	1,000	-	
SKS-Welcome Fund No.1	200	200	-	200	-	
SKS-Victory New technology investment association No.1	500	500	-	500	-	
SKS-DA Unicorn Bio Fund NO.1	500	500	-	500	-	
THE CHAEUL FUND NO.1	150	150	-	150	-	
SKS-YP Fund No.2	150	150	-	150	-	
SKS-KNT-THEAHM Global Biostar Fund NO.1	500	500	-	500	-	
SKS-Golden Oak Fund No.1	700	700	-	700	-	
Hisstory 2022 Fintech Fund	130	130	-	130	-	
Happy Pet Lifecare Fund No.1	600	600	-	600	-	
ESG Blooming Private Equity Fund	10,000	10,000	-	10,000	-	
ENSL 13th Venture Capital Fund	1,000	1,000	-	600	400	
NBH-Cape 2023 K-Farm Fund	4,250	2,125	2,125	425	3,825	
SKSPE-JBWoori New Technology Fund 1st	4,200	4,200	-	4,200	-	
DVP-SKS Local Innovation Venture Fund	1,000	650	350	300	700	
Happy Pet Lifecare Fund No.2	290	290	-	290	-	
Secondary Battery Advanced Materials Fund No.1	50	50	-	50	-	
BYB-SKS Pre-IPO Fund No.1	300	300	-	-	-	
YS Secondary Battery Fund No.1	500	500	-	-	-	
GK K-5G Fund 1	1,000	1,000	-	-	-	

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		2024			2023		
		Investment agreements	Accumulated investments	Remaining agreements	Accumulated investments	Remaining agreements	
Meritz-SK Fund 1		1,000	1,000	-	-	-	
BNK safety Investment Fund		1,000	1,000	-	-	-	
GMB-SK Securities WLO Fund No.1		100	100	-	-	-	
Newmain V Fund		800	800	-	-	-	
NICE-SKS Fintech Venture Fund		2,000	400	1,600	-	-	
UOS-ENSL Venture Fund No.1		300	300	-	-	-	
SLV Fund No.1		500	500	-	-	-	
YP-SKS K-Beauty Deep Tech Fund		400	400	-	-	-	
ET Private Equity Fund		17,000	-	17,000	-	-	
AJ Creative Tourism Venture Fund 1		4,000	3,903	97	3,903	97	
AJ Smart Tourism Venture Fund 2		3,700	3,684	16	3,684	16	
Green Energy New Technology Investment Fund		300	300	-	300	-	
AJ-ISU GYEONGGI Agri-Food Venture Fund		1,000	972	28	972	28	
ISU-AJ Sports Fund		2,500	2,363	137	2,364	136	
AJ LNK New Technology Investment Fund		50	50	-	50	-	
AJ-KOSNET Semicon One Venture Fund		150	150	-	150	-	
Dattoz-AJ Growth of Global-Technology Fund III		50	50	-	50	-	
J&NBH Investment Fund		400	400	-	400	-	
NBH-MINEB YY New Technology Investment Fund		50	50	-	50	-	
NOVA Fund-1		1,000	1,000	-	1,000	-	
NBH-N3 New Technology Business Investment Fund I		700	700	-	700	-	
NBH-KOSNET Semicon Growth Venture Fund		700	700	-	700	-	
NBH-KOSNET Semicon Next Venture Fund		500	500	-	500	-	
D'Alba New Technology Business Investment Fund I		1,800	1,800	-	1,800	-	
NBH-C-ONE NP Fund		10	10	-	10	-	
CJ Cinema-index Fund No.1		480	480	-	480	120	
Dreamfarm Investment Fund No.1		1,100	1,100	-	1,100	-	
Cuber New Technology Business Investment Fund I		250	250	-	250	-	
Forward-NBH New Technology Business Investment Fund I		2,000	2,000	-	2,000	-	
Rechargeable battery value chain growth fund		100	100	-	100	-	
LINEA-NBH Fund No.1		300	300	-	300	-	
Delta-NBH Global Food Tech Investment Fund No.1		30	30	-	30	-	
SKS Credit OF Private Equity Fund	\$	150,000	\$ 150,000	\$ -	\$ 150,000	\$ -	
Neo Value up Investment Fund	₩	100	₩ 100	₩ -	₩ 100	₩ -	
Chungnam-NCK Digital Tourism Venture Fund		2,360	1,180	1,180	200	1,800	
WTS-NHB JEONBUK Agri-Food Venture Fund		500	200	300	100	400	
LINEA-NBH Fund No.2		2,000	2,000	-	-	-	
Future Sea Food Venture Fund		2,000	1,200	800	-	-	
ESG Ascending Private Equity Fund		3,000	3,000	-	-	-	
KYOBO-NBH-ALPENROUTE SPORTS INNOVATION FUND		2,000	400	1,600	-	-	
Forward-NBH New Technology Business Investment Fund II		1,000	1,000	-	-	-	
NR 1st Recovery Support Private Equity Fund		13,400	13,400	-	-	-	
Global EMS No.1 Private Equity fund		5,950	5,950	-	-	-	
Odyssey No.2 Private Equity Fund		500	484	16	-	-	

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	Investment agreements	2024		2023	
		Accumulated investments	Remaining agreements	Accumulated investments	Remaining agreements
DAYLI Fountainhead Project No.3 Private Equity Fund	2,000	2,000	-	-	-

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9. Derivatives

(a) The carrying amounts of derivatives and nominal amounts of unsettled derivatives contracts as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)	Carrying amounts				Nominal amounts of unsettled derivatives contracts	
	2024		2023		2024	2023
	Assets	Liabilities	Assets	Liabilities		
Exchange-traded derivatives						
Interest rate derivatives						
Interest rate futures	₩ -	₩ -	₩ -	₩ -	₩ 260,960	₩ 300,556
Interest rate swaps	-	-	-	-	1,009,300	1,619,300
Equity derivatives						
Stock price index futures	-	-	-	-	151,483	89,889
Stock options	24	13	7	2	3,023	1,114
Foreign currency derivatives						
Currency futures	-	-	-	-	10,793	21,265
Commodity derivatives						
Commodity futures	-	-	-	-	1,385	1,735
	₩ 24	₩ 13	₩ 7	₩ 2	₩ 1,436,944	₩ 2,033,859
Over-the-counter (OTC) derivatives						
Interest rate derivatives						
Interest rate swaps	₩ 2,784	₩ 3,743	₩ 3,349	₩ 3,966	₩ 60,545	₩ 107,381
Equity derivatives						
Stock options	630	-	688	-	7,397	3,136
Foreign currency derivatives						
Currency swaps	144,272	140,203	44,549	43,858	1,801,701	1,773,502
Currency forwards	7,497	6,848	-	-	334,450	-
Commodity derivatives						
Commodity options	-	-	167	-	-	2,000
Commodity swaps	-	8,661	21	60,157	39,867	280,794
Adjustment of valuation of derivatives						
Adjustment of valuation of credit risk	(190)	(420)	(431)	(1,102)	-	-
Adjustment of valuation of profit / loss on transaction	59	6	(190)	1,027	-	-
	₩ 155,052	₩ 159,041	₩ 48,153	₩ 107,906	₩ 2,243,960	₩ 2,166,813
	₩ 155,076	₩ 159,054	₩ 48,160	₩ 107,908	₩ 3,680,904	₩ 4,200,672

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9. Derivatives (cont'd)

(b) Details of gain (loss) on derivative instruments for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Gain on derivative instruments		
Exchange-traded derivatives		
Gain on sales of futures	₩ 102,739	₩ 124,406
Gain on settlement of futures	4,143	3,158
Gain on foreign futures transactions	6,499	13,118
Gain on settlement of foreign futures	2,004	375
Gain on sales of options	4,987	26,988
Gain on valuation of options	6	2
Gain on other derivative instruments	632	4,244
	<u>121,010</u>	<u>172,291</u>
Over-the-counter (OTC) derivatives		
Gain on disposal of OTC derivatives	126,129	149,549
Gain on valuation of OTC derivatives	122,842	25,242
	<u>248,971</u>	<u>174,791</u>
	₩ 369,981	₩ 347,082
Loss on derivative instruments		
Exchange-traded derivatives		
Loss on sales of futures	₩ 105,943	₩ 114,005
Loss on settlement of futures	4,896	4,114
Loss on foreign futures transactions	4,728	13,308
Loss on settlement of foreign futures	46	733
Loss on sales of options	4,862	24,831
Loss on valuation of options	8	2
Loss on other derivative instruments	1,669	5,813
	<u>122,152</u>	<u>162,806</u>
Over-the-counter (OTC) derivatives		
Loss on disposal of OTC derivatives	103,215	142,707
Loss on valuation of OTC derivatives	116,391	17,117
	<u>219,606</u>	<u>159,824</u>
	<u>341,758</u>	<u>322,630</u>
Net gain on derivative instruments	₩ 28,223	₩ 24,452

There are no derivatives held for the purposes of fair value hedging and cash flows hedging as of December 31, 2024 and 2023.

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10. Loan receivables

(a) Details of loan receivables as of December 31, 2024 and 2023 are as follows:

	2024				
	Loan receivables	Loss allowance	Present value discount	Loan origination fees and costs	Book value
Broker's loans	₩ 353,332	₩ (15,906)	₩ -	₩ -	₩ 337,426
Bonds purchased under repurchase agreements	371,800	-	-	-	371,800
Loans to employees	11,971	(5,315)	(357)	-	6,299
Loans	350,020	(32,217)	-	(45)	317,758
Advances for customers	1,255	(1,255)	-	-	-
Defaulted loans	728	(728)	-	-	-
Private placement corporate bonds	1,773	(1,053)	-	(3)	717
Other loan receivables	176,655	(41,679)	-	-	134,976
	₩ 1,267,534	₩ (98,153)	₩ (357)	₩ (48)	₩ 1,168,976

	2023				
	Loan receivables	Loss allowance	Present value discount	Loan origination fees and costs	Book value
Broker's loans	₩ 375,637	₩ (4,974)	₩ -	₩ -	₩ 370,663
Bonds purchased under repurchase agreements	183,300	-	-	-	183,300
Loans to employees	12,673	(5,614)	(494)	-	6,565
Loans	392,547	(20,634)	-	(616)	371,297
Advances for customers	1,255	(1,255)	-	-	-
Private placement corporate bonds	1,855	(73)	-	1	1,783
Other loan receivables	308,999	(34,460)	-	-	274,539
	₩ 1,276,266	₩ (67,010)	₩ (494)	₩ (615)	₩ 1,208,147

(b) Changes in the loss allowance of loan receivables for the years ended December 31, 2024 and 2023 are as follows:

	2024			
	Lifetime expected credit loss			Book value
	12-month expected credit losses	Non credit-impaired loans	Credit-impaired loans	
Beginning balance	₩ 5,910	₩ 7,007	₩ 54,093	₩ 67,010
Transfer to 12 month expected credit losses	460	(451)	(9)	-
Transfer to lifetime expected credit loss	(378)	384	(6)	-
Transfer to credit-impaired loans	(448)	(6,178)	6,626	-
Provision (Reversal)	(8,206)	14,567	72,386	78,747
Other adjustments	7,863	1,010	(5,468)	3,405
Write-off	(1,377)	(10,225)	(39,407)	(51,009)
Ending balance	₩ 3,824	₩ 6,114	₩ 88,215	₩ 98,153

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10. Loan receivables (cont'd)

(in millions of Korean won)

	2023			
	12-month expected credit losses	Lifetime expected credit loss		Book value
		Non credit- impaired loans	Credit-impaired loans	
Beginning balance	₩ 10,883	₩ 1,643	₩ 36,382	₩ 48,908
Transfer to 12 month expected credit losses	853	(391)	(462)	-
Transfer to lifetime expected credit loss	(2,194)	2,235	(41)	-
Transfer to credit-impaired loans	(884)	(491)	1,375	-
Provision (Reversal)	(1,632)	4,519	31,304	34,191
Other adjustments	(1,094)	(435)	2,669	1,140
Write-off	(22)	(73)	(17,134)	(17,229)
Ending balance	₩ 5,910	₩ 7,007	₩ 54,093	₩ 67,010

(c) Changes in total book value of loan receivables for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024			
	12-month expected credit loss	Lifetime expected credit loss		Book value
		Non credit- impaired loans	Credit-impaired loans	
Beginning balance	₩ 933,001	₩ 216,483	₩ 126,782	₩ 1,276,266
Transfer to 12 month expected credit loss	4,946	(4,892)	(54)	-
Transfer to lifetime expected credit loss	(29,689)	29,741	(52)	-
Transfer to credit-impaired loans	(122,704)	(76,772)	199,476	-
Net increase and decrease	148,972	(30,324)	14,686	133,334
Others	(73,245)	(5,574)	(12,230)	(91,049)
Write off	(1,804)	(11,965)	(37,248)	(51,017)
Ending balance	₩ 859,477	₩ 116,697	₩ 291,360	₩ 1,267,534

(in millions of Korean won)

	2023			
	12-month expected credit loss	Lifetime expected credit loss		Book value
		Non credit- impaired loans	Credit-impaired loans	
Beginning balance	₩ 1,103,665	₩ 67,232	₩ 92,990	₩ 1,263,887
Transfer to 12 month expected credit loss	29,506	(3,892)	(25,614)	-
Transfer to lifetime expected credit loss	(153,125)	153,331	(206)	-
Transfer to credit-impaired loans	(60,794)	(11,955)	72,749	-
Net increase and decrease	(52,054)	11,264	(4,809)	(45,599)
Others	66,353	629	9,326	76,308
Write off	(550)	(126)	(17,654)	(18,330)
Ending balance	₩ 933,001	₩ 216,483	₩ 126,782	₩ 1,276,266

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11. Property and equipment

(a) Details of property and equipment as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024		
	Acquisition cost	Accumulated depreciation	Book value
Land	₩ 13,586	₩ -	₩ 13,586
Buildings	6,733	(1,115)	5,618
Vehicles	225	(120)	105
Furniture and equipment	32,024	(24,398)	7,626
Construction in Progress	2,272	-	2,272
Others	19,167	(16,444)	2,723
	₩ 74,007	₩ (42,077)	₩ 31,930

(in millions of Korean won)

	2023		
	Acquisition cost	Accumulated depreciation	Book value
Land	₩ 11,952	₩ -	₩ 11,952
Buildings	6,733	(888)	5,845
Vehicles	225	(81)	144
Furniture and equipment	32,582	(22,926)	9,656
Construction in Progress	2,272	-	2,272
Others	18,008	(16,298)	1,710
	₩ 71,772	₩ (40,193)	₩ 31,579

(b) Changes in property and equipment for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024						
	Land	Buildings	Vehicles	Furniture and equipment	Construction in Progress	Others	Total
Beginning balance	₩ 11,952	₩ 5,845	₩ 144	₩ 9,656	₩ 2,272	₩ 1,710	₩ 31,579
Acquisition	1,634	-	-	1,709	-	1,628	4,971
Disposals	-	-	-	-	-	-	-
Depreciation	-	(227)	(39)	(3,731)	-	(615)	(4,612)
Others	-	-	-	-	-	-	-
Adjust for consolidation procedures	-	-	-	(8)	-	-	(8)
Ending balance	₩ 13,586	₩ 5,618	₩ 105	₩ 7,626	₩ 2,272	₩ 2,723	₩ 31,930

(in millions of Korean won)

	2023						
	Land	Buildings	Vehicles	Furniture and equipment	Construction in Progress	Others	Total
Beginning balance	₩ 11,952	₩ 6,072	₩ 97	₩ 12,206	₩ 2,181	₩ 1,988	₩ 34,496
Acquisition	-	-	74	1,358	91	536	2,059
Disposals	-	-	-	-	-	-	-
Depreciation	-	(227)	(27)	(3,876)	-	(662)	(4,792)
Others	-	-	-	(32)	-	(152)	(184)
Adjust for consolidation procedures	-	-	-	-	-	-	-
Ending balance	₩ 11,952	₩ 5,845	₩ 144	₩ 9,656	₩ 2,272	₩ 1,710	₩ 31,579

SK Securities Co., Ltd. and Subsidiaries
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12. Leased Assets

(a) Details of the leased assets as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Capital lease payment receivables	₩ 2,090	₩ 4,013
Provision for capital lease payment receivables	(143)	(20)
Operating lease assets	25,571	25,106
Accumulated depreciation	(8,739)	(9,158)
Prepaid lease expenses	300	232
Initial direct costs	12	42
Lease assets subject to termination	46	40
	₩ 19,137	₩ 20,255

(b) Changes in capital lease payment receivables for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Beginning balance	₩ 4,013	₩ 5,400
Net increase and decrease	(1,923)	(1,196)
Write-off	-	(191)
Ending balance	₩ 2,090	₩ 4,013

(c) Changes in provision for capital lease payment receivables for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Beginning balance	₩ 21	₩ 244
Provision (Reversal)	128	(32)
Execution (Acquisition), derecognition of financial assets (net decrease)	(5)	-
Write-off	-	(191)
Ending balance	₩ 144	₩ 21

(d) Changes in operating lease assets for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Beginning balance	₩ 15,948	₩ 12,270
Changes in the scope of consolidation	-	-
Acquisitions and disposals	5,356	8,126
Depreciation	(4,472)	(4,448)
Ending balance	₩ 16,832	₩ 15,948

SK Securities Co., Ltd. and Subsidiaries
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12. Leased Assets (cont'd)

(e) Details of minimum lease payments of capital lease payment receivables for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Within 1 year	₩ 1,324	₩ 1,901
1-2 years	234	1,904
2-3 years	23	508
3-4 years	-	129
4-5 years	-	-
Over 5 years	-	-
	₩ 1,581	₩ 4,442
Unrealized interest income	509	(429)
Net investment in the lease	₩ 2,090	₩ 4,013

(f) Details of minimum lease payments of operating lease payment receivables as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Within 1 year	₩ 6,516	₩ 6,326
1-2 years	4,347	4,215
2-3 years	2,922	2,633
3-4 years	1,518	1,410
4-5 years	497	447
Over 5 years	-	-
	₩ 15,800	₩ 15,031

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13. Right-of-use assets

(a) Details of the right-of-use assets as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024			
	Acquisition cost	Accumulated depreciation	Accumulated impairment losses	Book value
Buildings	₩ 90,321	₩ (27,768)	₩ (85)	₩ 62,468
Vehicles	1,061	(1,144)	-	(83)
Others	5,351	(1,707)	-	3,644
	₩ 96,733	₩ (30,619)	₩ (85)	₩ 66,029

(in millions of Korean won)

	2023			
	Acquisition cost	Accumulated depreciation	Accumulated impairment losses	Book value
Buildings	₩ 99,493	₩ (25,003)	₩ (85)	₩ 74,405
Vehicles	2,105	(1,361)	-	744
Others	2,160	(715)	-	1,445
	₩ 103,758	₩ (27,079)	₩ (85)	₩ 76,594

(b) Changes in the right-of-use assets for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024			
	Buildings	Vehicles	Others	Total
Beginning balance	₩ 74,405	₩ 744	₩ 1,445	₩ 76,594
Acquisition	8,185	93	3,965	12,243
Disposals	(4,623)	(291)	-	(4,914)
Depreciation	(6,939)	(631)	(1,766)	(9,336)
Impairment loss	-	-	-	-
Adjustments	(7,977)	-	-	(7,977)
Changes in the scope of consolidation	(583)	2	-	(581)
Ending balance	₩ 62,468	₩ (83)	₩ 3,644	₩ 66,029

(in millions of Korean won)

	2023			
	Buildings	Vehicles	Others	Total
Beginning balance	₩ 78,690	₩ 1,349	₩ 2,792	₩ 82,831
Acquisition	2,311	198	741	3,250
Disposals	(133)	(32)	-	(165)
Depreciation	(6,841)	(771)	(2,088)	(9,700)
Impairment loss	(85)	-	-	(85)
Adjustments	463	-	-	463
Ending balance	₩ 74,405	₩ 744	₩ 1,445	₩ 76,594

(c) A portion of the right-of-use asset building was subleased. Sublease revenue for 2024 and 2023 was ₩ 598 million and ₩ 33 million, respectively.

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14. Intangible assets

(a) Changes in intangible assets for the years ended December 31, 2024 and 2023 are as follows:

(in millions of
Korean won)

	2024					
	Definite useful life			Indefinite useful life		Total
	Development costs	Software	Others	Membership ¹	Goodwill	
Beginning balance	₩ 10,428	₩ 7,012	₩ 248	₩ 11,705	₩ 10,097	₩ 39,490
Acquisition	1,365	797	52	17	-	2,231
Disposals	-	-	-	(1,421)	(3,338)	(4,759)
Amortization	(3,416)	(2,764)	(101)	-	-	(6,282)
Impairments (reversal of impairments)	-	-	-	(280)	-	(280)
Ending balance	₩ 8,377	₩ 5,045	₩ 199	₩ 10,021	₩ 6,760	₩ 30,401

(in millions of
Korean won)

	2023					
	Definite useful life			Indefinite useful life		Total
	Development costs	Software	Others	Membership ¹	Goodwill	Others ²
Beginning balance	₩ 11,949	₩ 8,274	₩ 199	₩ 11,037	₩ 10,991	₩ 31
Acquisition	3,005	1,851	137	1,781	-	-
Disposals	-	-	-	(2,134)	-	-
Amortization	(3,780)	(3,084)	(88)	-	-	-
Impairments (reversal of impairments)	-	-	-	1,021	(894)	-
Transferred	-	-	-	-	-	(31)
Changes in the scope of consolidation	(746)	(29)	-	-	-	-
Ending balance	₩ 10,428	₩ 7,012	₩ 248	₩ 11,705	₩ 10,097	₩ -

¹ Memberships include golf clubs and condominium memberships and others and are intangible assets with indefinite useful lives. Recoverable amounts were estimated based on market values on membership exchanges. Impairment losses are recognized as non-operating expenses. When the market value of the impaired membership exceeded the acquisition price, the previously recognized impairment loss was reversed and reflected as non-operating income.

² The Group recognized credit purchased to offset the amounts of carbon exhausted in 2021 as intangible assets. The intangible asset was removed after use.

14. Intangible assets(cont'd)

(b) Impairment test of intangible assets

1) Details of the assets that had valuation for impairment for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024	2023
Goodwill	₩ 6,759	₩ 10,097

2) The recoverable amount used in the impairment valuation was assessed based on value in use. The value in use was determined by applying the discounted cash flow (DCF) method, which is a traditional approach, taking into account the characteristics of the financial institution.

i) Valuation date and forecast period

The valuation date for the recoverable amount was September 30, 2024, and the forecast period for the value in use assessment was 5.25 years after the valuation date, and the value after the forecast period was calculated as terminal value.

ii) Discount rate and perpetual growth rate

The discount rate is applied by calculating the required rate of return for shareholders and the cost of equity, and the perpetual growth rate after is 0%.

iii) The main assumptions used to estimate future cash flows are macroeconomic indicators such as GDP growth, wage growth, and lending rates.

3) Based on the results of the impairment assessment, the recoverable amount exceeds the carrying amount by 6,599 million won, so no impairment loss is recognized.

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15. Other assets

(a) Details of other assets as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024		2023	
Other financial assets				
Other receivables	₩	228,517	₩	409,386
Accrued income		58,268		52,749
Guarantee deposits		14,152		17,248
Others		6,950		-
Loss allowance		(10,984)		(11,264)
		<u>296,903</u>		<u>468,119</u>
Other non-financial assets				
Advanced payments		2,800		5,853
Prepaid expenses		8,457		8,981
Carbon credit permits		10,845		7,394
Net defined benefit assets		-		873
Others		290		115
		<u>22,392</u>		<u>23,216</u>
	₩	<u>319,295</u>	₩	<u>491,335</u>

(b) Changes in the loss allowance of other assets for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024			
	12-month expected credit losses	Lifetime expected credit losses		Carrying amount
		Credit not impaired other assets	Credit-impaired other assets	
Beginning balance	₩ 840	₩ 81	₩ 10,343	₩ 11,264
Transfer to 12 month expected credit losses	-	-	-	-
Transfer to lifetime expected credit losses	(1)	1	-	-
Transfer to credit-impaired other assets	(2)	(29)	31	-
Provision (Reversal)	(502)	37	317	(148)
Others	35	15	(4)	46
Write off	(4)	(9)	(165)	(178)
Ending balance	₩ 366	₩ 96	₩ 10,522	₩ 10,984

<i>(in millions of Korean won)</i>	2023			
	12-month expected credit losses	Lifetime expected credit losses		Carrying amount
		Credit not impaired other assets	Credit-impaired other assets	
Beginning balance	₩ 1,202	₩ 17	₩ 8,319	₩ 9,538
Transfer to 12 month expected credit losses	2	(1)	(1)	-
Transfer to lifetime expected credit losses	(3)	3	-	-
Transfer to credit-impaired other assets	(860)	(4)	864	-
Provision (Reversal)	499	66	3,513	4,078
Others	-	-	(2,352)	(2,352)
Ending balance	₩ 840	₩ 81	₩ 10,343	₩ 11,264

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15. Other assets (cont'd)

(c) Changes in total carrying amount of other assets for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024			
	12-month expected credit losses	Lifetime expected credit losses		Carrying amount
		Credit not impaired other assets	Credit-impaired other assets	
Beginning balance	₩ 466,730	₩ 1,856	₩ 10,797	₩ 479,383
Transfer to 12 month expected credit losses	18	(18)	-	-
Transfer to lifetime expected credit losses	(56)	56	-	-
Transfer to credit- impaired other assets	(112)	(957)	1,069	-
Net increase and decrease	(179,842)	783	2,324	(176,735)
Write off	(15)	(12)	(194)	(221)
Others	(28)	-	(1,463)	(1,491)
Ending balance	₩ 286,695	₩ 1,708	₩ 12,533	₩ 300,936

*Other assets (advanced payments, prepaid expenses, etc.) that are not subject to reserve the loss allowance are excluded.

(in millions of Korean won)

	2023			
	12-month expected credit losses	Lifetime expected credit losses		Carrying amount*
		Credit not impaired other assets	Credit-impaired other assets	
Beginning balance	₩ 276,056	₩ 226	₩ 8,366	₩ 284,648
Transfer to 12 month expected credit losses	19	(18)	(1)	-
Transfer to lifetime expected credit losses	(244)	245	(1)	-
Transfer to credit- impaired other assets	(1,156)	-	1,156	-
Net increase	192,070	1,414	3,644	197,128
Write off	(15)	(11)	(2,367)	(2,393)
Ending balance	₩ 466,730	₩ 1,856	₩ 10,797	₩ 479,383

*Other assets (advanced payments, prepaid expenses, etc.) that are not subject to reserve the loss allowance are excluded.

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15. Other assets (cont'd)

(d) Changes in carbon credit permits associated with short-term gains and losses for the years ended December 31, 2024 and 2023 are as follows:

(Ton, in millions of Korean won)

	2024	
	Number of carbon credit permits	Carrying amount
Beginning balance	819,719	₩ 7,394
Purchase	8,818,592	79,194
Disposal	(8,495,530)	(76,234)
Valuation	-	491
Ending balance	1,142,781	₩ 10,845

(Ton, in millions of Korean won)

	2023	
	Number of carbon credit permits	Carrying amount
Beginning balance	1,177,286	₩ 19,237
Purchase	10,612,606	102,148
Disposal	(10,970,173)	(114,666)
Valuation	-	675
Ending balance	819,719	₩ 7,394

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16. Investment in Properties

(a) Details of investment in properties as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

		2024			
		Acquisition cost	Accumulated depreciation	Carrying amount	Fair value
Land	₩	2,203	₩ -	₩ 2,203	₩ 2,203
Buildings		871	(114)	756	871
	₩	3,074	₩ (114)	₩ 2,959	₩ 3,074

(in millions of Korean won)

		2023			
		Acquisition cost	Accumulated depreciation	Carrying amount	Fair value
Land	₩	4,656	₩ -	₩ 4,656	₩ 4,656
Buildings		2,312	(168)	2,144	2,312
	₩	6,968	₩ (168)	₩ 6,800	₩ 6,968

(b) Changes in carrying amount of investment in properties for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

		2024				
		Beginning balance	Acquisition	Disposal	Depreciation	Ending balance
Land	₩	4,656	₩ -	₩ (2,453)	₩ -	₩ 2,203
Buildings		2,144	31	(1,352)	(67)	756
	₩	6,800	₩ 31	₩ (3,805)	₩ (67)	₩ 2,959

(in millions of Korean won)

		2023		
		Beginning balance	Depreciation	Ending balance
Land	₩	4,656	₩ -	₩ 4,656
Buildings		2,228	(84)	2,144
	₩	6,884	₩ (84)	₩ 6,800

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17. Deposits

Details of deposits as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Customers' deposits		
Customers' deposits for brokerage	₩ 367,316	₩ 422,015
Customers' deposits for exchange-traded derivatives trading	90,257	123,942
Customers' deposits for savings	375,363	392,766
Customers' deposits for beneficiary certificates	18,582	58,052
	<u>851,518</u>	<u>996,775</u>
Import guarantee deposits		
Collateral for credit loans	-	57
Other collateral ¹	682	40,746
	<u>682</u>	<u>40,803</u>
Other deposits		
Customers' deposits for giro	1	1
	<u>1</u>	<u>1</u>
	<u>₩ 852,201</u>	<u>₩ 1,037,579</u>

¹ As a security right holder under a loan contract, the Group received cash collateral set by the counterparty.

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18. Financial liabilities at FVTPL

(a) Details of financial liabilities at FVTPL as of December 31, 2024 and 2023, are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Financial liabilities held for trading	₩ 146,618	₩ 125,901
Financial liabilities designated at fair value through profit or loss	1,053,049	826,935
	₩ 1,199,667	₩ 952,836

(b) Details of financial liabilities held for trading as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Securities sold:		
Stocks	₩ 146,618	₩ 125,901
	₩ 146,618	₩ 125,901

(c) Details of financial liabilities designated at fair value through profit or loss as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Reason	2024	2023
Equity linked securities sold	Hybrid financial instrument	₩ 694	₩ 663
Equity linked bonds sold		907,818	759,764
		908,512	760,427
Other derivatives-linked securities sold	Hybrid financial instrument	540	472
Other derivatives-linked bonds sold		143,997	66,036
		144,537	66,508
		₩ 1,053,049	₩ 826,935

(d) The difference between the carrying amount and maturity disbursement required to be paid at contractual maturity of financial liabilities designated at fair value through profit or loss as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Maturity disbursement	₩ 1,055,574	₩ 819,114
Carrying amount	1,053,049	826,935
Difference from carrying amount	₩ 2,525	₩ (7,821)

(e) The variation accumulated amount in the fair value of a financial liability is designated as at fair value through profit or loss due to changes in credit risk for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Items that recognize changes in fair value resulting from changes in credit risk in other comprehensive income	
	2024	2023
Beginning accumulated amount	₩ (103)	₩ 562
Fair value variation	4,086	(866)
Income taxes effects	(944)	201
Ending accumulated amount	₩ 3,039	₩ (103)

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19. Borrowings

(a) Details of borrowings and bonds sold under repurchase agreements as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)	Creditor	Annual interest rate (%) as of December 31,	2024	2023
		2024	2024	2023
Call money	Hyundai Asset Management Co., Ltd. and others	-	₩ -	₩ 50,000
Borrowings				
Borrowings of distribution finance	Korea Securities Financial Corp.	4.02	145,743	150,183
Borrowings secured by securities	Korea Securities Financial Corp.	4.02 ~ 4.84	107,921	124,110
Noted discounted	Korea Securities Financial Corp. and others	3.45 ~ 4.15	60,000	60,000
Borrowings from banks	Korea Development Bank and others	4.79 ~ 8.40	37,340	30,188
CP	Hanyang Securities Co., Ltd. and others	0.01 ~ 7.50	223,200	193,500
Asset backed short-term bonds	Daol Investment & Securities Co., Ltd. and others	2.55 ~ 7.50	121,900	282,920
Other borrowings	Korea Investment & Securities Co., Ltd. and others	0.00 ~ 7.32	98,642	100,332
			<u>794,746</u>	<u>941,233</u>
Bonds sold under repurchase agreements				
Bonds sold under repurchase agreements	Customers	2.80 ~ 5.50	1,496,206	1,433,889
Bonds sold under repurchase agreements	Institutions	3.02 ~ 5.00	374,900	420,800
			<u>1,871,106</u>	<u>1,854,689</u>
			<u>₩ 2,665,852</u>	<u>₩ 2,845,922</u>

(b) Details of bonds issued by the Group as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)	Maturity date	Annual interest rate (%) as of December 31,	2024	2023
		2024	2024	2023
21st Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2026.03.20	4.60	₩ 50,000	₩ 50,000
Discount on bonds			(1)	(2)
			<u>49,999</u>	<u>49,998</u>
22nd Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2027.01.29	4.45	50,000	50,000
Discount on bonds			(18)	(24)
			<u>49,982</u>	<u>49,976</u>
23rd Senior bonds				
Senior bonds of SK Securities Co., Ltd.	2027.06.25	4.70	55,000	55,000
Discount on bonds			(14)	(19)
			<u>54,986</u>	<u>54,981</u>

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		Annual interest rate (%) as of December 31,		
(in millions of Korean won)	Maturity date	2024	2024	2023
24 th Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2027.07.09	4.70	10,000	10,000
Discount on bonds			-	-
			10,000	10,000
25 th Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2028.02.10	5.20	20,000	20,000
Discount on bonds			(1)	(3)
			19,999	19,997
26 th Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2028.03.11	5.20	15,000	15,000
Discount on bonds			-	-
			15,000	15,000
27 th Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2028.04.28	5.70	32,000	32,000
Discount on bonds			(32)	(40)
			31,968	31,960
28 th Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2028.06.30	6.00	12,000	12,000
Discount on bonds			-	-
			12,000	12,000
29 th Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2028.07.27	6.00	12,000	12,000
Discount on bonds			-	-
			12,000	12,000
30 th Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2028.08.30	6.50	5,000	5,000
Discount on bonds			-	-
			5,000	5,000
31 st Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2030.07.26	7.70	13,000	-
Discount on bonds			(19)	-
			12,981	-
32 nd Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2030.08.20	7.70	5,000	-
Discount on bonds			-	-
			5,000	-
33 rd Subordinated bonds				
Subordinated bonds of SK Securities Co., Ltd.	2030.12.17	8.00	5,000	-
Discount on bonds			-	-
			5,000	-
2 nd Senior bonds				
Unguaranteed senior bonds of NBH CAPITAL Co., Ltd.	2024.10.11	7.50	-	5,000
Discount on bonds			-	-
			-	5,000

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<i>(in millions of Korean won)</i>	Maturity date	Annual interest rate (%) as of December 31,	2024	2023
		2024		
3 rd Senior bonds				
Unguaranteed senior bonds of NBH CAPITAL Co., Ltd.	2025.12.13	7.00	2,000	-
Discount on bonds			-	-
			2,000	-
			₩ 285,915	₩ 265,912

20. Retirement benefits

(a) Defined benefit plan

The Group operates defined benefit plans. The plan assets and the actuarial valuation of defined benefit obligations are calculated by independent actuaries. The level of benefits provided depends on employees' length of service and their salary in the final years leading up to retirement. The majority of benefit payments are from trustee administered funds.

1) Details of net defined benefit liabilities/assets recognized in the consolidated statements of financial position as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Present value of defined benefit obligations	₩ 64,088	₩ 57,308
Fair value of plan assets	(59,089)	(58,181)
Net defined benefit liabilities/assets	₩ 4,999	₩ (873)

2) Changes in the defined benefit obligations for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Beginning balance	₩ 57,308	₩ 51,833
Current service costs	8,958	9,681
Interest expenses	2,356	2,634
Remeasurements:		
Actual loss arising from changes in financial assumptions	1,808	2,394
Actual loss arising from changes in demographic assumptions	(3)	(330)
Actual loss arising from experience adjustments	90	(1,103)
Benefits paid	(6,429)	(7,801)
Ending balance	₩ 64,088	₩ 57,308

3) Changes in the fair value of plan assets for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Beginning balance	₩ 58,181	₩ 57,777
Interest income on plan assets	2,141	2,412
Remeasurements	280	(666)
Contributions paid	6,300	8,250
Benefits paid	(7,813)	(9,592)
Ending balance	₩ 59,089	₩ 58,181

4) Expenses related to the defined benefit plans for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Current service costs	₩ 8,958	₩ 9,681
Interest expenses	2,356	2,634
Interest income on plan assets	(2,140)	(2,412)
	₩ 9,174	₩ 9,903

SK Securities Co., Ltd. and Subsidiaries
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20. Retirement benefits (cont'd)

5) Plan assets as of December 31, 2024 and 2023 consist of:

<i>(in millions of Korean won)</i>	2024		2023	
	Quoted price	Composition (%)	Quoted price	Composition (%)
Deposits	₩ 20,367	34.47	₩ 18,271	31.40
Guaranteed interest contract	13,075	22.13	15,457	26.57
Others	25,647	43.40	24,453	42.03
Fair value of plan assets	₩ 59,089	100.00	₩ 58,181	100.00

6) The significant actuarial assumptions as of December 31, 2024 and 2023 are as follows:

	2024	2023
Discount rate	3.79%~4.78%	4.32%~5.07%
Mortality rate	0.03%	0.03%~0.04%
Turnover rate	9.08%~16.33%	9.11%~16.31%
Future salary increasing rate	4.74%~5.18%	4.45%~4.79%

7) The sensitivity of the defined benefit obligations to changes in the principal assumptions is as follows:

<i>(in millions of Korean won)</i>	2024		
	Current amounts	1%point increase	1%point decrease
Discount rate	₩ 64,088	₩ 60,976	₩ 67,547
Future salary growth rate	64,088	67,574	60,897

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. The sensitivity of the defined benefit obligations to changes in principal actuarial assumptions is calculated using the projected unit credit method, the same method applied when calculating the defined benefit obligations recognized on the consolidated statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

8) Impact of defined benefit obligations on future cash flows

The Group reviews the funding level on an annual basis and has a policy of eliminating deficit from the fund.

The expected maturity analysis of undiscounted pension benefits as of December 31, 2024, is as follows:

<i>(in millions of Korean won)</i>	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Between 5 and 10 years	Over 10 years	Total
Pension benefits	₩ 11,602	₩ 10,578	₩ 27,881	₩ 45,476	₩ 55,872	₩ 151,409

The weighted-average duration of the defined benefit obligations is 5.35 ~ 5.88 years.

(b) Defined contribution plan

Expenses related to the defined contribution plans for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Defined contribution plan	₩ 2,414	₩ 2,058

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21. Lease liabilities

(a) Details of lease liabilities as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Nominal amount	₩ 113,665	₩ 114,428
Present value discount	(39,938)	(30,677)
Carrying amount	₩ 73,727	₩ 83,751

(b) Changes in lease liabilities for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Beginning balance	₩ 83,751	₩ 87,420
Recognition	10,637	2,888
End of the lease term	(4,079)	(88)
Interest expenses	4,040	3,396
Payments	(11,152)	(11,247)
Adjustments	(8,678)	1,382
Changes in the scope of consolidation	(792)	-
Ending balance	₩ 73,727	₩ 83,751

(c) Total cash outflows from lease liabilities for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Repayment of lease liabilities	₩ 11,152	₩ 11,247
Lease payments for leases of low-value assets	183	185
	₩ 11,335	₩ 11,432

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22. Other liabilities

Details of other liabilities as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024		2023	
Other financial liabilities				
Other payables	₩	207,082	₩	377,015
Accrued expenses		27,422		30,004
Leasehold deposits received		456		187
Lease deposits		1,565		2,065
Liabilities of non-controlling interests		12,872		15,448
		<u>249,397</u>		<u>424,719</u>
Other non-financial liabilities				
Advances received		44		365
Unearned income		2,919		5,542
Taxes withheld		9,191		6,976
Accrued expenses		28,902		36,217
Others		5,981		3,377
		<u>47,037</u>		<u>52,477</u>
	₩	<u>296,434</u>	₩	<u>477,196</u>

23. Provisions

(a) Changes in provisions for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Provision for restoration ¹		Provision for litigation ²		Provision for guarantee	
	2024	2023	2024	2023	2024	2023
Beginning balance	₩ 3,578	₩ 4,654	₩ 6,510	₩ 2,650	₩ 70	₩ 313
Increase & decrease	701	(1,011)	-	-	-	-
Utilization	(86)	(24)	-	(2,000)	-	-
Additional provisions (Reversal)	1,008	(41)	(4,810)	5,860	2,035	(243)
Ending balance	₩ 5,201	₩ 3,578	₩ 1,700	₩ 6,510	₩ 2,105	₩ 70

¹ The provision for restoration represents the estimated costs to restore the existing leased properties which are discounted to the present value using the appropriate discount rate at the end of the reporting period. Disbursements of such costs are expected to incur at the end of the lease contract. Such costs are reasonably estimated using the average restoration expenses, which is calculated based on the actual costs incurred for the past five years using the five-year average inflation rate.

² As of December 31, 2024, the Group recognized provision for litigation by considering expected ratio of losing a lawsuit in relation to claim for damages regarding arbitrary purchase and sale (Note 41).

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23. Provisions (cont'd)

(b) Changes in provisions of the off-balance-sheet items for the years ended December 31, 2024 and 2023 are as follows:

	2024			
	12-month expected credit losses	Lifetime expected credit loss		Carrying amount
		Credit not impaired loans	Credit-impaired loans	
Beginning balance	₩ 25	₩ 25	₩ 20	₩ 70
Transfer to 12 month expected credit losses	3	(3)	-	-
Transfer to lifetime expected credit loss	(13)	13	-	-
Transfer to credit-impaired loans	(1)	(4)	5	-
Provision (Reversal)	122	(26)	1,939	2,035
Ending balance	₩ 136	₩ 5	₩ 1,964	₩ 2,105

	2023			
	12-month expected credit losses	Lifetime expected credit loss		Carrying amount
		Credit not impaired loans	Credit-impaired loans	
Beginning balance	₩ 191	₩ 111	₩ 11	₩ 313
Transfer to 12 month expected credit losses	-	-	-	-
Transfer to lifetime expected credit loss	(23)	23	-	-
Transfer to credit-impaired loans	(1)	-	1	-
Provision (Reversal)	(142)	(109)	8	(243)
Ending balance	₩ 25	₩ 25	₩ 20	₩ 70

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24. Equity

(a) Details of equity as of December 31, 2024 and 2023 are summarized as follows:

<i>(in millions of Korean won)</i>	2024	2023
Owners' equity:		
Issued capital		
Ordinary shares	₩ 236,295	₩ 236,295
Preferred shares	1,956	1,956
	<u>238,251</u>	<u>238,251</u>
Capital surplus		
Paid-in capital in excess of par value	17,983	17,983
Gain on capital reduction	52,088	52,088
Other reserves	265	265
	<u>70,336</u>	<u>70,336</u>
Elements of other stock holders' equity		
Treasury stocks	(40,364)	(40,364)
Stock option	5,037	5,037
Other capital adjustments	(216)	(122)
	<u>(35,543)</u>	<u>(35,449)</u>
Accumulated other comprehensive income		
Remeasurements of net defined benefit liabilities	(9,442)	(8,179)
Gain on translation of foreign operations	2,963	2,167
Changes in the fair value of financial assets at FVOCI	117,861	122,159
Changes in the risk of own credit risk	3,039	(103)
Share of other comprehensive income (loss) of associates	266	386
	<u>114,687</u>	<u>116,430</u>
Retained earnings		
Earned profit reserves	4,978	4,943
Reserve for credit losses	23,420	8,680
Reserve for loss on electronic financial transactions	1,000	1,000
Voluntary reserves	4,055	4,055
Retained earnings before appropriations	129,812	228,078
	<u>163,265</u>	<u>246,756</u>
	<u>₩ 550,996</u>	<u>₩ 636,324</u>
Non-controlling interests	₩ 8,281	₩ 10,914

(b) Issued capital

Total number of shares of the Parent Company authorized to issue is 3 billion shares, while total number of ordinary shares issued and preferred shares issued are 472,590,171 and 3,912,514, respectively. The par value per share is ₩500.

(c) Paid-in capital in excess of par value

In 2018, the Parent Company incurred a paid-in capital in excess of par value of ₩17,983 million through increase in paid-in capital allocated to third parties and shareholder preference shares.

24. Equity (cont'd)

(d) Gain on capital reduction

The Parent Company split the par value of its shares from ₩2,500 per share to ₩500 per share, and executed 5 to 1 share consolidation on July 2, 2003, as approved by the Board of Directors on May 13, 2003, and the shareholders on May 30, 2003. As a result, the Parent Company's equity decreased by ₩648,059 million while reserves (gain on capital reduction) increased by the same amount.

The ₩595,971 million out of ₩648,059 million was used to reduce the accumulated deficit (including ₩170,507 million in amortization of discounts on stock issuance and ₩3,321 million in compensation for loss on disposal of treasury stock), as approved by the shareholders on May 28, 2004, and as of December 31, 2024, the gain on capital reduction is ₩52,088 million.

(e) Treasury stock

Treasury stocks is composed of 8,083,968 shares endowed by the largest shareholder in December 2002 and 3,200,000 shares acquired on February 25, 2016 under the approval of board of directors, and 14,200,000 shares acquired under the approval of board of directors in March, 2020 and April, 2020, respectively. According to the board decision in October 2021, 19,000,000 shares of treasury stock were acquired through the stock market (16,389,277 shares acquired in 2021, 2,610,723 shares acquired in Q1 2022). Accordingly, the Group holds 58,683,968 shares of treasury stock in total as of December 31, 2024.

(f) Share-based payments

1) The Group granted share-based payments as of December 31, 2024 as follows:

	<u>Stock option(Granted in 2019)</u>	<u>Stock option(Granted in 2020)</u>
Grantees	Management and directors	Management and directors
Grant date	March 29, 2019	March 25, 2020
Number of shares granted	23,500,000 shares	32,000,000 shares
Settlement	Equity settlement or cash settlement	Equity settlement or cash settlement
Vesting condition	After three years of service from the grant date	After two years of service from the grant date
Exercise period	March 30, 2022~March 29, 2029	March 26, 2022~March 25, 2029
Exercise price	Type One: ₩900 Type Two: ₩707	Type One: ₩800 Type Two: ₩650
Shares granted	Type One: 19,000,000 shares Type Two: 4,500,000 shares	Type One: 28,000,000 shares Type Two: 4,000,000 shares
Shares outstanding as of December 31, 2024	Type One: 19,000,000 shares Type Two: 4,500,000 shares	Type One: 28,000,000 shares Type Two: 4,000,000 shares
Shares exercisable as of December 31, 2024	Type One: 19,000,000 shares Type Two: 4,500,000 shares	Type One: 28,000,000 shares Type Two: 4,000,000 shares

Assumptions used in fair valuation of share- based payments are as follows:

	<u>Stock option(Granted in 2019)</u>	<u>Stock option(Granted in 2020)</u>
Option pricing model	Binomial Tree	Binomial Tree
Risk free rate	1.75%, 1.72%, 1.60%, 1.71%	1.15%
Expected volatility (120 days KOSPI)	15.83%	34.45%
Share price at the grant date	₩669	₩455
Fair value	Type One: ₩102.77 Type Two: ₩167.48	Type One: ₩70.42 Type Two: ₩89.84

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24. Equity (cont'd)

2) The Group recognized share-based payments in equity or expenses for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)	2024			
	Stock option(Granted in 2019)		Stock option(Granted in 2020)	
	Type One	Type Two	Type One	Type Two
Estimated vested shares as of December 31, 2024 ¹	19,000,000 shares	4,500,000 shares	28,000,000 shares	4,000,000 shares
Fair value of the liability	₩ 1,952	₩ 754	₩ 1,972	₩ 359
Cumulated share-based payment expenses already recognized	1,952	754	1,972	359
Stock option as of December 31, 2024	1,952	754	1,972	359

(in millions of Korean won)	2023			
	Stock option(Granted in 2019)		Stock option(Granted in 2020)	
	Type One	Type Two	Type One	Type Two
Estimated vested shares as of December 31, 2023 ¹	19,000,000 shares	4,500,000 shares	28,000,000 shares	4,000,000 shares
Fair value of the liability	₩ 1,952	₩ 754	₩ 1,972	₩ 359
Cumulated share-based payment expenses already recognized	1,952	754	1,972	359
Stock option as of December 31, 2023	1,952	754	1,972	359

¹ All stock options are vested because the service period ended as of December 31, 2024.

3) No changes in the number of granted stock option for the years ended December 31, 2024 and 2023.

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24. Equity (cont'd)

(g) Accumulated other comprehensive income

Changes in accumulated other comprehensive income (loss) for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024			
	Beginning balance	Valuation	Tax effect	Ending balance
Remeasurements of net defined benefit liabilities	₩ (8,179)	₩ (1,615)	₩ 351	₩ (9,443)
Gain on translation of foreign operations	2,167	1,687	(890)	2,964
Gain (loss) on valuation of equity instruments at FVOCI	122,159	(5,589)	1,291	117,861
Changes in the risk of own credit risk	(103)	4,086	(944)	3,039
Share of other comprehensive income (loss) of associates	386	(41)	(80)	265
	₩ 116,430	₩ (1,472)	₩ (272)	₩ 114,686

(in millions of Korean won)

	2023			
	Beginning balance	Valuation	Tax effect	Ending balance
Remeasurements of net defined benefit liabilities	₩ (6,932)	₩ (1,627)	₩ 380	₩ (8,179)
Gain on translation of foreign operations	1,915	252	-	2,167
Gain (loss) on valuation of equity instruments at FVOCI	116,344	7,562	(1,747)	122,159
Changes in the risk of own credit risk	562	(866)	201	(103)
Share of other comprehensive income (loss) of associates	32	354	-	386
	₩ 111,921	₩ 5,675	₩ (1,166)	₩ 116,430

24. Equity (cont'd)

(h) Retained earnings

1) Earned profit reserve

The *Commercial Code of the Republic of Korea* requires the Parent Company to appropriate for each financial period, as a legal reserve, an amount equal to a minimum of 10% of cash dividends paid until such reserve equals 50% of its issued capital. The reserve is not available for cash dividends payment, but may be transferred to issued capital or used to reduce accumulated deficit. When the accumulated legal reserves (the sum of capital reserves and earned profit reserves) are greater than 1.5 times the paid-in capital amount, the excess legal reserves may be distributed.

2) Reserve for loss on electronic financial transactions

According to *Article 9 of the Electronic Financial Transaction Act* and *Article 5 of the Electronic Financial Transaction Supervisory Rule*, the Parent Company recognizes reserve for loss on electronic financial transactions to compensate users' losses on accidents caused by forged or falsified documents and accidents that occurred in electronically transporting or processing contracts or ordering trades.

3) Reserve for credit loss

The Parent Company is required to appropriate, as a reserve for credit losses, a difference between the provision for impairment in accordance with K-IFRS and that under the *Regulations on Financial Investment Services 3-8, Article 38 of Regulation On Supervision Of Mutual Savings Bank Business* and *Article 11 of Regulation On Supervision Of Specialized Credit Finance Business* if the provision for impairment in accordance with K-IFRS is less than that in accordance with the Regulations on Financial Investment Services. The accumulated provision for impairment required for supervisory purposes is determined by using the minimum reserve rate regulated in Regulations on Financial Investment Services.

The reserve for credit losses is similar to voluntary reserve for retained earnings. When the existing reserve for credit losses exceeds the required reserve at the end of the reporting period, the excess amount can be reversed. When undisposed deficit exists, reserve for credit losses is waived until the undisposed deficit is reversed.

i) Balance of reserve for credit losses as of December 31, 2024 and 2023 are summarized as follows:

(in millions of Korean won)

	2024	2023
Beginning balance of reserve for credit loss	₩ 23,421	₩ 8,680
Provision for (reversal of) reserve for credit loss, scheduled	12,008	14,741
Ending balance of reserve for credit loss	₩ 35,429	₩ 23,421

ii) Details of profit after adjusting for reserve for credit losses and provision for (reversal of) reserve for credit losses for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024	2023
Profit for the year	₩ (82,546)	₩ 2,551
Provision for (reversal of) reserve for credit loss	12,008	14,741
Profit after reflecting reserve for credit loss ¹	₩ (94,554)	₩ (12,190)
Earnings per share after reflecting reserve for credit loss (in Korean won)	₩ (228.45)	₩ (29.45)

¹ Adjusted profit after provision of regulatory reserve for credit losses is not in accordance with K-IFRS and calculated on the assumption that provision (reversal) of regulatory reserve for credit losses before income tax is adjusted to the profit.

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24. Equity (cont'd)

(i) Statement of appropriation of retained earning

Details of the Parent Company's statement of appropriation of retained earnings for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024	2023
	Expected date of appropriation: March 27, 2025	Date of appropriation: March 25, 2024
I. Retained earnings before appropriations		
Retained earnings before appropriations from beginning year	₩ 194,638	₩ 208,186
Profit for the year	(44,557)	2,134
	<u>150,081</u>	<u>210,320</u>
II. Appropriations of Retained Earnings		
Earned profit reserves	44	86
Provision for (reversal of) reserve for credit loss	12,008	14,741
Dividends	437	855
Ordinary shares dividends	414	828
Preferred shares dividends	23	27
	<u>12,489</u>	<u>15,682</u>
III. Retained earnings before appropriations carried over to subsequent year	₩ 137,592	₩ 194,638

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25. Net commission income

Commission income and expenses for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024		2023	
Commission income				
Brokerage commissions	₩	58,635	₩	66,276
Underwriting commissions		32,375		33,129
Brokerage commissions on collective investment securities		8,518		8,006
Management fee on asset management		3,720		2,759
Fees on beneficiary certificates		3,171		2,230
Underwriting fees		75		300
Fees on financial services		12,193		8,799
Commission on derivatives linked securities		269		418
Trust fees and commissions received from trust account		4,165		7,244
Commission on debt guarantee		1,712		18,072
Fees on operating lease		6,565		6,732
Commission on private equity funds		19,286		15,781
Commission on credit offering		204		10,482
Others		4,893		3,572
		<u>155,781</u>		<u>183,800</u>
Commission expenses				
Trading commissions		5,070		5,606
Discretionary fees		55		18
Commissions paid on remittance		458		361
Fees on securities lending and borrowing		1,216		2,421
Others		1,860		2,520
		<u>8,659</u>		<u>10,926</u>
Net commission income	₩	<u>147,122</u>	₩	<u>172,874</u>

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26. Gain and loss related to financial instruments at FVTPL

Details of gain and loss related to financial instruments at FVTPL for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Gain related to financial instruments at FVTPL		
Gain on disposal of financial assets at FVTPL	₩ 202,569	₩ 250,453
Gain on valuation of financial assets at FVTPL	42,453	80,964
Gain on valuation of financial assets designated at fair value through profit or loss	17,375	19,593
Gain on disposal of financial liabilities held for trading	24,013	-
Gain on valuation of financial liabilities held for trading	32,337	7,797
Gain on repayment of financial liabilities designated at fair value through profit or loss	874	2,474
Gain on valuation of financial liabilities designated at fair value through profit or loss	1,193	1,181
Gain on derivative instruments	369,981	347,082
	<u>690,795</u>	<u>709,544</u>
Loss related to financial instruments at FVTPL		
Loss on disposal of financial assets at FVTPL	190,945	220,311
Loss on valuation of financial assets at FVTPL	74,670	23,255
Loss on valuation of financial assets designated at fair value through profit or loss	251	249
Loss on disposal of financial liabilities held for trading	9,948	-
Loss on valuation of financial liabilities held for trading	13,309	10,347
Loss on repayment of financial liabilities designated at fair value through profit or loss	24,026	29,356
Loss on valuation of financial liabilities designated at fair value through profit or loss	28,118	20,748
Loss on derivative instruments	341,760	322,630
	<u>683,027</u>	<u>626,896</u>
Net gain on valuation and disposal of financial instruments at FVTPL	₩ <u>7,768</u>	₩ <u>82,648</u>

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27. Net interest income

Details of interest income and expenses for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Interest income		
Interest on broker's loans	₩ 14,381	₩ 13,362
Interest on purchased loans	52,647	65,831
Interest on loans	19,950	16,921
Interest on bonds	93,532	78,656
Interest on securities loaned	-	8
Interest on corporate commercial papers	617	1,297
Interest on asset backed short-term bonds	2,962	3,237
Interest on deposits with KSFC	3,749	3,068
Interest on certificate of deposits	12	7
Interest on due from financial institution	6,732	6,721
Interest on bonds purchased under resale agreements	2,861	3,530
Gain on transaction of certificate of deposits	69	27
Interest on deposits	5,602	6,213
Interest on other receivables	254	296
Interest on lease on finance lease receivables	265	357
Others	6,075	5,339
	<u>209,708</u>	<u>204,870</u>
Interest expenses		
Interest on borrowings	40,552	58,242
Interest on customer's deposits	21,444	22,264
Interest on bonds sold under repurchase agreements	69,056	67,808
Interest on bonds	13,599	13,009
Interest on securities lending and borrowing	65	190
Interest on call money	1,975	365
Others	7,512	5,652
	<u>154,203</u>	<u>167,530</u>
Net interest income	<u>₩ 55,505</u>	<u>₩ 37,340</u>

28. Gain and loss related to financial instruments at amortized cost

Details of gain and loss related to financial instruments at amortized cost for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Gain on disposal of securities at amortized cost	₩ -	₩ 1
Gain on valuation and disposal of loan receivables		
Gains on valuation of loans receivable	634	1,430
Gains on disposal of loans receivable	862	1,245
	<u>1,496</u>	<u>2,676</u>
Loss on disposal of securities at amortized cost	3,038	-
Loss on valuation and disposal of loan receivables		
Loss on valuation of loans receivable	-	232
Loss on disposal of loans receivable	2,496	776
	<u>5,534</u>	<u>1,008</u>
Net gain (loss) on valuation and disposal of financial instruments at amortized cost	<u>₩ (4,038)</u>	<u>₩ 1,668</u>

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29. Dividend income

Details of dividend income for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Dividend income	₩ 14,918	₩ 12,482
Distribution income	3,387	2,078
	₩ 18,305	₩ 14,560

30. Selling and administrative expenses

Details of selling and administrative expenses for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Salaries and other benefits		
Salaries	₩ 112,544	₩ 111,755
Retirement benefits	11,588	11,961
Long-term employee benefits	52	(70)
Early retirement benefits	360	-
Employee welfare	24,245	23,599
	148,789	147,245
Depreciation	14,016	14,574
Depreciation on operating lease assets	4,472	4,448
Amortization of intangible assets	6,282	6,951
Other selling and administrative expenses		
Computer system operations	19,857	20,211
Rentals	5,909	6,212
Service fees	27,471	18,919
Entertainment	6,447	7,024
Advertising	1,280	1,092
Training	432	433
Taxes and dues	11,355	10,976
Legal	26	17
Business meetings	164	224
Printings	498	531
Travel	681	760
Vehicle maintenance	623	678
Supplies	1,506	756
Utilities	60	92
Insurance	2,793	5,034
Event	1,717	1,279
Others	1,794	1,709
	82,613	75,947
	₩ 256,172	₩ 249,165

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31. Other operating income and expenses

Details of other operating income and expenses for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Gain on foreign currency transactions		
Gain on foreign currency transactions	₩ 12,998	₩ 21,834
Gain on foreign currency translations	4,815	2,172
	<u>17,813</u>	<u>24,006</u>
Other operating income		
Reversal of provisions	2,775	40
Sales of terminated leases	1,491	1,829
Gains on early expiration or termination of leases	32	87
Gains on valuation and disposal of carbon credit permits	2,299	1,682
Others	1,225	1,389
	<u>7,822</u>	<u>5,027</u>
	<u>25,635</u>	<u>29,033</u>
Loss on foreign currency transactions		
Loss on foreign currency transactions	17,658	22,857
Loss on foreign currency translations	2,903	1,185
	<u>20,561</u>	<u>24,042</u>
Other operating expenses		
Contribution to provisions	1,008	5,617
Losses on valuation and disposal of carbon credit permits	1,697	7,986
Others	11	9
	<u>2,716</u>	<u>13,612</u>
	<u>23,277</u>	<u>37,654</u>
Net gain (loss) on other operating income and expenses	₩ 2,358	₩ (8,621)

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32. Non-operating income and expenses

Details of non-operating income and expenses for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

Non-operating income

	2024	2023
Gain on disposal of property and equipment	₩ 7	₩ -
Gain on disposal of intangible assets	1,278	999
Rent	664	190
Share of profit of associates	18,355	22,346
Gain on disposal of investments in subsidiaries	220	-
Gain on disposal of investments in associates	-	1,853
Reversal of impairment loss on investments in associates	3,972	-
Lease-related income	295	33
Reversal of impairment loss on intangible assets	-	1,021
Government subsidies	8	1
Gain on restoration	-	24
Others	4,451	3,211
	<u>29,250</u>	<u>29,678</u>

Non-operating expenses

Loss on disposal of investment property	138	67
Loss on disposal of investments in subsidiaries	850	-
Loss on disposal of investments in associates	205	100
Loss on impairment of investments in associates	2,430	-
Share of loss of associates	14,948	8,516
Donations	34	54
Lease-related expense	16	-
Loss on impairment of intangible assets	280	978
Loss on restoration	45	-
Others	2,010	27,180
	<u>₩ 20,956</u>	<u>₩ 36,895</u>

SK Securities Co., Ltd. and Subsidiaries
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33. Income and deferred tax

(a) Income tax expenses for the years ended December 31, 2024 and 2023 consists of:

<i>(in millions of Korean won)</i>	2024	2023
Current income tax	₩ 2,953	₩ 2,827
Changes in deferred tax arising from temporary differences	(18,802)	(2,844)
Deferred tax charged (credited) directly to the equity	(273)	(1,167)
Income tax refund	(191)	387
Period adjustment of income tax	-	3,419
Others	-	72
Income tax expenses	₩ (16,313)	₩ 2,694

(b) The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

<i>(in millions of Korean won)</i>	2024	2023
Profit before income tax	₩ (99,583)	₩ 5,881
Statutory income tax rate	23.10%	20.53%
Income tax using the Group's statutory tax rate	₩ (23,004)	₩ 1,207
Adjustments:		
Non-taxable income	(506)	(262)
Non-deductible expenses	1,991	1,288
Additional income tax refund for the prior periods	(191)	387
Others	5,397	74
Income tax expenses	₩ (16,313)	₩ 2,694
Effective tax rate	16.38%	45.81%

(c) Changes in deferred tax assets and liabilities during the years ended December 31, 2024 and 2023 without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

<i>(in millions of Korean won)</i>	2024				
	Beginning balance	Period adjustment	Profit or loss	Other comprehensive income	Ending balance
Accrued income	₩ (5,056)	₩ -	₩ (644)	₩ -	₩ (5,700)
Financial assets at FVTPL	(9,517)	-	15,820	-	6,303
Financial assets at FVOCI	(36,893)	-	-	1,292	(35,601)
Valuation of derivative instruments	(4,104)	-	221	-	(3,883)
Changes in the risk of own credit risk	30	-	-	(944)	(914)
Financial liabilities at FVTPL	2,419	-	(4,227)	-	(1,808)
Defined benefit liabilities	(122)	-	908	351	1,137
Investments in associates	2,235	-	(2,044)	(81)	110
Gain on assets contributed	2,695	-	-	-	2,695
Accrued expenses	4,779	-	(1,167)	-	3,612
Others	24,004	-	9,127	(890)	32,240
	₩ (19,530)	₩ -	₩ 17,994	₩ (272)	₩ (1,809)

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33. Income and deferred tax (cont'd)

(in millions of Korean won)

	2023				
	Beginning balance	Period adjustment	Profit or loss	Other comprehensive income	Ending balance
Accrued income	₩ (4,612)	₩ -	₩ (444)	₩ -	₩ (5,056)
Financial assets at FVTPL	13,172	53	(22,742)	-	(9,517)
Financial assets at FVOCI	(35,146)	-	-	(1,747)	(36,893)
Valuation of derivative instruments	(3,898)	-	(206)	-	(4,104)
Changes in the risk of own credit risk	170	-	(340)	200	30
Financial liabilities at FVTPL	(3,515)	-	5,934	-	2,419
Defined benefit liabilities	(1,340)	-	839	379	(122)
Investments in associates	4,756	548	(3,070)	1	2,235
Gain on assets contributed	2,707	-	(12)	-	2,695
Accrued expenses	469	1,196	3,114	-	4,779
Others	12,724	1,622	9,658	-	24,004
	₩ (14,513)	₩ 3,419	₩ (7,269)	₩ (1,167)	₩ (19,530)

(d) Temporary differences which were not recognized due to uncertainty of their realization as of December 31, 2024 and 2023, are as follows:

(in millions of Korean won)

	2024	2023
Taxable temporary difference:		
Goodwill	₩ (6,759)	₩ (10,097)
Deductible temporary difference:		
Subsidiaries	17,112	17,773
	₩ 10,353	₩ 7,676

(e) Income tax effects related to components of other comprehensive income for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024			2023		
	Before tax	Tax effect	After tax	Before tax	Tax effect	After tax
Remeasurements of net defined benefit liabilities	₩ (12,239)	₩ 2,796	₩ (9,443)	₩ (10,624)	₩ 2,445	₩ (8,179)
Changes in the risk of own credit risk	3,953	(914)	3,039	(133)	30	(103)
Gain on translation of foreign operations	3,854	(890)	2,964	2,167	-	2,167
Changes in the fair value of financial assets at FVOCI	153,462	(35,601)	117,861	159,051	(36,892)	122,159
Share of other comprehensive income of associates	345	(80)	265	386	-	386
	₩ 149,375	₩ (34,689)	₩ 114,686	₩ 150,847	₩ (34,417)	₩ 116,430

34. Financial risk management

(a) General information of risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risks.

The Group manages the group level risk with the following measures:

- Independence of the risk management organization and its operations
- Training and securing risk management experts
- Risk management based on standardized procedures and policies
- Risk advisory & control on investments and operation
- Established risk management system enabling risk recognition, assessment, evaluation and management
- Performance evaluation based on risks
- Building entity level risk management environment
- Establishing risk management strategy of each department

The Group has established and operates a risk management committee, which builds risk management policies and approves major risk management procedures. The risk management committee sets up risk management strategy, builds risk management control environments and makes decisions on risk management. The Group also has established the risk management execution committee and the risk management subcommittee to deal with the Group's working level risk management and minor risk management issues.

In addition, the Group establishes and operates a risk management expert review body to support reasonable decision-making with professional support and has a risk management department within the risk management headquarters as a risk management working organization that implements risk management strategies and policies through appropriate procedures and systems. Also, the Group assigns risk management roles to the front-line departments that will perform risk management practices to build up consistency, prior and post-management systems for risk management across the enterprise.

(b) Credit risk

1) General information of credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's due from banks, loans and receivables from customers and debt securities.

2) Risk management of credit risk

The purpose of credit risk management is to secure safe revenue and enhance asset soundness by setting limitations to operations bearing credit risks, thus controlling the incurrence of excessive losses and minimizing credit risks by operating an optimal credit portfolio.

Credit risk management of the Group is as follows:

A credit limit is based on credit exposure, risks of counterparties to transactions and credit concentration risks, and may be set with an additional credit limit, by the risk management division.

Limits of credit risks are measured as follows:

- Exposure: invested amount
- Credit risks: standard method of BIS, Value at Risk (VaR) and net capital ratio (NCR)
- Credit concentrated risks: based on counterparties to transactions, group of corporations, credit ratings, and countries

34. Financial risk management (cont'd)

Credit risks of a class of assets are measured daily or monthly, and reported to the risk management committee.

The Group has a risk management division under the risk management committee to manage credit risks.

The risk management division monitors transaction limits of each division and provides solutions to reduce credit risks, and has responsibility to report to the Risk Management Committee the current status of credit risks, including the following:

- Exposures and VaRs classified by counterparties, credit ratings, group of corporations, countries and departments
- Credit Risk limits and management
- Credit Risk measurement model and its propriety
- Setting credit alarm policy and action plan

The risk management division monitors credit risks and limits of each department and advises risk management procedures.

3) Maximum exposures to credit risks

The Group's maximum exposures to credit risks of financial instruments as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Balance account		
Cash and due from banks	₩ 440,425	₩ 426,380
Financial assets at FVTPL ¹	2,867,922	2,962,040
Securities at amortized cost	2	19,998
Derivative assets	155,076	48,160
Loan receivables	1,168,976	1,208,147
Other financial assets	296,903	468,119
	<u>4,929,304</u>	<u>5,132,844</u>
Off balance account		
Unused loan commitments ²	₩ 11,071	₩ 21,172

¹ Investments in equity securities, including shares, investments in partnership, and collective investment securities are excluded.

² This is the amount of the conditional cash deficiency support on asset-backed securities, etc. and is explained in Note 41.(3).

4) Credit enhancements

Credit enhancements to reduce credit risks are as follows:

- Margins loans to customers and loans secured by securities

The Group recognizes loans to its customers without collateral as margin loans to customers. The interest rates of the loans range from 4.25% to 9.30% and the maturity is equal to or less than 180 days. Overdue margin loans are reclassified to loans recoverable and the interest rate is changed to 11.0% at the maximum.

Loans secured by securities are originated within 70% of the securing share value. The interest rates range from 7.75% to 8.75% and the maturities are equal to or less than 90 days (up to 450 days). The customers are required to deposit securities with values at more than 140% of their loans. If a customer cannot meet the ratio, the Group sells the deposited customer's securities and pays off the loans.

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34. Financial risk management (cont'd)

5) Information on the credit ratings of financial assets

Credit ratings of financial assets that are neither past due nor impaired as of December 31, 2024 and 2023 are as follows:

i) Financial assets at fair value through profit or loss, financial assets at amortized cost, derivative assets and other financial assets

(in millions of Korean won)	2024					
	Credit ratings					
	AAA	AA	A	Lower than A	Others	Total
Financial assets at FVTPL ¹	₩ 1,548,923	₩ 864,672	₩ 236,740	₩ 3,920	₩ 134,155	₩ 2,788,410
Financial assets at amortized cost	2	-	-	-	-	2
Derivative assets	110,219	13,041	31,809	-	7	155,076
Other financial assets	6,768	51	131	-	-	6,950
	₩ 1,665,912	₩ 877,764	₩ 268,680	₩ 3,920	₩ 134,162	₩ 2,950,438

(in millions of Korean won)	2023					
	Credit ratings					
	AAA	AA	A	Lower than A	Others	Total
Financial assets at FVTPL ¹	₩ 1,508,463	₩ 964,179	₩ 254,183	₩ -	₩ 181,911	₩ 2,908,736
Securities at amortized cost	19,998	-	-	-	-	19,998
Derivative assets	37,501	10,075	584	-	-	48,160
	₩ 1,565,962	₩ 974,254	₩ 254,767	₩ -	₩ 181,911	₩ 2,976,894

¹ The items exclude corporate commercial papers and asset backed short-term bond.

The above credit ratings are classified according to the credit rating of the external credit rating agency.

ii) Corporate commercial papers

(in millions of Korean won)	2024	2023
A2	₩ 19,873	₩ 1,599
A1	54,567	18,169
	₩ 74,440	₩ 19,768

The above credit ratings are classified according to the credit rating of the external credit rating agency.

iii) Asset backed short-term bond

(in millions of Korean won)	2024	2023
A3	₩ 1,998	₩ -
A2	3,074	33,536
	₩ 5,072	₩ 33,536

The above credit ratings are classified according to the credit rating of the external credit rating agency.

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34. Financial risk management (cont'd)

iv) Cash and due from banks, loan receivables and other financial assets

(in millions of Korean won)

	2024		
	Prime	Normal	Total
Cash and due from banks	₩ 440,425	₩ -	₩ 440,425
Loan receivables	855,253	110,581	965,834
Other financial assets	294,121	1,568	295,689
	₩ 1,589,799	₩ 112,149	₩ 1,701,948

(in millions of Korean won)

	2023		
	Prime	Normal	Total
Cash and due from banks	₩ 426,380	₩ -	₩ 426,380
Loan receivables	926,006	209,475	1,135,481
Other financial assets	466,234	1,742	467,976
	₩ 1,818,620	₩ 211,217	₩ 2,029,837

The Group classified cash and due from banks, loan receivables and other financial assets into prime or normal based on the internal credit ratings.

6) Information on the impaired loan receivables and other financial assets

Details of impaired loan receivables and other financial assets, and fair value of collateral and other credit enhancements as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024			
	Carrying amount before impairment loss	Impairment loss	Carrying amount after recognition of impairment loss	Fair value of collateral and other credit enhancements
Loan receivables	₩ 291,355	₩ (88,213)	₩ 203,142	₩ 154,611
Other financial assets	11,684	(10,470)	1,214	-
	₩ 303,039	₩ (98,683)	₩ 204,356	₩ 154,611

(in millions of Korean won)

	2023			
	Carrying amount before impairment loss	Impairment loss	Carrying amount after recognition of impairment loss	Fair value of collateral and other credit enhancements
Loan receivables	₩ 126,756	₩ (54,090)	₩ 72,666	₩ 37,171
Other financial assets	10,769	(10,626)	143	-
	₩ 137,525	₩ (64,716)	₩ 72,809	₩ 37,171

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34. Financial risk management (cont'd)

7) Concentration of credit risks by industry

Concentration of credit risks by industry as of December 31, 2024 and 2023, consists of:

(in millions of Korean won)		2024		2023		
		Amount	Composition (%)	Amount	Composition (%)	
Cash and due from banks						
Government and government invested institution	₩	204,879	46.52	₩	238,666	55.97
Finance and insurance		235,546	53.48		187,714	44.03
		440,425	100.00		426,380	100.00
Financial assets at FVTPL						
Government and government invested institution		1,437,424	50.12		1,385,071	46.76
Finance and insurance		1,055,153	36.79		1,134,240	38.29
Others		375,345	13.09		442,729	14.95
		2,867,922	100.00		2,962,040	100.00
Securities at amortized cost						
Government and government invested institution		2	100.00		19,998	100.00
		2	100.00		19,998	100.00
Derivative instrument						
Government and government invested institution		535	0.34		1,079	2.24
Finance and insurance		154,533	99.65		46,766	97.11
Others		8	0.01		315	0.65
		155,076	100.00		48,160	100.00
Loan receivables						
Finance and insurance		388,157	33.20		183,301	15.17
Others		780,819	66.80		1,024,846	84.83
		1,168,976	100.00		1,208,147	100.00
Other financial assets						
Government and government invested institution		35,809	12.06		73,239	15.65
Finance and insurance		5,194	1.75		4,053	0.87
Others		255,900	86.19		390,827	83.48
		296,903	100.00		468,119	100.00
	₩	4,929,304		₩	5,132,844	

34. Financial risk management (cont'd)

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises when a repayment of liabilities is requested earlier than expected or when funds are not available.

The objective of liquidity risk management is to set standards and procedures in relation to assets, liabilities and cash flow management of the Group, and to put it into action to secure stability and liquidity in relation to funding and operating.

The Group's risk management committee manages liquidity risks. The risk management organization of the Group is responsible for performing the following duties in relation to liquidity risk and reporting the current status of liquidity risk to the risk management committee.

- Report on liquidity status analysis
- Setting and managing liquidity scenarios
- Monitoring liquidity risk limits
- Develop measures to cope with liquidity crisis and review the adequacy of liquidity measurement indicators
- Setting maturity and changing measurement standards
- Report on the adequacy of liquidity risk limits

The risk management department reports the daily liquidity risk limits to a member of the risk management execution committee and reports regularly liquidity risk management status to the risk management committee.

The Group manages liquidity risks in accordance with "Finance investment company liquidity risk management standard" issued by the Financial Supervisory Service.

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34. Financial risk management (cont'd)

1) Contractual maturities for financial instruments

The Group's financial assets and liabilities classified by its maturity as of December 31, 2024 and 2023 are as follows:

(in millions of
Korean won)

	2024					
	1 month or Less than 1 month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years	Total
Financial assets						
Cash and due from banks ¹	₩ 438,352	₩ -	₩ 2,000	₩ 84	₩ -	₩ 440,436
Financial assets at FVTPL	542,378	216,062	1,072,449	946,661	90,372	2,867,922
Securities at amortized cost	-	-	-	2	-	2
Derivative assets	11,012	24,725	107,021	12,318	-	155,076
Loan receivables ¹	627,064	278,212	249,312	104,813	8,031	1,267,432
Other financial assets ^{1,2}	287,137	167	10,828	6,147	8,304	312,583
	<u>1,905,943</u>	<u>519,166</u>	<u>1,441,610</u>	<u>1,070,025</u>	<u>106,707</u>	<u>5,043,451</u>
Financial liabilities						
Deposits	852,201	-	-	-	-	852,201
Financial liabilities at FVTPL ³	199,049	48,100	669,095	223,907	59,517	1,199,668
Borrowings ¹	2,259,466	209,407	196,937	301,422	26,458	2,993,690
Derivative liabilities ³	14,715	23,315	110,329	10,695	-	159,054
Lease liabilities ¹	5	27	774	8,016	104,839	113,661
Other financial liabilities	249,397	-	-	-	-	249,397
	<u>3,574,833</u>	<u>280,849</u>	<u>977,135</u>	<u>544,040</u>	<u>190,814</u>	<u>5,567,671</u>
	<u>₩ (1,668,890)</u>	<u>₩ 238,317</u>	<u>₩ 464,475</u>	<u>₩ 525,985</u>	<u>₩ (84,107)</u>	<u>₩ (524,220)</u>

¹ Cash flows include both principal and interest, and are undiscounted.

² Included finance lease receivables.

³ Stated at the carrying amounts as the undiscounted cash flows including interest cannot be reliably estimate.

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34. Financial risk management (cont'd)

(in millions of
Korean won)

	2023					
	1 month or Less than 1 month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years	Total
Financial assets						
Cash and due from banks ¹	₩ 426,303	₩ -	₩ -	₩ 84	₩ -	₩ 426,387
Financial assets at FVTPL	695,261	351,202	729,705	1,090,424	95,448	2,962,040
Securities at amortized cost	19,956	-	40	2	-	19,998
Derivative assets	192	721	2,961	42,297	1,988	48,159
Loan receivables ¹	354,170	371,708	327,944	208,795	14,595	1,277,212
Other financial assets ^{1,2}	462,185	259	8,201	6,784	8,748	486,177
	<u>1,958,067</u>	<u>723,890</u>	<u>1,068,851</u>	<u>1,348,386</u>	<u>120,779</u>	<u>5,219,973</u>
Financial liabilities						
Deposits	1,037,579	-	-	-	-	1,037,579
Financial liabilities at FVTPL ³	153,059	28,307	648,505	97,394	25,571	952,836
Borrowings ¹	2,402,640	265,836	109,343	380,350	2,517	3,160,686
Derivative liabilities ³	24,942	-	7,240	43,047	32,680	107,909
Lease liabilities ¹	248	100	433	3,968	110,019	114,768
Other financial liabilities	424,719	-	-	-	-	424,719
	<u>4,043,187</u>	<u>294,243</u>	<u>765,521</u>	<u>524,759</u>	<u>170,787</u>	<u>5,798,497</u>
	<u>₩ (2,085,120)</u>	<u>₩ 429,647</u>	<u>₩ 303,330</u>	<u>₩ 823,627</u>	<u>₩ (50,008)</u>	<u>₩ (578,524)</u>

¹ Cash flows include both principal and interest, and are undiscounted.

² Included finance lease receivables.

³ Stated at the carrying amounts as the undiscounted cash flows including interest cannot be reliably estimate.

2) The Remaining Period of Off-balance Accounts

In case the counterparty requests for the acquisition of private placement corporate bonds, the acquisition should be executed immediately, even if the purchase agreement (e.g., acquisition agreement for private placement corporate bonds) provided by the Group has not yet expired. The investment commitment is an additional funding commitment which is frequently executed upon the request by executors to the extent of the remaining balance of commitments.

The details of the off-balance accounts and investment commitments (unexecuted balance) as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won, USD)

	2024	2023
Investment commitments in associates	₩ 32,502	₩ 19,967
Investment commitments in associates(foreign currency)	USD 2,423,382	USD 2,985,642
Unused loan commitments	₩ 11,071	₩ 21,172

34. Financial risk management (cont'd)

(d) Market risk

1) Market risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group's risk management committee makes certain decisions, such as setting limits and establishing policies on market risk management. The risk management organization of the Group is responsible for performing the following duties in relation to market risk and reporting the current status of market risk to the risk management committee:

- Setting and managing limits of the market risk
- Monitor limits of the market risk
- Review the adequacy of the market risk limits
- Measure/manage/report market risk daily

The risk management division measures and manages market risks daily and reports the results to the risk management committee on a regular basis. Moreover, if there is a loss of more than a certain amount or if anything unusual occurs, it is reported to the risk management committee.

The Group measures market risks with the standard model approach or the internal model approach (10 days of retention period, 99% of confidence level). The internal model approach sets the parametric VaR of Delta-Gamma method as its basic measure of market risk and also utilizes the VaR of Monte-Carlo Simulation and historical simulation method as a supporting measurement. If it is difficult to apply internal models such as VaR or objectively prove the measurement criteria, the risk management department can measure market risks and manage the limit on a daily basis according to the standard method of measuring market risk in the supervisory regulations.

34. Financial risk management (cont'd)

2) Qualitative information

i) VaR

VaR is the maximum loss for a certain period due to market fluctuations under the normal distribution assumption. Ten days of retention of assets are assumed when calculating the VaR and the VaR is calculated based on the data of the past 250 days moving-average, the variance-covariance method and the sided confidence interval of 99%. VaR is one of the commonly used market risk measurement techniques. However, this approach has some limitations. The VaR estimates the possible loss under specific confidence levels based on past market data, which, however, do not reflect all the possible future conditions or environment. As a result, the changes in assumptions may change the VaR result. In addition, the retention period that is typically used is ten days, which assumes that the period is sufficient to liquidate the related positions. If this period is not enough, or too long, the VaR results may underestimate or overestimate the potential loss.

ii) Back-Testing

In order to verify the adequacy and reliability of the VaR model, the risk management department periodically conducts a back-testing to compare the actual gains and losses with the results of the VaR calculation, and reports the results to the risk management committee.

iii) Stress Testing

The risk management division performs stress tests under various scenarios to mitigate the limit of VaR analysis. The Group performs stress testing at least once a year that considers changes in the financial environment. When the market fluctuates severely, the Group shortens the stress test intervals. The risk management division reports the stress test results to the risk management committee and utilizes the results to set risk limits or establish risk management strategies or capital allocation.

The following table presents the reasonably possible range of losses on the Group's financial assets and liabilities by risk classification as of and for the years ended December 31, 2024 and 2023:

(in millions of Korean won)

	2024			
	Average	Minimum	Maximum	Ending balance
Interest rate risk	₩ 2,920	₩ 868	₩ 5,304	₩ 2,213
Equity price risk	3,471	397	7,685	1,360
Foreign exchange rate risk	1,826	948	3,534	1,879
Other risk	1	-	7	-
Portfolio diversification effect				(1,997)
Total VaR	₩ 5,720	₩ 2,352	₩ 10,603	₩ 3,455
	2023			
	Average	Minimum	Maximum	Ending balance
Interest rate risk	₩ 5,652	₩ 2,615	₩ 9,954	₩ 4,901
Equity price risk	3,535	662	9,377	2,248
Foreign exchange rate risk	1,661	870	3,786	1,436
Other risk	1	-	8	-
Portfolio diversification effect				(2,271)
Total VaR	₩ 7,730	₩ 3,787	₩ 13,753	₩ 6,314

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34. Financial risk management (cont'd)

iv) Currency risk

The foreign currency denominated financial instruments exposed to foreign exchange risk by major currencies as of December 31, 2024 and 2023 are as follows:

(in millions of
Korean won)

	2024					
	USD	EUR	HKD	GBP	Others	Total
Financial assets						
Cash and due from banks	₩ 34,960	₩ 522	₩ 896	₩ -	₩ 800	₩ 37,178
Financial assets at FVTPL	40,665	7,700	-	3,134	255	51,754
Derivative assets ¹	2,777	-	-	-	-	2,777
Other financial assets	478	-	-	-	-	478
	₩ 78,880	₩ 8,222	₩ 896	₩ 3,134	₩ 1,055	₩ 92,187
Financial liabilities						
Deposits	₩ 14,606	₩ -	₩ 235	₩ -	₩ 245	₩ 15,086
Derivative liabilities	3,697	4,494	-	3,131	-	11,322
Borrowings	65,853	-	-	-	-	65,853
	₩ 84,156	₩ 4,494	₩ 235	₩ 3,131	₩ 245	₩ 92,261

¹ Included guarantee trading deposits for foreign exchange-traded future classified as deposits.

(in millions of
Korean won)

	2023					
	USD	EUR	HKD	GBP	Others	Total
Financial assets						
Cash and due from banks	₩ 25,237	₩ 645	₩ 6,962	₩ 1	₩ 1,056	₩ 33,901
Financial assets at FVTPL	59,376	21,612	-	2,791	-	83,779
Derivative assets ¹	3,183	-	-	-	-	3,183
Other financial assets	362	-	-	-	-	362
	₩ 88,158	₩ 22,257	₩ 6,962	₩ 2,792	₩ 1,056	₩ 121,225
Financial liabilities						
Deposits	₩ 5,951	₩ -	₩ 224	₩ -	₩ 252	₩ 6,427
Derivative liabilities	3,729	21,592	-	2,791	-	28,112
Borrowings	61,863	-	-	-	-	61,863
	₩ 71,543	₩ 21,592	₩ 224	₩ 2,791	₩ 252	₩ 96,402

¹ Included guarantee trading deposits for foreign exchange-traded future classified as deposits.

34. Financial risk management (cont'd)

(e) Capital risk management

The Group actively maintains a strong capital base to prevent the losses of investors and customers and to mitigate inherent risks in the operation of the Group's business. The capital adequacy of securities companies is measured by the Net Capital Ratio ("NCR") regulated by the Financial Supervisory Services ("FSS"), and the Group measures NCR and reports to the FSS on a monthly basis.

1) Capital management

The Group's primary purpose of capital management is to maximize value to its shareholders, and to maintain competitive credit ratings for its on-going operation as a going concern. Also, in order to fulfil required capital maintenance imposed externally, the Group is actively carrying out its capital management.

The Group manages and adjusts its capital structure to meet the changes in the market and in the characteristics of risks in relation to the operating activities. The Group may adjust amounts of dividends paid to the shareholders, increase or decrease capital to maintain and adjust its capital structure.

Compared to prior years, the Group has not changed its capital management policies or procedures.

2) Regulatory capital

In order to maintain capital adequacy of financial investment businesses, the FSS regulates the companies in financial investment businesses to maintain its NCR above 100%, and for security companies which do not maintain a certain level of NCR are advised to improve its management. Regulations on management improvement by NCR are as follows:

- NCR 50% or over ~ below 100%: Management improvement advised
- NCR 0% or over ~ below 50%: Management improvement demanded
- NCR below 0%: Management improvement ordered

The Group manages NCR according to its consolidated financial statements and details of NCR as of December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	2024
1. Net capital	
Net assets on the consolidated statement of financial position	₩ 571,385
Deductions	262,664
Inclusions	220,335
	529,056
2. Total risks	
Market risk	138,837
Credit risk	47,480
Operating risk	33,091
	219,408
3. Retained capital (1 - 2)	309,648
4. Minimum capital requirement	₩ 134,225
5. Net Capital Ratio: (3 / 4) * 100 (%)	230.69

35. Operating segments

The Group abides by K-IFRS 1108 which adopts the management approach upon identifying operating segments and disclosing relevant information of reportable segments. The Group makes the disclosures based on the internal information which is reported to and reviewed by management for resource allocation and performance evaluation. It is expected to be useful for the information users to understand the Group from the management's point of view. The Group's reportable segments are classified by business units followed by respective types of business, which is based on the organization management and internal reporting structure.

(a) Segment information

The general descriptions by operating segments as of December 31, 2024, are as follows:

Description	Area of business
Brokerage trading segment	Securities company's general brokerage services
IB segment	Providing corporate finance services such as IPO, PF and others, and investment finance services such as M&A, PEF and real estate for IB customers
Proprietary trading segment	Trading of securities, bonds and derivatives
Savings banking business	A unit that measures and reports the performance of retail banking and corporate banking in savings bank, a major subsidiary.
Others	Operations other than the three segments above, such as, management supporting, research center/risk management, and management monitoring such as internal financial monitoring/audit, others.

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35. Operating segments (cont'd)

(b) The following table provides information for each operating segment for the years ended December 31, 2024 and 2023:

*(in millions of
Korean won)*

	2024						
	Brokerage trading	IB	Proprietary trading	Savings banking business	Others	Adjustment in consolidation	Total
Income and expenses							
Net commission income	₩ 71,594	₩ 85,983	₩ 155	₩ 18	₩ 340	₩ (10,969)	₩ 147,121
Net interest income	17,615	8,878	11,593	12,118	8,702	(3,401)	55,505
Net Gain (loss) on valuation or disposal of financial instruments	17,126	22,225	(26,236)	(1,523)	(7,824)	(38)	3,730
Dividends income	187	35,640	16,828	80	-	(34,430)	18,305
Others	(167,405)	(142,454)	(21,678)	(34,093)	251	41,134	(324,245)
Profit or loss							
Profit (loss) before income tax	(60,884)	10,272	(19,338)	(23,400)	1,470	(7,703)	(99,583)
Income tax expense	163	(2,006)	-	(175)	16,109	2,222	16,313
Profit (loss) for the year	₩ (60,721)	₩ 8,266	₩ (19,338)	₩ (23,575)	₩ 17,579	₩ (5,481)	₩ (83,270)

*(in millions of
Korean won)*

	2023						
	Brokerage trading	IB	Proprietary trading	Savings banking business	Others	Adjustment in consolidation	Total
Income and expenses							
Net commission income	₩ 80,200	₩ 115,259	₩ 111	₩ (706)	₩ 135	₩ (22,125)	₩ 172,874
Net interest income	15,771	2,465	(7,366)	15,711	10,433	325	37,339
Net Gain (loss) on valuation or disposal of financial instruments	22,322	9,469	55,413	464	(2,307)	(1,045)	84,316
Dividends income	154	4,456	9,953	-	-	(3)	14,560
Others	(146,836)	(121,692)	(32,912)	(15,251)	(13,629)	27,112	(303,208)
Profit or loss							
Profit (loss) before income tax	(28,388)	9,957	25,200	218	(5,368)	4,263	5,882
Income tax expense	(541)	(2,007)	-	(279)	(2,605)	2,738	(2,694)
Profit (loss) for the year	₩ (28,929)	₩ 7,950	₩ 25,200	₩ (61)	₩ (7,973)	₩ 7,001	₩ 3,188

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35. Operating segments (cont'd)

(c) The following table provides information for each operating segment as of December 31, 2024 and 2023.

*(in millions of
Korean won)*

	2024						Total
	Brokerage trading	IB	Proprietary trading	Savings banking business	Others	Adjustment in consolidation	
Cash and due from banks	₩ 126,436	₩ 31,587	₩ 46,417	₩ 40,970	₩ 198,439	₩ (3,424)	₩ 440,425
Financial assets at FVTPL	424,009	167,143	2,778,474	91,819	12,348	(13,885)	3,459,908
Financial assets at FVOCI	-	-	161,652	-	-	-	161,652
Securities at amortized cost	-	-	-	2	-	-	2
Investments in associates	5,389	602,005	-	7,000	-	(379,000)	235,394
Derivative assets	-	-	155,076	-	-	-	155,076
Loan receivables	337,539	211,573	-	280,257	373,890	(34,283)	1,168,976
Property and equipment	2,011	230	138	9,895	19,628	28	31,930
Deferred tax assets	-	242	-	-	-	30	272
Other assets	212,846	44,664	56,532	8,489	136,377	(3,248)	455,660
	<u>₩ 1,108,230</u>	<u>₩ 1,057,444</u>	<u>₩ 3,198,289</u>	<u>₩ 438,432</u>	<u>₩ 740,682</u>	<u>₩ (433,782)</u>	<u>₩ 6,109,295</u>

*(in millions of
Korean won)*

	2023						Total
	Brokerage trading	IB	Proprietary trading	Savings banking business	Others	Adjustment in consolidation	
Cash and due from banks	₩ 199,993	₩ 25,949	₩ 14,140	₩ 39,857	₩ 148,442	₩ (2,001)	₩ 426,380
Financial assets at FVTPL	491,734	251,686	2,918,002	23,832	13,493	(32,931)	3,665,816
Financial assets at FVOCI	-	-	167,241	-	-	-	167,241
Securities at amortized cost	-	-	-	19,998	-	-	19,998
Investments in associates	5,492	610,586	-	-	(330)	(383,306)	232,442
Derivative assets	-	-	48,160	-	-	-	48,160
Loan receivables	370,821	378,062	-	350,953	184,887	(76,576)	1,208,147
Property and equipment	2,645	440	235	10,122	18,166	(29)	31,579
Deferred tax assets	-	-	-	152	-	-	152
Other assets	355,390	45,653	93,401	13,417	141,284	34	649,179
	<u>₩ 1,426,075</u>	<u>₩ 1,312,376</u>	<u>₩ 3,241,179</u>	<u>₩ 458,331</u>	<u>₩ 505,942</u>	<u>₩ (494,809)</u>	<u>₩ 6,449,094</u>

36. Fair value

(a) Measurement of fair value

The fair value of the Group's financial instruments traded in active markets where available are valued based on the published market price or the dealer price quotations, which are the best evidence of fair value.

If the market for a financial instrument is not active, fair value is established either by using a valuation technique or independent third-party valuation service. The Group uses diverse valuation techniques using certain assumptions which are based on the inputs observable in markets at the end of each reporting period.

Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, with reference to the current fair value of another instrument that is substantially same, discounted cash flow analysis and option pricing models.

The Group classifies and discloses fair values of financial instruments into the following three-level hierarchy:

- Level 1: Financial instruments measured at quoted prices from active markets are classified as fair value level 1.
- Level 2: Financial instruments measured using valuation techniques where all significant inputs are observable market data are classified as level 2.
- Level 3: Financial instruments measured using valuation techniques where one or more significant inputs are not based on observable market data are classified as level 3.

(b) Financial instruments at amortized cost

The method of measuring the fair value of financial instruments at amortized cost is as follows:

Type	Measurement methods of fair value
Cash and due from banks	The Book value and the fair value of cash are identical while most deposits are floating interest rate deposits or short-term instrument deposits. For this reason, the Book value is used as a substitute figure for the fair value.
Loan receivables	The fair values of the loan receivables are measured by discounting the expected cash flows by discount rates factoring in the market interest rate and credit risk. The difference between carrying amount and the fair value for loan receivables is not significant. For this reason, we use the carrying amount as the fair value.
Deposits and borrowings	The Book value and the fair value of demand deposits with short-term maturities are identical. The fair values of borrowings are measured by discounting the contractual cash flows by the market interest rate that takes residual risk into consideration.
Other financial assets and other financial liabilities	The Book value is used as a substitute figure for the fair value.
Lease liabilities	The fair value of the lease liabilities is measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate as of the end of the reporting period.

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36. Fair value (cont'd)

1) Financial instruments at amortized cost as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024	
	Carrying amount	Fair value
Financial assets		
Cash and due from banks ¹	₩ 440,425	₩ 440,425
Securities at amortized cost ¹	2	2
Loan receivables ¹	1,168,976	1,168,976
Other financial assets ^{1,2}	298,850	298,850
	₩ 1,908,253	₩ 1,908,253
Financial liabilities		
Deposits ¹	852,201	852,201
Borrowings	2,951,767	2,950,620
Lease liabilities	73,727	80,379
Other financial liabilities ¹	249,397	249,397
	₩ 4,127,092	₩ 4,132,597

(in millions of Korean won)

	2023	
	Carrying amount	Fair value
Financial assets		
Cash and due from banks ¹	₩ 426,380	₩ 426,380
Securities at amortized cost ¹	19,998	19,998
Loan receivables ¹	1,208,147	1,208,147
Other financial assets ^{1,2}	472,112	472,112
	₩ 2,126,637	₩ 2,126,637
Financial liabilities		
Deposits ¹	1,037,579	1,037,579
Borrowings	3,111,834	3,098,523
Lease liabilities	83,751	64,081
Other financial liabilities ¹	418,353	418,353
	₩ 4,651,517	₩ 4,618,536

¹ For cash and due from banks, loan receivables, other financial assets, deposits and other financial liabilities, the carrying amounts are disclosed as fair value because the difference between carrying amount and fair value is not significant.

² Included Finance lease receivables.

SK Securities Co., Ltd. and Subsidiaries
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36. Fair value (cont'd)

2) Fair value hierarchy of financial instruments at amortized cost of which the fair values are disclosed as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

		2024			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and due from banks	₩ 440,425	₩ 226,990	₩ 213,435	₩ -	₩ 440,425
Securities at amortized cost	2	-	2	-	2
Loan receivables	1,168,976	-	-	1,168,976	1,168,976
Other financial assets ¹	298,850	-	-	298,850	298,850
	₩ 1,908,253	₩ 226,990	₩ 213,437	₩ 1,467,826	₩ 1,908,253
Financial liabilities					
Deposits	₩ 852,201	₩ -	₩ -	₩ 852,201	₩ 852,201
Borrowings	2,951,767	-	284,769	2,665,851	2,950,620
Lease liabilities	73,727	-	-	80,379	80,379
Other financial liabilities	249,397	-	-	249,397	249,397
	₩ 4,127,092	₩ -	₩ 284,769	₩ 3,847,828	₩ 4,132,597

(in millions of Korean won)

		2023			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and due from banks	₩ 426,380	₩ 182,815	₩ 243,565	₩ -	₩ 426,380
Securities at amortized cost	19,998	-	19,998	-	19,998
Loan receivables	1,208,147	-	-	1,208,147	1,208,147
Other financial assets ¹	472,112	-	-	472,112	472,112
	₩ 2,126,637	₩ 182,815	₩ 263,563	₩ 1,680,259	₩ 2,126,637
Financial liabilities					
Deposits	₩ 1,037,579	₩ -	₩ -	₩ 1,037,579	₩ 1,037,579
Borrowings	3,111,834	-	252,600	2,845,923	3,098,523
Lease liabilities	83,751	-	-	64,081	64,081
Other financial liabilities	418,353	-	-	418,353	418,353
	₩ 4,651,517	₩ -	₩ 252,600	₩ 4,365,936	₩ 4,618,536

¹ Included Finance lease receivables.

SK Securities Co., Ltd. and Subsidiaries
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36. Fair value (cont'd)

(c) Financial instruments at fair value

1) Fair value hierarchy of financial instruments that are measured at fair value as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024			
	Fair value	Level 1	Level 2	Level 3
Financial assets				
Financial assets at FVTPL	₩ 3,459,908	₩ 507,871	₩ 2,660,077	₩ 291,960
Financial assets at FVOCI	161,652	-	-	161,652
Derivative assets ¹	155,076	25	154,374	677
	₩ 3,776,636	₩ 507,896	₩ 2,814,451	₩ 454,289
Financial liabilities				
Financial liabilities at FVTPL	₩ 1,199,668	₩ 146,619	₩ -	₩ 1,053,049
Derivative liabilities	159,054	13	150,384	8,657
	₩ 1,358,722	₩ 146,632	₩ 150,384	₩ 1,061,706

(in millions of Korean won)

	2023			
	Fair value	Level 1	Level 2	Level 3
Financial assets				
Financial assets at FVTPL	₩ 3,665,816	₩ 573,619	₩ 2,729,238	₩ 362,959
Financial assets at FVOCI	167,241	-	-	167,241
Derivative assets ¹	48,160	7	47,470	683
	₩ 3,881,217	₩ 573,626	₩ 2,776,708	₩ 530,883
Financial liabilities				
Financial liabilities at FVTPL	₩ 952,836	₩ 125,901	₩ -	₩ 826,935
Derivative liabilities	107,908	2	47,081	60,825
	₩ 1,060,744	₩ 125,903	₩ 47,081	₩ 887,760

¹ The amount reflects the adjusted profit or loss amount of the transaction date.

² During the current and prior periods, there were no transfers between Level 1 and Level 2 for financial instruments measured at fair value.

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36. Fair value (cont'd)

2) Changes in level 3 of the fair value hierarchy for the years ended December 31, 2024 and 2023 are as follows:

*(in millions of
Korean won)*

	2024					
	Financial assets at FVTPL	Financial assets at FVOCI	Derivative assets	Financial liabilities at FVTPL	Derivative liabilities	Total
Beginning balance	₩ 362,959	₩ 167,241	₩ 683	₩ (826,935)	₩ (60,825)	₩ (356,877)
Profit or loss	(40,261)	-	212	(50,077)	20,298	(69,828)
Other Comprehensive Income	-	(5,589)	-	4,086	-	(1,503)
Purchases	42,284	-	69	-	-	42,353
Sales	(70,057)	-	(287)	-	-	(70,344)
Issuances	-	-	-	(1,142,888)	(34,425)	(1,177,313)
Settlements	-	-	-	962,765	66,295	1,029,060
Others	(2,965)	-	-	-	-	(2,965)
Ending balance	₩ 291,960	₩ 161,652	₩ 677	₩ (1,053,049)	₩ (8,657)	₩ (607,417)

*(in millions of
Korean won)*

	2023					
	Financial assets at FVTPL	Financial assets at FVOCI	Derivative assets	Financial liabilities at FVTPL	Derivative liabilities	Total
Beginning balance	₩ 374,335	₩ 159,876	₩ 2,139	₩ (629,888)	₩ (73,379)	₩ (166,917)
Profit or loss	3,905	-	749	(46,450)	8,188	(33,608)
Other Comprehensive Income	-	7,365	-	(867)	-	6,498
Purchases	63,372	-	638	-	-	64,010
Sales	(59,689)	-	(2,843)	-	-	(62,532)
Issuances	-	-	-	(864,808)	(61,246)	(926,054)
Settlements	-	-	-	715,078	65,612	780,690
Others	(18,964)	-	-	-	-	(18,964)
Ending balance	₩ 362,959	₩ 167,241	₩ 683	₩ (826,935)	₩ (60,825)	₩ (356,877)

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36. Fair value (cont'd)

3) The valuation techniques and the fair value measurement input variables of financial assets and liabilities categorized within level 2 of the fair value hierarchy as of December 31, 2024 and 2023 are as follows:

	Valuation technique	Input variable
Financial assets		
Financial assets at FVTPL	Purchase case method, Asset based approach, MonteCarlo	Recent transaction price, Discount rate, volatility of underlying asset, correlation coefficient between underlying assets (correlation coefficient of PER) and dividend rate
Derivative assets	DCF, Closed Form, FDM, MonteCarlo	Underlying asset price, interest rate, volatility of underlying asset, correlation coefficient between underlying assets (correlation coefficient of PER) and dividend rate
Financial liabilities		
Derivative liabilities	DCF, Closed Form, FDM, MonteCarlo	Underlying asset price, interest rate, volatility of underlying asset, correlation coefficient between underlying assets (correlation coefficient of PER) and dividend rate

4) The quantitative information of valuation techniques, input variables, and significant but unobservable input variables of financial assets and liabilities categorized within level 3 of the fair value hierarchy as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

			2024	Impact of fair value on non-observable input variable changes
			Range (weighted average, %)	
Financial assets				
Financial assets at FVTPL	Purchase case method	Recent transaction price	-	-
	DCF, MonteCarlo	Volatility	0.00 ~ 39.80	Increase or decrease in fair value due to increase in volatility
		Discount rate	1.94 ~ 27.49	Decrease in fair value due to increase in discount rate
Financial assets at FVOCI	DCF	Growth rate	1.00	Increase in fair value due to increase in growth rate
		Discount rate	15.72 ~ 16.20	Decrease in fair value due to increase in discount rate
Derivative assets	DCF, Closed Form, FDM, MonteCarlo	Volatility	0.40 ~ 34.46	Increase or decrease in fair value due to increase in volatility
		Discount rate	1.94 ~ 5.57	Decrease in fair value due to increase in discount rate
Financial liabilities				
Financial liabilities at FVTPL	DCF, Closed Form, FDM, MonteCarlo	Volatility	0.40 ~ 34.46	Increase or decrease in fair value due to increase in volatility
Derivative liabilities		Discount rate	1.94 ~ 5.57	Decrease in fair value due to increase in discount rate

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36. Fair value (cont'd)

(in millions of
Korean won)

	2023			
	Valuation technique	Input variable	Range (weighted average, %)	Impact of fair value on non-observable input variable changes
Financial assets				
Financial assets at FVTPL	Purchase case method	Recent transaction price	-	-
	DCF, MonteCarlo	Volatility	13.27 ~ 68.20	Increase or decrease in fair value due to increase in volatility
		Discount rate	6.09 ~ 28.13	Decrease in fair value due to increase in discount rate
Financial assets at FVOCI	DCF	Growth rate	1.00	Increase in fair value due to increase in growth rate
		Discount rate	12.74 ~ 14.10	Decrease in fair value due to increase in discount rate
Derivative assets	DCF, Closed Form, FDM, MonteCarlo	Volatility	0.10 ~ 34.46	Increase or decrease in fair value due to increase in volatility
		Discount rate	2.11 ~ 6.49	Decrease in fair value due to increase in discount rate
Financial liabilities				
Financial liabilities at FVTPL	DCF, Closed Form, FDM, MonteCarlo	Volatility	0.10 ~ 34.46	Increase or decrease in fair value due to increase in volatility
Derivative liabilities	MonteCarlo	Discount rate	2.11 ~ 6.49	Decrease in fair value due to increase in discount rate

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36. Fair value (cont'd)

5) Sensitivity analysis on unobservable inputs

Sensitivity analysis of financial instruments is performed to measure favourable and unfavourable changes in the fair value of financial instruments which are affected by the unobservable parameters, using a statistical technique. When the fair value is affected by more than two input parameters, the amounts represent the most favourable or most unfavourable.

The results of the sensitivity analysis for the effect on profit or loss from changes in inputs for each financial instrument, which is categorized within Level 3 and subject to sensitivity analysis, as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024			
	Recognized in profit or loss		Recognized in other comprehensive income	
	Favorable changes	Unfavorable changes	Favorable changes	Unfavorable changes
Financial assets				
Financial assets at FVTPL ¹	₩ 11,609	₩ (11,594)	₩ -	₩ -
Financial assets at FVOCI ²	-	-	5,852	(4,556)
Derivative assets	-	(5)	-	-
	₩ 11,609	₩ (11,599)	₩ 5,852	₩ (4,556)
Financial liabilities				
Financial liabilities at FVTPL	5	(16)	-	-
	₩ 5	₩ (16)	₩ -	₩ -

(in millions of Korean won)

	2023			
	Recognized in profit or loss		Recognized in other comprehensive income	
	Favorable changes	Unfavorable changes	Favorable changes	Unfavorable changes
Financial assets				
Financial assets at FVTPL ¹	₩ 12,946	₩ (12,962)	₩ -	₩ -
Financial assets at FVOCI ²	-	-	9,137	(6,623)
Derivative assets ³	-	(12)	-	-
	₩ 12,946	₩ (12,974)	₩ 9,137	₩ (6,623)
Financial liabilities				
Financial liabilities at FVTPL	28	-	-	-
	₩ 28	₩ -	₩ -	₩ -

¹ For some equity securities, measured by changes in fair value based on the increased or decreased stock price and volatility of stock price by 10% that are unobservable inputs.

² For shares and equity investments in Korea Exchange, Korea Securities Finance Corp. and Korea Securities Depository, changes in their fair value are calculated by increasing or decreasing simultaneously the growth ratio and discount rate, which are significant unobservable inputs, by 1%.

³ For Derivative assets and Derivative liabilities, changes in fair value are calculated by shifting principal unobservable input parameters such as volatility of underlying asset regarding stock price, index, exchange rate by $\pm 10\%$.

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36. Fair value (cont'd)

(d) Day 1 profit or loss

When the fair values of financial instruments are measured using valuation techniques where one or more significant inputs are not based on observable market data (that is, over the counter derivatives) and the transaction price are different from the fair values, the Group recognizes fair value of financial instruments as the transaction price. The differences between fair value of financial instrument and the transaction price are not recognized in profit or loss as incurred, but deferred on a straight-line basis over the maturity of the financial instruments.

Day 1 profit or loss for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024	2023
Beginning balance	₩ 2,521	₩ 5,073
New transactions	5,991	4,817
Amounts recognized in profit or loss during the year	(5,454)	(7,369)
Ending balance	₩ 3,058	₩ 2,521

37. Financial instruments by category

(a) Categorizations of financial assets and liabilities as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024				
	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Derivative instruments	Total
Financial assets					
Cash and due from banks	₩ -	₩ -	₩ 440,425	₩ -	₩ 440,425
Financial assets at FVTPL	3,459,908	-	-	-	3,459,908
Financial assets at FVOCI	-	161,652	-	-	161,652
Securities at amortized cost	-	-	2	-	2
Derivative assets	-	-	-	155,076	155,076
Loan receivables	-	-	1,168,976	-	1,168,976
Other financial assets	-	-	296,904	-	296,904
	₩ 3,459,908	₩ 161,652	₩ 1,906,307	₩ 155,076	₩ 5,682,943

<i>(in millions of Korean won)</i>	Financial liabilities at FVTPL				
	Financial liabilities held for trading	Financial liabilities designated at fair value through profit or loss	Financial liabilities at amortized cost	Derivative instruments	Total
Financial liabilities					
Deposits	₩ -	₩ -	₩ 852,201	₩ -	₩ 852,201
Financial liabilities at FVTPL	146,618	1,053,049	-	-	1,199,667
Borrowings	-	-	2,951,767	-	2,951,767
Derivative liabilities	-	-	-	159,054	159,054
Other financial liabilities	-	-	249,397	-	249,397
	₩ 146,618	₩ 1,053,049	₩ 4,053,365	₩ 159,054	₩ 5,412,086

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37. Financial instruments by category (cont'd)

(in millions of Korean won)

	2023				
	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Derivative instruments	Total
Financial assets					
Cash and due from banks	₩ -	₩ -	₩ 426,380	₩ -	₩ 426,380
Financial assets at FVTPL	3,665,816	-	-	-	3,665,816
Financial assets at FVOCI	-	167,241	-	-	167,241
Securities at amortized cost	-	-	19,998	-	19,998
Derivative assets	-	-	-	48,160	48,160
Loan receivables	-	-	1,208,147	-	1,208,147
Other financial assets	-	-	468,119	-	468,119
	₩ 3,665,816	₩ 167,241	₩ 2,122,644	₩ 48,160	₩ 6,003,861

(in millions of Korean won)

	Financial liabilities at FVTPL				
	Financial liabilities held for trading	Financial liabilities designated at fair value through profit or loss	Financial liabilities at amortized cost	Derivative instruments	Total
Financial liabilities					
Deposits	₩ -	₩ -	₩ 1,037,579	₩ -	₩ 1,037,579
Financial liabilities at FVTPL	125,901	826,935	-	-	952,836
Borrowings	-	-	3,111,834	-	3,111,834
Derivative liabilities	-	-	-	107,908	107,908
Other financial liabilities	-	-	424,720	-	424,720
	₩ 125,901	₩ 826,935	₩ 4,574,133	₩ 107,908	₩ 5,634,877

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37. Financial instruments by category (cont'd)

(b) Net gain or net loss on each category of financial instruments for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024	2023
Financial assets at FVTPL		
Gain on disposal	₩ 202,569	₩ 211,454
Gain on valuation	59,828	100,557
Loss on disposal	(190,945)	(153,851)
Loss on valuation	(74,921)	(23,504)
Interest income	97,110	83,190
	₩ 93,641	₩ 217,846
Financial assets at FVOCI		
Gain on valuation ¹	₩ (5,589)	₩ 7,562
	₩ (5,589)	₩ 7,562
Financial assets at amortized cost		
Gain on disposal	₩ 931	₩ 1,273
Impairment reversal	22	-
Loss on disposal	(2,499)	(775)
Impairment loss	(78,747)	(38,206)
Gain on valuation	634	1,430
Loss on valuation	-	(232)
Interest income	112,163	121,041
	₩ 32,504	₩ 84,531
Derivatives		
Gain on transactions	₩ 121,009	₩ 172,291
Gain on transactions (OTC)	248,972	174,791
Loss on transactions	(122,152)	(162,806)
Loss on transactions (OTC)	(219,608)	(159,824)
	₩ 28,221	₩ 24,452
Financial liabilities held for trading		
Gain on disposal	₩ 24,013	₩ 38,999
Gain on valuation	32,337	7,797
Loss on disposal	(9,948)	(66,460)
Loss on valuation	(13,309)	(10,346)
	₩ 33,093	₩ (30,010)
Financial liabilities designated at fair value through profit or loss		
Gain on repayment	₩ 874	₩ 2,474
Gain on valuation	1,193	1,181
Loss on repayment	(24,026)	(29,356)
Loss on valuation	(28,118)	(20,749)
	₩ (50,077)	₩ (46,450)
Financial liabilities at amortized cost		
Interest expense	₩ (147,193)	₩ (162,101)
	₩ (147,193)	₩ (162,101)

¹ Changes in the fair value of financial assets at FVOCI are recognized as other comprehensive income and all other items are recognized in the profit or loss. Financial assets at FVOCI are the amount before directly subtracting deferred tax.

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37. Financial instruments by category (cont'd)

(c) Offsetting financial assets and financial liabilities

The Group enters into netting agreements with OTC derivative counterparties under the International Swaps and Derivatives Association ("ISDA") master netting agreements or other similar arrangements. Pursuant to these agreements, in the event of default by one party, contracts are to be terminated and receivables and payables are to be offset. Similar netting agreements are also entered into with the Group's (a) sales or purchases of bonds under repurchase agreements and (b) securities lending and borrowing transactions, etc. Pursuant to these agreements, in the event of default by one party, contracts are to be terminated and receivables and payables are to be offset.

1) Financial assets subject to offsetting, enforceable master netting arrangements or other similar agreements as of December 31, 2024 and 2023 are as follows:

(in millions of
Korean won)

	2024					
	Gross assets	Gross liabilities offset	Net amounts presented in the consolidated statement of financial position	Amounts not offset		Net amount
				Financial instruments	Financial collateral	
Derivatives	₩ 13,577	₩ -	₩ 13,577	₩ 4,817	₩ -	₩ 8,760
Bonds purchased under repurchase agreements	368,100	-	368,100	368,100	-	-
Other receivables ¹	396,777	194,713	202,064	130,201	-	71,863
	₩ 778,454	₩ 194,713	₩ 583,741	₩ 503,118	₩ -	₩ 80,623

(in millions of
Korean won)

	2023					
	Gross assets	Gross liabilities offset	Net amounts presented in the consolidated statement of financial position	Amounts not offset		Net amount
				Financial instruments	Financial collateral	
Derivatives	₩ 47,096	₩ -	₩ 47,096	₩ 5,181	₩ -	₩ 41,915
Bonds purchased under repurchase agreements	178,800	-	178,800	178,800	-	-
Other receivables ¹	669,408	348,089	321,319	157,378	-	163,941
	₩ 895,304	₩ 348,089	₩ 547,215	₩ 341,359	₩ -	₩ 205,856

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37. Financial instruments by category (cont'd)

2) Financial liabilities subject to offsetting, enforceable master netting arrangements or other similar agreements as of December 31, 2024 and 2023 are as follows:

(in millions of
Korean won)

	2024					
	Gross liabilities	Gross assets offset	Net amounts presented in the consolidated statement of financial position	Amounts not offset		Net amount
				Financial instruments	Financial collateral	
Derivatives	₩ 34,142	₩ -	₩ 34,142	₩ 4,817	₩ -	₩ 29,325
Bonds sold under repurchase agreements	1,871,106	-	1,871,106	1,871,106	-	-
Other payables ¹	383,931	194,713	189,218	130,201	-	59,017
Securities sold ²	146,618	-	146,618	146,618	-	-
	₩ 2,435,797	₩ 194,713	₩ 2,241,084	₩ 2,152,742	₩ -	₩ 88,342

(in millions of
Korean won)

	2023					
	Gross liabilities	Gross assets offset	Net amounts presented in the consolidated statement of financial position	Amounts not offset		Net amount
				Financial instruments	Financial collateral	
Derivatives	₩ 69,625	₩ -	₩ 69,625	₩ 5,181	₩ -	₩ 64,444
Bonds sold under repurchase agreements	1,854,689	-	1,854,689	1,854,689	-	-
Other payables ¹	684,536	348,089	336,447	157,378	-	179,069
Securities sold ²	125,901	-	125,901	125,901	-	-
	₩ 2,734,751	₩ 348,089	₩ 2,386,662	₩ 2,143,149	₩ -	₩ 243,513

¹ Receivables and payables arising from transactions with the Korea Exchanges, customers, and other financial institutions are recognized on a gross basis as accounts receivable and accounts payable. However, transactions related to the Korea Exchanges and central clearinghouses that arise from the same type of transaction meet the offsetting criteria under Korean International Financial Reporting Standards (K-IFRS) and are presented on a net basis in the statement of financial position.

² This includes transactions such as the sale of securities arising from securities lending transactions and other related activities.

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38. Transferred assets that are not derecognized in the entirety

(a) Details of securities sold under repurchase (at fixed price) agreements that do not qualify for derecognition as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>		2024		2023	
Transferred assets not derecognized in entirety	Financial assets at FVTPL	₩	1,926,007	₩	1,979,958
Related liabilities	Bonds sold under repurchase agreements		1,811,523		1,854,689

(b) In the consolidated group, there are SPCs for asset-backed securitization (under Asset-backed Securitization Act and Commercial Act) and beneficiary certificates, which pay off commercial papers and short-term bonds with cash inflows of purchased assets. Although the Group has a contractual right to receive cash flows from these transactions, the cash inflow to the Group in fact is transferred to the holders of the commercial papers and short-term bonds. The securities and loans held by SPCs for ABS and some beneficiary certificates in the consolidated group, have not met the criteria to be removed. As the Group obtains a contractual right to receive the cash flows from these transactions, the details of the financial assets and liabilities in relation to the contractual obligations to pay cash flows to one or more payees under a certain commitment as of December 31, 2024 and 2023, are as follows:

<i>(in millions of Korean won)</i>		2024		2023	
Transferred assets not derecognized in entirety					
Financial assets at FVTPL		₩	88,867	₩	95,342
Investments in associates			7,979		250
Loan receivables			119,672		235,149
		₩	216,518	₩	330,741
Related liabilities					
Other borrowings		₩	232,281	₩	338,807
		₩	232,281	₩	338,807

(c) If the Group lends securities held, the ownership is transferred to borrower. However, since the securities are transferred back to the Group by the end of lending period, the Group has almost all risks and rewards related to the ownership of the securities and thus continues to recognize all of securities loaned. The book value of the securities which have been transferred through lending but not been removed yet as of December 31, 2023 is ₩ 16,541 million.

(d) The subsidiary of the Group trusts the management lease receivables in the trustee's trust account in a monetary bond trust method, and the trust account issues a type 1 beneficiary certificate and a type 2 beneficiary certificate based on the trust property trusted by the company, and the subsidiary provides credit reinforcement by acquiring a type 2 beneficiary certificate.

<i>(in millions of Korean won)</i>		2024		2023	
Transferred assets not derecognized in entirety	Operating lease assets	₩	-	₩	3,533
Related liabilities	Borrowings		-		4,970

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39. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group by the number of shares.

1) Weighted average number of ordinary shares

	2024			2023		
	Number of shares	Days	Weighted number of shares	Number of shares	Days	Weighted number of shares
Ordinary shares	472,590,171	366	172,968,002,586	472,590,171	365	172,495,412,415
Weighted average number of treasury shares	58,683,968	366	21,478,332,288	58,683,968	365	21,419,648,320
Weighted average number of ordinary shares outstanding ¹	413,906,203	366	151,489,670,298	413,906,203	365	151,075,764,095

¹ The weighted average number of ordinary shares outstanding is calculated as total number of ordinary shares issued divided by the period outstanding. The treasury share held until the disposal date, after date of acquisition, is excluded from the number of ordinary shares outstanding.

2) Basic earnings per share

(in Korean won, except for share information)

	2024	2023
Profit for the year	₩ (82,546,404,429)	₩ 2,551,279,241
Preferred share dividends ¹	(23,475,084)	(39,366,121)
Profit for the year attributable to ordinary share owners of the parent	(82,569,879,513)	2,511,913,120
Weighted average number of ordinary shares outstanding	413,906,203	413,906,203
Basic earnings per share	(199.49)	6.07

¹ The Parent Company's preferred shares were issued before 1996. Such preferred shares have right to receive dividends one percent more than cash dividend of ordinary shares' par value. Dividends on preferred shares were estimated considering the corresponding right and basic earnings per preferred share for the years ended December 31, 2024 and 2023 are ₩6.00 and ₩10.06.

(b) Diluted earnings per share

(in Korean won, except for share information)

	2024	2023
Profit attributable to ordinary equity holders	₩ (82,569,879,513)	₩ 2,511,913,120
Effect of dilutive potential ordinary shares:		
Share-based payment (stock options)	-	-
Profit for the year for the purposes of diluted earnings per share	(82,569,879,513)	2,511,913,120
Weighted average number of ordinary shares outstanding	413,906,203	413,906,203
Dilutive potential ordinary shares ¹	-	148,614
	₩ 413,906,203	₩ 414,054,817
Diluted earnings per share	₩ (199.49)	₩ 6.07

¹ The weighted average number of dilutive potential ordinary shares was calculated using If-Converged Method, assuming that all dilutive potential ordinary shares with dilutive effects are converted at the beginning of the year.

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40. Pledged assets

Assets pledged as collateral as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

Pledged assets	Provided to	Purpose	2024	2023
Financial Assets at FVTPL				
Bonds				
	Korea	Margin for over		
	Exchange	the counter	₩	₩
Bonds	Korea	derivatives	8,807	8,557
	Securities	Loan		
	Depository	transaction	49,508	60,781
Bonds	Korea			
	Securities			
	Depository	RP borrowings	1,987,692	1,972,509
Bonds	Others	ELS and others	112,051	49,817
			2,158,058	2,091,664
Shares	Korea	Intermediation		
	Securities	of loan		
	Depository	transaction	212,458	204,397
Shares	Korea			
	Securities	Loan		
	Finance Corp.	transaction	27,172	37,616
Shares	KDB Capital	Borrowings		
	Corp.	from bank	54,452	-
			239,630	242,013
Financial Assets at FVOCI				
Shares	Korea			
	Securities	Loan		
	Finance Corp.	transaction	144,319	150,039
			144,319	150,039
Due from banks				
Long-term bank deposits				
	Kookmin Bank	Deposit for		
		micro payment	2,000	2,000
Guarantee deposits for KSFC	Korea	Guarantee		
trading	Securities	deposits for		
	Finance Corp.	KSFC trading	62,500	43,500
Reserve Deposits				
		Domestic		
		exchange		
		transaction,		
	Federation of	Cashier's		
	savings banks	check	9,000	9,000
Federation of savings banks				
deposits	Federation of	Domestic		
	savings banks	exchange		
		transaction	3,000	3,000
			76,500	57,500
			₩	₩
			2,672,959	2,541,216

41. Commitments and contingencies

(a) Lawsuits

Lawsuits for which the Group is the defendant are as follows:

(in millions of Korean won)

Lawsuits	Plaintiff	Date of filing a lawsuit	Litigation amount	Status
Claim for damages ¹	Leenos Co., Ltd and others	2018-06-22	₩ 12,000	Third trial ongoing
Claim for damages ¹	Daol Savings Bank Co., Ltd.	2018-08-22	2,000	Third trial ongoing
Claim for damages ¹	SBI SAVINGS BANK	2020-03-20	201	First trial ongoing
Claim for damages ¹	Shinhan Securities Co., Ltd	2020-10-29	500	First trial ongoing
Claim for return of unjust enrichment	Information & Communication Financial Cooperative	2022-02-11	5,000	Second trial ongoing
Claim for damages ¹	MIRAE ASSET SECURITIES CO.LTD, B.N.W Investment Co., Ltd	2023-07-13	5,000	First trial ongoing
Claim for damages ¹	KDB CAPITAL CORPORATION	2023-07-18	7,000	First trial ongoing
Claim for damages	Individuals	2024-03-25	326	First trial ongoing
			<u>₩ 32,027</u>	

¹ The plaintiffs filed a claim for the investment in Warterbridge SKS Private Equity Fund against the Group and Waterbridge Partners Co., Ltd, who are co-executive members (GP), for violation of the NEC's duties.

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41. Commitments and contingencies (cont'd)

(b) Commitments and credit limits with financial Institution

As of December 31, 2024 and 2023, details of the Group's commitments and credit limits with financial institutions are as follows:

<i>(in millions of Korean won)</i>					
Counterparties	Product		2024		2023
Shinhan Bank	Intraday overdraft	₩	10,000	₩	10,000
Kookmin Bank	Intraday overdraft		32,000		32,000
Woori Bank	Intraday overdraft		5,000		5,000
	Loan commitment		19,000		19,000
Woori investment Bank	Bill discount		20,000		20,000
Korea Securities Finance Corp.	Finance for securities business-financing		400,000		400,000
	Finance for securities business-lenders		5,000		5,000
	Finance for bond acquisition		380,000		380,000
	Working capital loans		100,000		100,000
	Notes discounted		150,000		150,000
	Collateral loans		230,000		230,000
	Day fund trading		200,000		200,000
Federation of savings banks ¹	Domestic exchange service		7,000		7,000
	Check		5,000		5,000
Pureun Mutual Savings Bank	Loan commitment		2,000		-
KDB Capital Corp.	Loan commitment		2,500		-
OK Savings bank	Loan commitment		-		2,000
		₩	1,567,500	₩	1,565,000

¹ The Group may borrow up to the limit of 95% of the reserve deposit, of which can be borrowed after deducting the amount used for domestic exchange and checks.

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41. Commitments and contingencies (cont'd)

(c) Other Commitments

The unexecuted investment commitments in associates are as follows:

<i>(in millions of Korean won, USD)</i>		2024		2023
Investment commitments in associates ¹	₩	32,502	₩	19,967
Investment commitments in associates(foreign currency) ¹	USD	2,423,382	USD	2,985,642

¹ This is the additional investment commitments which is frequently executed by the executor to the extent of the commitment balance.

The details on Unused loan commitments entered into by the Group as of December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>		2024		2023
Unused loan commitments	₩	11,071	₩	21,172

(d) As of December 31, 2024 and 2023, the group has received guarantees amounting to KRW 9,006 million and KRW 6,615 million respectively from Seoul Guarantee Insurance Co., Ltd. in relation to license and permit guarantees, and others.

(e) Securities deposited and securities borrowed

As of December 31, 2024 and 2023, securities deposited by clients and securities borrowed but not sold are summarized as follows:

<i>(in millions of Korean won)</i>		2024		2023		valuation
Securities deposited						
Brokerage customer's securities	₩	70,909,443	₩	61,286,623		Fair value
Securities savings customer's securities		53,045		31,210		Fair value
Fund investment customer's securities		12,189,015		10,841,328		Basic price
Others		8,205		5,103		Fair value
		<u>83,159,708</u>		<u>72,164,264</u>		
Securities borrowed	₩	89,518	₩	309,707		Fair value

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42. Related party transactions

(a) As of December 31, 2024 and 2023, the largest shareholder of the Parent Company is J&W BIG Co., Ltd., and the related parties of the Parent Company as of December 31, 2024 and 2023 are as follows.

Relationship	Company name
Associates	IBK SKS Private Equity Fund 2012 No 1 Technology Financing Private Equity Fund Waterbridge SKS Private Equity Fund Daesin SKS Secondary Private Equity Fund CAPE SKS 1st Private Equity Fund Shinyoung SKS Co-Investment 2017 Private Equity Fund YD-SKS-KDB Social Value Fund SKS-MAVI PEF SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF Join Asset Global Asset Management Daishin-SKS No.2 Private Equity Fund SKS Korea Investment No. 1 Private Equity Fund SKS-WizDomain New Technology Business Investment Fund I Shinhan SKS Corporate Recovery Private Equity Fund SKS-Wizdomain Big5 Innovation Investment Fund SKS-KNT Global Biostar Fund No. 1 SKS-YP Fund No.1 SKS METIS Fund No.1 SKS METIS Fund No.2 SKS-Heungkuk Fund No.1 SKS EcoService 1st Private Equity Fund SKS Co-Investment 2021 Private Equity Fund SKS-Honest Unicorn Digital Healthcare Fund No.1 SKS-EMFOD Fund No.2 SKS-Welcome Fund No.1 SKS-Victory New technology investment association No.1 SKS-DA Unicorn Bio Fund NO.1 SK No.8 Special Purpose Acquisition Company THE CHAEUL FUND NO.1 SKS-YP Fund No.2 SKS-KNT-THEHAHM Global Biostar Fund NO.1 SKS-Golden Oak Fund No.1 Hisstory 2022 Fintech Fund Solaseado Smartcity Co., Ltd Happy Pet Lifecare Fund No.1 SK Securities No.9 Special Purpose Acquisition Company ESG Blooming Private Equity Fund SK Securities No.10 Special Purpose Acquisition Company (약호 SK Securities No.10 SPAC) ENSL 13th Venture Capital Fund NBH-Cape 2023 K-Farm Fund BlockchainGlobal Co., Ltd. SKSPE-JBWoori New Technology Fund 1st DVP-SKS Local Innovation Venture Fund Happy Pet Lifecare Fund No.2 SK Securities No.11 Special Purpose Acquisition Company SK Securities No.12 Special Purpose Acquisition Company SK Securities No.13 Special Purpose Acquisition Company Secondary Battery Advanced Materials Fund No.1 ZIKPAY Inc. BYB-SKS Pre-IPO Fund No.1 YS Secondary Battery Fund No.1 GP K-5G Fund 1 Meritz-SK Fund 1 BNK safety Investment Fund

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Relationship	Company name
	GMB-SK Securities WLO Fund No.1
	Newmain V Fund
	NICE-SKS Fintech Venture Fund
	UOS-ENSL Venture Fund No.1
	SLV Fund No.1
	YP-SKS K-Beauty Deep Tech Fund
	ET Private Equity Fund
	AJ Creative Tourism Venture Fund 1
	AJ Smart Tourism Venture Fund 2
	Green Energy New Technology Investment Fund
	AJ-ISU GYEONGGI Agri-Food Venture Fund
	ISU-AJ Sports Fund
	AJ LINK New Technology Investment Fund
	AJ KOSNET Semicon One Venture Fund
	Dattoz-AJ Growth of Global-Technology Fund III
	J& NBH Investment Fund
	NBH-MINEB YY New Technology Investment Fund
	NOVA Fund-1
	NBH-N3 New Technology Business Investment Fund I
	NBH-KOSNET Semicon Growth Venture Fund
	NBH-KOSNET Semicon Next Venture Fund
	D'Alba New Technology Business Investment Fund I
	NBH-C-ONE NP Fund
	CJ Cinema-index Fund No.1
	Dreamfarm Investment Fund No.1
	Rainist Co., Ltd.
	Cuber New Technology Business Investment Fund I
	Forward-NBH New Technology Business Investment Fund I
	Rechargeable battery value chain growth fund
	LINEA-NBH Fund No.1
	Delta-NBH Global Food Tech Investment Fund No.1
	SKS Credit OF Private Equity Fund
	Neo Value up Investment Fund
	Chungnam-NCK Digital Tourism Venture Fund
	WTS-NHB JEONBUK Agri-Food Venture Fund
	LINEA-NBH Fund No.2
	Future Sea Food Venture Fund
	ESG Ascending Private Equity Fund
	KYOBO-NBH-ALPENROUTE SPORTS INNOVATION FUND
	Forward-NBH New Technology Business Investment Fund II
	NR 1st Recovery Support Private Equity Fund
	Global EMS No.1 Private Equity fund
	Odyssey No.2 Private Equity Fund
	DAYLI Fountainhead Project No.3 Private Equity Fund
Others ¹	J&W Partners Co., Ltd.
	J&W BIG Private Equity Investment Co., Ltd.
	J&W BIG Co., Ltd.
	Hestia Enertech Limited
	CHANGWON ENERTECH Co., LTD
	DAEBOO
	Hannam environment Co., Ltd.
	SKS-MAVI contents Limited
	Blooming Green Energy Limited
	SKS Credit OF Co., Ltd
	Insight ESG Partnership Private Equity Fund I
	Ascending Green Energy Limited

¹ Affiliates of J&W BIG Co., Ltd. which is the largest shareholder of the Company.

SK Securities Co., Ltd. and Subsidiaries
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42. Related party transactions (cont'd)

(b) Sales and purchases with related parties for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)	2024		2023	
	Revenue and others	Expenses and others	Revenue and others	Expenses and others
Associates				
IBK SKS Private Equity Fund 2012	₩ 1,205	₩ -	₩ 2	₩ -
No 1 Technology Financing Private Equity Fund	-	-	2	-
Daesin SKS Secondary Private Equity Fund	870	-	223	-
Shinyoung SKS Co-Investment 2017 Private Equity Fund	235	-	454	-
SKS-KIWOOM Pioneer Private Equity Fund ¹	-	-	625	-
YD-SKS-KDB Social Value Fund	339	-	251	-
SKS-MAVI PEF	660	-	840	-
SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF	959	-	911	-
Daishin-SKS No.2 Private Equity Fund	1,062	-	1,036	-
SKS Korea Investment No. 1 Private Equity Fund	295	-	777	-
SKS-WizDomain New Technology Business Investment Fund I	134	-	136	-
Shinhan SKS Corporate Recovery Private Equity Fund	574	-	442	-
SKS-Wizdomain Big5 Innovation Investment Fund	89	-	103	-
SKS-VLP Fund No. 1 ¹	118	-	42	-
SKS-Yozma Fund No. 1 ¹	90	-	161	-
SKS-Nautic No. 1 Fund ¹	8	-	61	-
SKS-VLP Fund No. 2 ¹	-	-	34	-
SKS-KNT Global Biostar Fund No. 1	76	-	109	-
SKS-YP Fund No.1	230	-	230	-
SKS-EMFOD Fund No.1 ¹	-	-	386	-
SKS-Susung New technology investment association No.1 ¹	15	-	41	-
SKS METIS Fund No.1	103	-	103	-
SKS METIS Fund No.2	136	-	136	-
SKS-Heungkuk Fund No.1	139	-	139	-
SKS EcoService 1st Private Equity Fund	123	-	420	-
SKS Co-Investment 2021 Private Equity Fund	2,220	-	2,130	-
SKS-Honest Unicorn Digital Healthcare Fund No.1	177	-	177	-
SKS METIS Fund No.3 ¹	-	-	70	-
SKS-EMFOD Fund No.2	30	-	30	-
SKS-Welcome Fund No.1	81	-	81	-
SKS-Victory New technology investment association No.1	22	-	22	-
SKS-DA Unicorn Bio Fund NO.1	48	-	48	-
THE CHAEUL FUND NO.1	29	-	30	-
SKS-YP Fund No.2	40	-	40	-
SKS-KNT-THEHAHM Global Biostar Fund NO.1	77	-	77	-
SKS-Golden Oak Fund No.1 ¹	372	-	371	-
Hisstory 2023 Fintech Fund	33	-	34	-
	139			

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(in millions of Korean won)

	2024		2023	
	Revenue and others	Expenses and others	Revenue and others	Expenses and others
Golden Oak-SK Securities Innovation Unicorn Fund	261	-	71	-
Happy Pet Lifecare Fund No.1	41	-	32	-
ESG Blooming Private Equity Fund	1,979	-	1,423	-
NBH-Cape 2024 K-Farm Fund	179	-	43	-
SKSPE-JBWoori New Technology Fund 1st	106	-	41	-
DVP-SKS Local Innovation Venture Fund	321	-	70	-
Happy Pet Lifecare Fund No.2	100	-	19	-
Secondary Battery Advanced Materials Fund No.1	33	-	1	-
BYB-SKS Pre-IPO Fund No.1	113	-	-	-
YS Secondary Battery Fund No.1	50	-	-	-
Meritz-SK Fund 1	26	-	-	-
GMB-SK Securities WLO Fund No.1	16	-	-	-
NICE-SKS Fintech Venture Fund	118	-	-	-
SLV Fund No.1	1	-	-	-
ET Private Equity Fund	55	-	-	-
AJ Agrifood Export Promotion Venture Fund II ¹	-	-	2	-
AJ Creative Tourism Venture Fund 1	35	-	233	-
AJ Smart Tourism Venture Fund 2	261	-	265	-
Green Energy New Technology Investment Fund	147	-	145	-
AJ-ISU GYEONGGI Agri-Food Venture Fund	154	-	74	-
ISU-AJ Sports Fund	111	-	149	-
AJ LINK New Technology Investment Fund	616	-	242	-
AJ KOSNET Semicon One Venture Fund	45	-	46	-
Dattoz-AJ Growth of Global-Technology Fund III	48	-	130	-
J& NBH Investment Fund	9	-	9	-
NBH-MINEB YY New Technology Investment Fund	42	-	60	-
NOVA Fund-1	94	-	94	-
NBH-N3 New Technology Business Investment Fund I	79	-	78	-
NBH-KOSNET Semicon Growth Venture Fund	85	-	90	-
NBH-KOSNET Semicon Next Venture Fund	20	-	22	-
D'Alba New Technology Business Investment Fund I	248	-	84	-
NBH-C-ONE NP Fund	23	-	21	-
CJ Cinema-index Fund No.1	28	-	111	-
Dreamfarm Investment Fund No.1	159	-	159	-
Cuber New Technology Business Investment Fund I	13	-	16	-
Forward-NBH New Technology Business Investment Fund I	53	-	40	-
Rechargeable battery value chain growth fund	535	-	276	-
LINEA-NBH Fund No.1	15	-	8	-
Delta-NBH Global Food Tech	4	-	2	-

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(in millions of Korean won)	2024		2023	
	Revenue and others	Expenses and others	Revenue and others	Expenses and others
Investment Fund No.1				
SKS Credit OF Private Equity Fund	1,242	-	700	-
Neo Value up Investment Fund	225	-	85	-
Solidium Synergy Fund ¹	139	-	155	-
Chungnam-NCK Digital Tourism Venture Fund	110	-	10	-
WTS-NHB JEONBUK Agri-Food Venture Fund	62	-	1	-
LINEA-NBH Fund No.2	30	-	-	-
Future Sea Food Venture Fund	126	-	-	-
ESG Ascending Private Equity Fund	299	-	-	-
KYOBO-NBH-ALPENROUTE SPORTS INNOVATION FUND	38	-	-	-
Forward-NBH New Technology Business Investment Fund II	16	-	-	-
Global EMS No.1 Private Equity fund	189	-	-	-
	<u>₩ 19,288</u>	<u>₩ -</u>	<u>₩ 15,781</u>	<u>₩ -</u>

¹ During the current and prior periods, it was excluded from associate due to a loss of significant influence.

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42. Related party transactions (cont'd)

(c) Outstanding balances arising from sales and purchases of goods and services as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)	2024		2023	
	Receivables	Payables	Receivables	Payables
Associates				
Waterbridge SKS Private Equity Fund	₩ 1,793	₩ -	₩ 1,793	₩ -
Daesin SKS Secondary Private Equity Fund	-	-	29	-
CAPE SKS 1st Private Equity Fund	477	-	477	-
Shinyoung SKS Co-Investment 2017 Private Equity Fund	164	-	102	-
SKS-KIWOOM Pioneer Private Equity Fund	-	-	114	-
YD-SKS-KDB Social Value Fund	339	-	251	-
SKS-MAVI PEF	52	-	212	-
SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF	959	-	911	-
Daishin-SKS No.2 Private Equity Fund	236	-	283	-
SKS Korea Investment No. 1 Private Equity Fund	57	-	190	-
SKS-Wizdomain Exponential Innovation No. 1 Investment Fund	134	-	136	-
Shinhan SKS Corporate Recovery Private Equity Fund	141	-	113	-
SKS-Wizdomain Big5 Innovation Investment Fund1	38	-	52	-
FIRST On-line Investment Finance Company ¹	-	-	900	-
SKS-VLP Fund No.1	3	-	-	-
SKS-Nautic No. 1 Fund	-	-	134	-
SKS-KNT Global Biostar Fund No.1	59	-	-	-
SKS-Heungkuk Fund No.1	140	-	1	-
SKS EcoService 1st Private Equity Fund	-	-	212	-
SKS Co-Investment 2021 Private Equity Fund	470	-	592	-
SKS-Honest Unicorn Digital Healthcare Fund No.1	177	-	-	-
SKS-Welcome Fund No.1	122	-	41	-
SK No.8 Special Purpose Acquisition Company ¹	395	-	395	-
Hisstory 2023 Fintech Fund	16	-	12	-
Happy Pet Lifecare Fund No.1	20	-	-	-
SK Securities No.9 Special Purpose Acquisition Company ¹	980	-	980	-
ESG Blooming Private Equity Fund	497	-	499	-
SK Securities No.10 Special Purpose Acquisition Company ¹	990	-	990	-
NBH-Cape 2024 K-Farm Fund	-	-	25	-
BlockchainGlobal Co., Ltd. ¹	300	-	300	-
SKSPE-JBWoori New Technology Fund 1st	53	-	41	-
DVP-SKS Local Innovation Venture Fund	-	-	70	-
SK Securities No.11 Special Purpose Acquisition Company ¹	995	-	995	-

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(in millions of Korean won)

	2024		2023	
	Receivables	Payables	Receivables	Payables
SK Securities No.12 Special Purpose Acquisition Company ¹	990	-	990	-
SK Securities No.13 Special Purpose Acquisition Company ¹	980	-	980	-
ZIKPAY Inc.	925	-	925	-
NICE-SKS Fintech Venture Fund	75	-	-	-
AJ Creative Tourism Venture Fund 1	5	-	235	-
AJ Smart Tourism Venture Fund 2	259	-	146	-
AJ-Sejong Agrifood Export Promotion Fund	148	-	416	-
AJ-ISU GYEONGGI Agri-Food Venture Fund	55	-	74	-
ISU-AJ Sports Fund	111	-	149	-
AJ LINK New Technology Investment Fund	-	-	4	-
AJ KOSNET Semicon One Venture Fund	28	-	22	-
J& NBH Investment Fund	-	-	2	-
NBH-MINEB YY New Technology Investment Fund	-	-	11	-
NBH-N3 New Technology Business Investment Fund I	66	-	-	-
NBH-KOSNET Semicon Growth Venture Fund	53	-	23	-
NBH-KOSNET Semicon Next Venture Fund	12	-	6	-
NBH-C-ONE NP Fund	44	-	21	-
CJ Cinema-index Fund No.1	-	-	28	-
Dreamfarm Investment Fund No.1	40	-	40	-
Delta-NBH Global Food Tech Investment Fund No.1	-	-	1	-
SKS Credit OF Private Equity Fund	333	-	292	-
Chungnam-NCK Digital Tourism Venture Fund	45	-	10	-
WTS-NHB JEONBUK Agri-Food Venture Fund	-	-	1	-
ESG Ascending Private Equity Fund	252	-	-	-
KYOBO-NBH-ALPENROUTE SPORTS INNOVATION FUND	2	-	-	-
Global EMS No.1 Private Equity fund	189	-	-	-
	<u>₩ 14,219</u>	<u>₩ -</u>	<u>₩ 15,226</u>	<u>₩ -</u>

¹ Convertible bonds that the Group owned before deduction of convertible right adjustments.

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42. Related party transactions (cont'd)

(d) There are no borrowing transactions with related parties for the years ended December 31, 2024 and 2023. Significant loan transactions with related parties for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

(in millions of Korean won)		2024							
		Accounts	Beginning balance	Increase		Decrease	Ending balance		
Associates									
ZIKPAY Inc.	Corporate bonds	₩	800	₩	-	₩	-	₩	800
ZIKPAY Inc.	Private placement bonds		125		-		-		125
FIRST On-line Investment Finance Company	Corporate bonds		900		-		(900)		-
SK No.8 Special Purpose Acquisition Company	Corporate bonds		395		-		-		395
SK Securities No.9 Special Purpose Acquisition Company	Corporate bonds		980		-		-		980
SK Securities No.10 Special Purpose Acquisition Company	Corporate bonds		990		-		-		990
SK Securities No.11 Special Purpose Acquisition Company	Corporate bonds		995		-		-		995
SK Securities No.12 Special Purpose Acquisition Company	Corporate bonds		990		-		-		990
SK Securities No.13 Special Purpose Acquisition Company	Corporate bonds		980		-		-		980
BlockchainGlobal Co., Ltd.	Corporate bonds		300		-		-		300

(in millions of Korean won)

(in millions of Korean won)

		2023				
	Accounts	Beginning balance	Increase	Decrease	Ending balance	
Associates						
SK No.6 Special Purpose Acquisition Company	Corporate bonds	₩ 990	₩ -	₩ (990)	₩ -	
SK Securities ACPC No.7 Special Purpose Acquisition Company	Corporate bonds	580	-	(580)	-	
FIRST On-line Investment Finance Company ¹	Corporate bonds	900	-	-	900	
SK No.8 Special Purpose Acquisition Company	Corporate bonds	395	-	-	395	
SK Securities No.9 Special Purpose Acquisition Company	Corporate bonds	-	980	-	980	
SK Securities No.10 Special Purpose Acquisition Company	Corporate bonds	-	990	-	990	
BlockchainGlobal Co., Ltd.	Corporate bonds	-	300	-	300	
SK Securities No.11 Special Purpose Acquisition Company	Corporate bonds	-	995	-	995	
SK Securities No.12 Special Purpose Acquisition Company	Corporate bonds	-	990	-	990	
SK Securities No.13 Special Purpose Acquisition Company	Corporate bonds	-	980	-	980	
ZIKPAY Inc. ¹	Corporate bonds	800	-	-	800	
ZIKPAY Inc. ¹	Private placement bonds	-	125	-	125	

¹ It was re-classified from a subsidiary to an affiliated company for the year ended December 31, 2023.

SK Securities Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
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42. Related party transactions (cont'd)

(e) Details of capital transactions with related parties for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024	
	Investments ¹	Collection ¹
Associates		
KoFC KDBC-SKS Shared Growth No.3 Private Equity Fund1	₩ -	₩ 26
IBK-SKS Private Equity Fund 2012	-	643
No 1 Technology Financing Private Equity Fund	-	1,520
Daesin SKS Secondary Private Equity Fund	-	473
Shinyoung SKS Co-Investment 2017 Private Equity Fund	-	4,285
SKS-MAVI PEF	-	13,772
SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF	(272)	-
Join Asset Global Asset Management.Co,Ltd	-	50
Daishin-SKS No.2 Private Equity Fund	-	2,929
SKS Korea Investment No. 1 Private Equity Fund	-	3,432
SKS-Wizdomain Exponential Innovation No.1 Investment Fund	-	67
Shinhan SKS Corporate Recovery Private Equity Fund	(3,390)	3,494
SKS-Wizdomain Big5 Innovation Investment Fund	-	270
SKS-VLP Fund No.1	-	417
SKS-Yozma Fund No.1	-	463
SKS-Nautic No.1 Fund	-	700
SKS-Susung New technology investment association No.1	-	559
SKS Co-Investment 2021 Private Equity Fund	-	4,000
SKS-EMFOD Fund No.2	-	600
SKS-YP Fund No.2	-	191
Golden Oak-SK Securities Innovation Unicorn Fund	-	941
Happy Pet Lifecare Fund No.1	-	180
ENSL 13th Venture Capital Fund	(400)	-
NBH-Cape 2023 K-Farm Fund	(1,700)	-
DVP-SKS Local Innovation Venture Fund	(350)	-
BYB-SKS Pre-IPO Fund No.1	(300)	-
YS Secondary Battery Fund No.1	(500)	-
GK K-5G Fund 1	(1,000)	1,000
Meritz-SK Fund 1	(1,000)	-
BNK safety Investment Fund	(1,000)	-
GMB-SK Securities WLO Fund No.1	(100)	-
Newmain V Fund	(800)	-
NICE-SKS Fintech Venture Fund	(400)	-
UOS-ENSL Venture Fund No.1	(300)	-
SLV Fund No.1	(500)	-
YP-SKS K-Beauty Deep Tech Fund	(400)	-
AJ Creative Tourism Venture Fund 1	-	990
Green Energy New Technology Investment Fund	-	280
AJ-ISU GYEONGGI Agri-Food Venture Fund	-	553
AJ LNK New Technology Investment Fund	-	105

SK Securities Co., Ltd. and Subsidiaries
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(in millions of Korean won)

	2024	
	Investments ¹	Collection ¹
Dattoz-AJ Growth of Global-Technology Fund III	-	2
D'Alba New Technology Business Investment Fund I	-	2,371
SKS Credit OF Private Equity Fund	-	9
Solidium Synergy Fund	-	500
Chungnam-NCK Digital Tourism Venture Fund	(980)	-
WTS-NHB JEONBUK Agri-Food Venture Fund	(100)	-
LINEA-NBH Fund No.2	(2,000)	-
Future Sea Food Venture Fund	(1,200)	-
ESG Ascending Private Equity Fund	(3,000)	-
KYOBO-NBH-ALPENROUTE SPORTS INNOVATION FUND	(400)	-
Forward-NBH New Technology Business Investment Fund II	(2,000)	1,000
NR 1st Recovery Support Private Equity Fund	(13,400)	-
Global EMS No.1 Private Equity fund	(5,950)	-
Odyssey No.2 Private Equity Fund	(484)	-
DAYLI Fountainhead Project No.3 Private Equity Fund	(2,000)	-
	<u>₩ (43,926)</u>	<u>₩ 45,822</u>

(in millions of Korean won)

	2023	
	Investments ¹	Collection ¹
Associates		
No 1 Technology Financing Private Equity Fund	₩ -	₩ 95
Daesin SKS Secondary Private Equity Fund	-	6,852
Shinyoung SKS Co-Investment 2017 Private Equity Fund	-	7,983
SK No.6 Special Purpose Acquisition Company	-	10
SKS-KIWOOM Pioneer Private Equity Fund	-	11,977
YD-SKS-KDB Social Value Fund	(186)	-
SKS-MAVI PEF	-	48
SKS-Stonebridge SK Southeast Asia Corporate Partnership PEF	(250)	-
Daishin-SKS No.2 Private Equity Fund	(2,750)	1,330
SKS Korea Investment No. 1 Private Equity Fund	-	697
Shinhan SKS Corporate Recovery Private Equity Fund	(2,425)	104
FIRST On-line Investment Finance Company	(20)	-
SKS-Yozma Fund No. 1	-	690
SKS-Nautic No. 1 Fund	-	300
SKS-VLP Fund No. 2	-	100
SKS-EMFOD Fund No.1	-	1,329
SK Securities ACPC No.7 SPAC	-	20
SKS Co-Investment 2021 Private Equity Fund	(3,750)	-
LD New Technology Business Investment Fund No.5	-	1,303
Solaseado Smartcity Co., Ltd	(1,000)	-
Happy Pet Lifecare Fund No.1	(600)	-
SK Securities No.9 Special Purpose Acquisition Company	(20)	-
ESG Blooming Private Equity Fund	(10,000)	-
SK Securities No.10 Special Purpose Acquisition	(10)	-
ENSL 13th Venture Capital Fund	(600)	-

SK Securities Co., Ltd. and Subsidiaries
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(in millions of Korean won)

	2023	
	Investments ¹	Collection ¹
NBH-Cape 2024 K-Farm Fund	(425)	-
BlockchainGlobal Co., Ltd.	(2,700)	-
SKSPE-JBWoori New Technology Fund 1st	(4,200)	-
DVP-SKS Local Innovation Venture Fund	(300)	-
Happy Pet Lifecare Fund No.2	(290)	-
SK Securities No.11 Special Purpose Acquisition Company	(5)	-
SK Securities No.12 Special Purpose Acquisition Company	(10)	-
SK Securities No.13 Special Purpose Acquisition Company	(20)	-
Secondary Battery Advanced Materials Fund No.1	(50)	-
AJ Agrifood Export Promotion Venture Fund II	-	757
AJ Creative Tourism Venture Fund 1	-	1,200
AJ Smart Tourism Venture Fund 2	(555)	-
AJ-Sejong Agrifood Export Promotion Fund ¹	-	411
AJ-ISU GYEONGGI Agri-Food Venture Fund ¹	-	300
AJ LNK New Technology Investment Fund	-	47
NBH-MINEB YY New Technology Investment Fund	-	32
D'Alba New Technology Business Investment Fund I	-	90
Forward-NBH New Technology Business Investment Fund I	(2,000)	-
Rechargeable battery value chain growth fund	(100)	-
LINEA-NBH Fund No.1	(300)	-
Delta-NBH Global Food Tech Investment Fund No.1	(30)	-
SKS Credit OF Private Equity Fund	(201)	-
Neo Value up Investment Fund	(100)	-
Solidium Synergy Fund	(500)	-
Chungnam-NCK Digital Tourism Venture Fund	(200)	-
WTS-NHB JEONBUK Agri-Food Venture Fund	(100)	-
	<u>₩ (33,697)</u>	<u>₩ 35,675</u>

¹ The amount of investments and collection is the amount of capital transactions for the years ended December 31, 2024 and 2023, instead of its book value.

SK Securities Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
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42. Related party transactions (cont'd)

(f) There are no payment guarantees and collateral provided by the Group for the financial supports to the related parties, and no collateral and payment guarantees are provided by the related parties as of December 31, 2024 and 2023.

(g) Dividends paid to the majority shareholders for the years 2024 and 2023 are ₩185(million) and ₩463(million).

(h) Registered directors with significant roles and responsibilities on planning, operation and control of the Group's activities are regarded as the major management of the Group. Key management personnel compensation for the years ended December 31, 2024 and 2023 are as follows:

(in millions of Korean won)

	2024				
	Number of persons	Salaries	Retirement benefits	Share-based payment	Total
Executive directors	5	₩ 1,787	₩ 745	₩ -	₩ 2,532
Non-executive directors	6	294	-	-	294

(in millions of Korean won)

	2023				
	Number of persons	Salaries	Retirement benefits	Share-based payment	Total
Executive directors	4	₩ 2,815	₩ 1,153	₩ -	₩ 3,968
Non-executive directors	5	264	-	-	264

43. Interests in unconsolidated structured entities

(a) Details of information about its interests in unconsolidated structured entities, which the Group does not have control over, including the nature, purpose and activities of the structured entity and how the structured entity is financed as of December 31, 2024 are as follows:

Nature	Purpose	Activities	Financing method
Asset backed securitization SPC	1) Early encashment by selling securitized assets 2) To obtain commission income by providing credit facilities or purchase agreement of securitized assets	1) The implementation of securitization 2) Purchase and collect of securitized assets 3) Issuance and repayment of asset-backed securities	1) Issuance of asset backed securities
Investment funds	1) Investment in beneficiary certificates 2) Investment in PEF and investment vehicle	1) Management and operation of fund asset 2) Payment of management fee and allocation of fund revenue	1) Sales of beneficiary certificates 2) Investments by partners
Project financing SPC	1) Funding and investment for real estate development	1) Social overhead capital construction or real estate development	1) Investments by investors and borrowings from financial institutions

SK Securities Co., Ltd. and Subsidiaries
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43. Interests in unconsolidated structured entities (cont'd)

(b) Details of scale of unconsolidated structured entities and nature of the risks associated with an entity's interests in unconsolidated structured entities as of December 31, 2024 and 2023 are as follows:

(in millions of Korean won)	2024						
	Asset backed securitization SPC		Investment funds		Project financing SPC		Total
Total assets of unconsolidated structured entities	₩	1,146,976	₩	3,987,130	₩	551,305	₩ 5,685,411
Assets recognized on the consolidated statement of financial position							
Financial Assets at FVTPL		3,074		174,599		685	178,358
Investments in associates		-		147,274		-	147,274
Loans		45,902		-		15,760	61,662
	₩	48,976	₩	321,873	₩	16,445	₩ 387,294
Maximum exposure to loss							
Possessed assets	₩	48,976	₩	321,873	₩	16,445	₩ 387,294
Purchase commitment, Investment commitment and loan commitment	₩	37	₩	34,107	₩	13	₩ 34,157
(in millions of Korean won)	2023						
	Asset backed securitization SPC		Investment funds		Project financing SPC		Total
Total assets of unconsolidated structured entities	₩	1,582,669	₩	4,817,274	₩	2,213,239	₩ 8,613,182
Assets recognized on the consolidated statement of financial position							
Financial Assets at FVTPL		28,197		208,646		840	237,683
Investments in associates		-		141,164		-	141,164
Loans		77,939		-		16,908	94,847
	₩	106,136	₩	349,810	₩	17,748	₩ 473,694
Maximum exposure to loss							
Possessed assets	₩	106,136	₩	349,810	₩	17,748	₩ 473,694
Purchase commitment, Investment commitment and loan commitment	₩	284	₩	20,136	₩	465	₩ 20,885

SK Securities Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

44. Consolidated statements of cash flows

(a) Significant non-cash transactions for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>		2024		2023
Gains and losses on valuation of financial assets at FVOCI	₩	(5,589)	₩	7,365
Recognition of right-of-use assets		12,243		3,251

(b) Changes in liabilities arising from financing activities for the years ended December 31, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024				
	Borrowings	Bonds	Lease liabilities	Accrued dividends	Total
Beginning balance	₩ 2,845,923	₩ 265,912	₩ 83,751	₩ -	₩ 3,195,586
Cash flows	(187,175)	20,000	(7,112)	(855)	(175,142)
Effect of exchange rate changes	2,527	-	-	-	2,527
New contracts	-	-	10,637	-	10,637
Others	4,577	3	(13,549)	855	(8,114)
Ending balance	₩ 2,665,852	₩ 285,915	₩ 73,727	₩ -	₩ 3,025,494

<i>(in millions of Korean won)</i>	2023				
	Borrowings	Bonds	Lease liabilities	Accrued dividends	Total
Beginning balance	₩ 3,106,303	₩ 267,890	₩ 87,420	₩ -	₩ 3,461,613
Cash flows	(256,629)	(2,000)	(7,818)	(2,109)	(268,556)
Effect of exchange rate changes	(609)	-	-	-	(609)
New contracts	-	-	2,888	-	2,888
Others	(3,142)	22	1,261	2,109	250
Ending balance	₩ 2,845,923	₩ 265,912	₩ 83,751	₩ -	₩ 3,195,586

SK Securities Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

45. Revenue from contracts with customers

Under K-IFRS 1115 *Revenue from Contracts with Customers*, the segments and the timing of recognizing revenue for each revenue stream for the years ended December 31, 2024 and 2023 are as follows:

*(in millions of
Korean won)*

	2024						Total
	Brokerage trading	IB	Proprietary trading	Savings banking business	Others	Adjustment in consolidation	
Fee revenue by segment	₩ 77,658	₩ 87,308	₩ 302	₩ 753	₩ 863	₩ (11,103)	₩ 155,781
Timing of revenue recognition							
Recognized at a point in time	78,970	60,833	302	753	863	(11,103)	130,618
Recognized over time	(1,312)	26,475	-	-	-	-	25,163
	₩ 77,658	₩ 87,308	₩ 302	₩ 753	₩ 863	₩ (11,103)	₩ 155,781

*(in millions of
Korean won)*

	2023						Total
	Brokerage trading	IB	Proprietary trading	Savings banking business	Others	Adjustment in consolidation	
Fee revenue by segment	₩ 86,873	₩ 117,553	₩ 418	₩ 328	₩ 574	₩ (21,946)	₩ 183,800
Timing of revenue recognition							
Recognized at a point in time	81,224	94,059	418	328	574	(21,946)	154,657
Recognized over time	5,649	23,494	-	-	-	-	29,143
	₩ 86,873	₩ 117,553	₩ 418	₩ 328	₩ 574	₩ (21,946)	₩ 183,800



**Independent Auditor's Report on
Internal Control over Financial Reporting for Consolidation Purposes**

(English Translation of a Report Originally Issued in Korean)

To the Shareholders and Board of Directors of SK Securities Co., Ltd.

Opinion on Internal Control over Financial Reporting for Consolidation Purposes

We have audited Internal Control over Financial Reporting (ICFR) of SK Securities Co., Ltd. and its subsidiaries (collectively referred to as the "Group") for consolidation purposes as at December 31, 2024, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

In our opinion, the Group maintained, in all material respects, effective ICFR for consolidation purposes as at December 31, 2024, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

We also have audited, in accordance with Korean Standards on Auditing, the consolidated financial statements of the Group, which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements including material accounting policy information, and our report dated March 18, 2025 expressed an unqualified opinion.

Basis for Opinion on Internal Control over Financial Reporting for Consolidation Purposes

We conducted our audit in accordance with Korean Standards on Auditing. Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of Internal Control over Financial Reporting for consolidation purposes* section of our report. We are independent of the Group in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of ICFR for consolidation purposes and we have fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for Internal Control over Financial Reporting for Consolidation Purposes

Management is responsible for designing, implementing and maintaining effective ICFR for consolidation purposes, and for its assessment about the effectiveness of ICFR for consolidation purposes, included in the accompanying ICFR Operating Status Report for Consolidation Purposes.

Those charged with governance have the responsibilities for overseeing ICFR for consolidation purposes.

Auditor's Responsibilities for the Audit of Internal Control over Financial Reporting for Consolidation Purposes

Our responsibility is to express an opinion on ICFR for consolidation purposes of the Group based on our audit. We conducted the audit in accordance with Korean Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective ICFR for consolidation purposes was maintained in all material respects.

An audit of ICFR for consolidation purposes involves performing procedures to obtain audit evidence about whether a material weakness exists. The procedures selected depend on the auditor's judgment, including the assessment of the risks that a material weakness exists. An audit includes obtaining an understanding of ICFR for consolidation purposes and testing and evaluating the design and operating effectiveness of ICFR for consolidation purposes based on the assessed risk.

Definition and Inherent Limitations of Internal Control over Financial Reporting for Consolidation Purposes

The Group's ICFR for consolidation purposes is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea. The Group's ICFR for consolidation purposes includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention, or timely detection and correction of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, ICFR for consolidation purposes may not prevent, or detect and correct, misstatements. Also, projections of any assessment of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The engagement partner on the audit resulting in this independent auditor's report is Yeob Yu, Certified Public Accountant.

The image shows a handwritten signature in black ink that reads "Samil PricewaterhouseCoopers". The signature is written in a cursive, flowing style.

Seoul, Korea

March 18, 2025

<p>This report is effective as at <i>March 18, 2025</i>, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the Group's ICFR for consolidation purposes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.</p>

**Management's Report on the Effectiveness of
Internal Control over Financial Reporting for Consolidation Purposes**
(English Translation of a Report Originally Issued in Korean)

To the Shareholders, Board of Directors, and Audit Committee of SK Securities Co., Ltd.

We, as the Chief Executive Officer (CEO) and the Internal Control over Financial Reporting Officer of ABC Company (the Company), assessed the effectiveness of the design and operation of the Company's Internal Control over Financial Reporting (ICFR) for consolidation purposes for the year ended December 31, 2024.

The Company's management, including ourselves, is responsible for designing and operating ICFR for consolidation purposes.

We assessed the design and operating effectiveness of ICFR for consolidation purposes in the prevention and detection of an error or fraud which may cause material misstatements in the preparation and disclosure of reliable consolidated financial statements.

We designed and operated ICFR for consolidation purposes in accordance with *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting* established by the Operating Committee of Internal Control over Financial Reporting in Korea (the ICFR Committee). And, we conducted an evaluation of ICFR for consolidation purposes based on *Best Practice Guidance for Evaluating and Reporting Internal Control over Financial Reporting* established by the ICFR Committee.

Based on the assessment results, we believe that the Company's ICFR for consolidation purposes, as at December 31, 2024, is designed and operated effectively, in all material respects, in accordance with *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

We certify that this report does not contain any untrue statement of a fact, or omit to state a fact necessary to be presented herein.

We also certify that this report does not contain or present any statements which cause material misunderstandings, and we have reviewed and verified this report with sufficient due care.

March 5, 2025

Chief Executive Officer Jung, Joon Ho

Internal Accounting Manager Seo, Young Soo