SK Telecom Co., Ltd. (NYSE: SKM)

Sum-of-Parts Analysis and Variant Perception

March 26, 2026 | Price: $30.38 / ADR | Rating: **LONG**
Target: $38–40 (base) / $48–52 (bull) | Horizon: 9–12 months

Investment Thesis

SKM is the cheapest publicly traded exposure to Anthropic, the #2 frontier AI lab, which grew from $875M to $19B ARR in fourteen months and raised its Series G at $380B on a round where investor interest totaled 5–6× the original $10B target, per the *Financial Times*.[1] SKT holds a ∼0.45–0.55% stake (forensic estimate; not directly disclosed). At $30.38/ADR, the market capitalizes the audited investment book near carrying value and, where it credits Anthropic at all, appears to treat it primarily as an embedded paper mark rather than as an asset approaching a disclosure regime change. After holdco discounts, our base case implies ∼$39/ADR (+28%) and the bull case ∼$50/ADR (+64%).

The core Korean telecom franchise, a stable three-player oligopoly generating KRW 4.8–5.2T of normalized EBITDA, sets the valuation floor. SKM trades at ∼4.1–4.3× EV/EBITDA, a ∼40% discount to developed-market telecom peers. Even in the bear case, the telco alone supports a price within ∼5% of today's level with minimal contribution from the investment book.

The catalyst window is 9–12 months. An Anthropic IPO forces the Level 3 position into named, market-priced disclosure, compressing the investment-book discount from below even if SKT does not sell any shares. Korean Commercial Act amendments taking effect in July–September 2026 independently compress the structural holdco discount on the core telco from above. Neither catalyst is fully priced.

The market misses this because SKM screens as a Korean telecom, the Anthropic position is buried in Level 3 investments rather than disclosed cleanly, and FY2025 cyber-incident noise obscures normalized earnings power. Readily available public commentary tends to stop at generic valuation uplift rather than underwriting the path from opaque paper mark to visible, separately analyzed asset. We establish the operating and investment-book evidence first, then lay out the full set of frictions that keep the discount in place.

1 Core Telco Underwrite

Item	Value
ADR price (March 25, 2026)	$30.38
Common shares outstanding	212.98M
ADR ratio	5 ordinary : 9 ADR
USD/KRW	$\sim$1,504
Implied equity value (USD)	$\sim$$11.65B
Implied equity value (KRW)	$\sim$KRW 17.5T
Net debt ex-leases (FY2025)	$\sim$KRW 7.2T
Lease liabilities	$\sim$KRW 1.5T
Enterprise value (ex-leases)	$\sim$KRW 24.7T

1.1 Capitalization and Balance Sheet

Balance sheet detail: FY2025 cash and short-term financial instruments of KRW 1.64T against borrowings of KRW 633B, debentures of KRW 8.21T, and lease liabilities of KRW 1.53T. Long-term investment securities of KRW 3.19T (of which KRW 3.03T designated FVOCI, i.e. fair value through other comprehensive income, under K-IFRS 9; fair-value changes flow through equity, not the income statement). Associates and JVs carried at KRW 2.24T.

At midpoint normalized EBITDA of KRW 5.0T, current reported EV/EBITDA is $\sim 4.9\times$. Netting out the KRW 5.43T of audited investment securities plus associates and JVs carried on balance sheet implies a look-through core multiple of $\sim 3.9\times$. We use the reported multiple for peer comparisons and reserve the look-through multiple for the SOTP.

1.2 Normalized Earnings Power

FY2025 consolidated results were distorted by the April 2025 USIM-data cyber incident, which affected 23.2M subscribers. Revenue was KRW 17.10T, operating income KRW 1.07T, net income KRW 375B, and EBITDA KRW 4.66T versus KRW 5.52T in FY2024. SKT cut its 2025 revenue outlook by KRW 800B. Korea's PIPC imposed a KRW 134.8B fine on August 28, 2025; SKT separately committed to a KRW 700B five-year information-protection investment plan and a KRW 500B customer appreciation package. SKT also announced on February 5, 2026 that it would not pay a year-end cash dividend for FY2025. Any screen-based valuation using trailing P/E or EV/EBITDA will systematically understate the business.[2]

The underlying franchise is intact. At year-end 2025: 17.49M 5G subscribers, 7.24M broadband subscribers, 6.72M IPTV subscribers. Parent SKT generated KRW 3.45T of EBITDA; SK Broadband contributed KRW 1.28T. The AI Data Center segment reached KRW 519.9B of revenue (+34.9% YoY), still $\sim 3\%$ of consolidated revenue.

Normalized consolidated EBITDA: **KRW 4.8–5.2T**.

[1] FT, relayed by *Sherwood News* and *TechCrunch*, Jan. 27, 2026. FT reported the then-ongoing Anthropic round expanding from an original $10B plan to $20B amid 5–6× demand against that original target; Anthropic ultimately closed the round at $30B. The $380B post-money and $30B raised were confirmed by Anthropic press release (Feb. 12, 2026) and GIC press release.

[2] The March 18, 2026 KRX business report received a correction request from KRX for insufficient disclosure; contents may change if amended.

1.3 Peer Benchmarking

On a reported EV basis, SK Telecom trades at a premium to Korean telecom peers. We keep the primary peer table focused on operating and balance-sheet metrics because trailing P/E is distorted by the cyber-incident year and plain P/B is muddied by the investment portfolio that we value separately in the SOTP. If added, forward P/E, P/B, and dividend yield should appear as secondary screen metrics rather than as primary valuation anchors.

	SKT	KT Corp	LG Uplus
EV/EBITDA (trading)	4.8–5.1×	3.0–3.5×	3.3–3.8×
EBITDA margin	∼33%	∼29%	∼27%
Capex / revenue	∼14–16%	∼16–18%	∼18–20%
FCF / EBITDA	∼40–45%	∼35–40%	∼25–35%
Net debt / EBITDA	<1.5×	∼1.3–1.5×	∼1.5–1.8×

That premium is justified by best-in-class EBITDA margins, the lowest capex intensity, strongest FCF conversion, and the cleanest balance sheet. The valuation argument is not that SKT screens cheapest on the headline telecom multiple; it is that the headline multiple capitalizes a large but opaque investment book near carrying value and gives insufficient credit to Anthropic upside above the embedded mark.

Against global peers, the discount remains meaningful. AT&T and Verizon trade at 6.5–7.5×; Deutsche Telekom, NTT, and SingTel at 6.0–8.0×. SKM trades at a ∼25–30% **discount to developed-market telecom peers** on the headline multiple despite comparable or superior operating metrics, and at a wider discount on a look-through basis once the investment book is separated. Korea's Corporate Value-Up Program (announced February 26, 2024) and subsequent hard-law reforms have begun to narrow the gap, but the structural Korea discount persists.

1.4 Downside Protection

The bear case requires confidence that the core telco provides genuine downside support, independent of the Anthropic thesis. Two mechanisms establish the floor, though the dividend pillar is weaker than it was a year ago:

1. **FCF yield.** FY2025 reported operating cash flow was KRW 3.92T; after KRW 2.21T of property-and-equipment additions and KRW 0.12T of intangible-asset additions, reported pre-M&A FCF was roughly KRW 1.60T despite the cyber-incident year. On a normalized basis, KRW 1.5–2.0T of FCF implies roughly 8.5–11.5% FCF yield at the current market cap. Using a midpoint FCF assumption, the stock would need to fall roughly 15–30% to reach a 12–14% FCF yield, a level we associate with prior crisis dislocations such as 2008 and 2020.
2. **Shareholder-return policy.** SKT's Corporate Value-Up Plan targets shareholder return of at least 50% of adjusted consolidated profit for FY2024–2026 through dividends and buybacks/cancellation. However, FY2025 was not a normal year: on February 5, 2026, SKT announced that it would **not pay a year-end cash dividend for FY2025** in light of its results of operations and changes in the business environment. Actual FY2025 DPS was KRW 1,660 (interim only), implying a 3.10% yield on the KSE year-end close and ∼2.0% on the ADR at $30.38. The skipped year-end dividend appears cyclical rather than a formal abandonment of the payout framework: SKT separately said it would continue shareholder-return

efforts as cash flow and financial conditions improve. As earnings normalize toward KRW 5T+ EBITDA, a recovery toward the recent KRW 3,540 per-share cash-dividend level ($\sim$4.3% ADR yield at current prices) looks reasonable, though the mix between cash dividends and buybacks/cancellation remains management's choice within the broader return policy.

At the current market cap, those yield supports should begin to bind well before a full trough-multiple stress case is reached. A mechanical de-rating all the way to $\sim$3.5–3.8$\times$ EV/EBITDA on the core telco alone would imply roughly 30–40% downside before assigning value to the investment book, and would likely require a severe regulatory crackdown on mobile tariffs or irrational competitive behavior, both low-probability events in a stable three-player oligopoly where SKT holds $\sim$43% share with gently rising ARPU. The Korean wireless market has had no destructive price war since the initial 5G launch period in 2018–2019. Sell-side coverage is $\sim$20–25 analysts, with 65–70% at Buy/Overweight and $< 5\%$ at Sell.

2 Anthropic and the Investment Book

2.1 Audited Fair-Value Assets

At December 31, 2025, SKT held KRW 3.19T of long-term investment securities, including KRW 3.03T of FVOCI equity instruments. Level 3 (unquoted) FVOCI assets were KRW 2.06T, up from KRW 479B a year earlier, with KRW 1.35T of OCI gains recognized during 2025, all booked in audited financials under IFRS 9.

Associates and JVs carried at KRW 2.24T include: SK China (KRW 1.05T), Korea IT Fund (KRW 370B), SK South East Asia Investment (KRW 369B), Rebellions (KRW 187B), and startup funds (KRW 66B). These are opaque, illiquid, and difficult to monetize on short notice.

2.2 The Anthropic Position

2.2.1 Stake estimation (forensic; not directly disclosed).

Anthropic is not named in SKT's audited 2025 financial statements. The position is embedded within the Level 3 unquoted FVOCI equity instruments bucket (KRW 2.06T at year-end 2025, up from KRW 479B a year earlier, with a KRW 1.35T Level 3 OCI gain during 2025). All Anthropic-specific figures in this memo (the stake percentage, the attributed value, and the per-ADR sensitivity) are forensic estimates derived from the disclosed August 2023 $100M investment, subsequent Anthropic funding-round dilution, and the timing/magnitude of Level 3 fair-value movements. They are not disclosed Korean facts.

Publicly accessible commentary reviewed for this memo discusses dilution and mark-to-market uplift, not realized selldowns or a modeled secondary exit; on SKT's February 5, 2026 earnings call, management said it was difficult to comment on whether it would liquidate the Anthropic stake because of confidentiality clauses.[3] That distinction matters. The market is not underwrit-

[3] Public examples include Seoul Economic (Jan. 20, 2026), summarizing Korea Investment & Securities on stake dilution and value uplift; a public TipRanks summary of a Bank of America note (Feb. 18, 2026) framing Anthropic upside as increasingly reflected in the stock; and Asiae coverage of SKT's Feb. 5, 2026 earnings call, where management said it was difficult to comment on possible liquidation plans because of confidentiality clauses. These

ing imminent cash realization; at most it is capitalizing a hard-to-verify uplift inside an opaque bucket. Our base case therefore assumes no selldown and no special dividend tied to Anthropic.

This opacity is what an Anthropic IPO would resolve. Under IFRS 13, the position automatically reclassifies from Level 3 (fair value estimated from unobservable inputs, currently SKT's internal model referencing the latest funding round) to Level 1 (quoted price in an active market). SKT would then be required to disclose the holding by name, mark it to the closing market price each quarter, and report the position size. The asset's K-IFRS 9 measurement category (FVOCI) does not change, so fair-value gains would continue to flow through OCI rather than the income statement and would not affect reported EPS. But the position would move from an opaque aggregate bucket to a named, individually visible line item in every quarterly filing, accessible to any analyst or screener. We are positioning ahead of that disclosure event.

SKT officially disclosed the $100M additional investment in Anthropic in August 2023, following a prior SKTVC investment. Since then, the cap table has been diluted by Amazon's convertible investment, plus Anthropic's Series E ($3.5B at $61.5B), Series F ($13B at $183B), and Series G ($30B at $380B). Korean brokerage estimates of SKT's stake range from $\sim 0.58\%$ to "well below 0.5%." We underwrite a **0.45–0.55%** diluted stake, with 0.30–0.60% as the full plausible range.

2.2.2 Round mechanics.

The $380B post-money headline understates the market-clearing valuation. The *Wall Street Journal* first reported (January 7) that Anthropic planned to raise $10B at a $350B valuation; the *Financial Times* subsequently reported (January 27) that the same then-ongoing round had doubled to $20B on surging demand, with investor interest totaling 5–6× the original target; Anthropic ultimately announced the close at $30B / $380B post-money on February 12.[4] Bloomberg separately reported (February 4) that Anthropic planned an employee tender offer at the $350B pre-money valuation, later launching at $5–6B in size.[5] The round was preferred stock. Preferred-round pricing can overstate common-equity FMV through liquidation preferences, anti-dilution provisions, and ratchets, so we do not treat the preferred headline as a perfect common-equity mark. But the more consequential distortion runs the other direction: **$380B is an administered price from a non-clearing transaction, and likely functions as a floor.** The public reporting shows the round expanding from an original $10B plan to $20B while still drawing 5–6× demand against that original target, before ultimately closing at $30B. That sequence is consistent with Anthropic expanding the round administratively rather than maximizing price, though the FT's 5–6× figure applied to the round while in process, not to the final closed $30B size. Secondary marketplace data (Hiive) showed per-share pricing above the Series G level within weeks of close.

Fifteen days after Anthropic's Series G, OpenAI announced $110B in commitments at a $730B pre-money valuation (SoftBank $30B, NVIDIA $30B, Amazon $50B).[6] On $\sim\$25$B ARR at the

are cited here as evidence of public framing, not as primary valuation authorities.

[4] WSJ, "Anthropic Plans New Fundraise at $350 Billion Valuation," Jan. 7, 2026; FT, via *Sherwood News* and *TechCrunch*, Jan. 27, 2026; Anthropic press release, Feb. 12, 2026; independently confirmed by GIC press release.

[5] Bloomberg, "Anthropic Plans Employee Tender Offer at $350 Billion Valuation," Feb. 4, 2026; "Anthropic Kicks Off Share Sale for Staffers of Up to $6 Billion," Feb. 23, 2026.

[6] OpenAI company announcement, "Scaling AI for everyone," Feb. 27, 2026. The $110B includes cloud/compute commitments alongside equity; the pure equity component and therefore the exact post-money valuation remain

time, OpenAI priced at roughly $\sim 2.1\times$ Anthropic's $350B pre-money reference value, or $\sim 1.9\times$ the $380B post-money headline, further confirming that Anthropic still screens cheap within the frontier-AI comp set.

For SKM, $380B remains a conservative current reference mark. Our end-2026 Anthropic scenario set spans $500–650B in the conservative case, $700–950B in the base case, and $900B–1.3T in the bull case, corresponding to exit ARR of roughly $35–40B, $45–55B, and $65–80B at materially compressed forward P/ARR multiples. The Series G headline therefore functions as a floor reference rather than as our central underwriting outcome for year-end 2026.

2.3 Revenue Trajectory

Anthropic grew from ~$875M to ~$19B ARR in fourteen months, with $14B to $19B in the single month of February 2026. No enterprise software company has ever scaled at this pace.[c]

Date	Annualized Revenue	Source
January 2025	~$875M	Reuters
May 2025	~$3B	Reuters
August 2025	> $5B	Anthropic
October 2025	~$7B	Reuters
Cumulative FY2025 (GAAP)	~$5B	Reuters
February 2026	~$14B	Anthropic[a]
March 2026	~$19B	Bloomberg[b]

[a]Anthropic Series G press release, Feb. 12, 2026. [b]Bloomberg, "Anthropic Nears $20 Billion Revenue Run Rate Amid Pentagon Feud," Mar. 3, 2026 (S. Ghaffary). [c]Run-rate figures are annualizations of recent consumption plus subscriptions, not recognized GAAP revenue. All figures based on anonymous sourcing except where Anthropic is cited directly.

Key business facts: 500+ customers spending > $1M annualized; 8 of the Fortune 10 are customers; ~80% enterprise-driven revenue; Claude Code alone at > $2.5B ARR by February 2026. Enterprise API revenue at this concentration level carries materially lower churn risk than consumer subscriptions.

2.3.1 P/ARR multiple compression: Anthropic vs. OpenAI.

The implied P/ARR at each funding round shows a classic compression curve. Despite a 380× increase in headline valuation from seed to Series G, the P/ARR multiple has fallen from triple digits to ~27× because revenue has grown faster than the valuation marks.

OpenAI's February 2026 round at $730B pre-money on ~$25B ARR (Reuters/The Information, March 5) implies ~29–34× depending on equity versus compute-commitment allocation. Even at the low end, OpenAI trades at a premium to Anthropic's ~27× on $14B at the time of the Series G. Anthropic is the cheaper of the two frontier labs on every available metric. The only relevant comp set is other frontier foundation-model companies; no traditional enterprise software company has ever grown at this rate (~$875M to ~$19B ARR in fourteen months) or operated at this capital intensity. Anthropic's gross margins are likely 50–60%, reflecting the compute-heavy nature of frontier inference. Even after adjusting for that margin structure,

ambiguous.

Round	Date	Post-$ Val.	Est. ARR	P/ARR
Anthropic				
Series B	May 2023	$4.5B	∼$100M†	∼45×
Series C (Google)	Dec 2023	$18.4B	∼$200M†	∼92×
Series D	Q1 2024	$18–20B	∼$450M†	∼41×
Series E	Mar 2025	$61.5B	∼$1B	∼62×
Series F	Sep 2025	$183B	∼$4B	∼46×
Employee tender	Q3–Q4 2025	∼$150–175B	∼$6B	∼27×
Series G	Feb 2026	$380B	∼$14B	∼27×
OpenAI				
Tender	Jan 2023	$29B	∼$200M	∼145×
Tender (Thrive)	Sep–Oct 2023	$86B	∼$1.3B	∼66×
Series (Thrive)	Oct 2024	$157B	∼$3.4B	∼46×
Series F (SoftBank)	Mar 2025	$300B	∼$8–12B‡	∼25–38×
Secondary	Oct 2025	$500B	∼$20B‡	∼25×
Series (SoftBank)	Feb 2026	$730B+	∼$25B‡	∼29–34×

†Journalist estimates (The Information, WSJ); Anthropic did not publicly disclose revenue before late 2024. ‡OpenAI ARR: $25B at end-Feb 2026, up 17% from $21.4B at end-2025 (Reuters/The Information, Mar. 5, 2026). Oct 2025 ARR estimated at ∼$20B from the $21.4B year-end figure. Mar 2025 ARR interpolated from $3.4B (Oct 2024) and $21.4B (Dec 2025). Reuters also reported Anthropic at "roughly $9B" ARR and OpenAI at "more than $20B in 2025." OpenAI Mar 2025: $40B at $300B post-money (Fortune/CNBC). Oct 2025: $6.6B secondary at $500B (CNBC). Feb 2026: $110B in commitments at $730B pre-money (company announcement; SoftBank $30B, NVIDIA $30B, Amazon $50B). Post-money depends on equity versus cloud/compute commitments; we show $730B pre-money as the clean reference. Series G uses Anthropic's own $14B disclosure (Feb. 12 press release), not the $19B Bloomberg figure from one month later. All P/ARR calculated on valuation divided by estimated ARR at time of round.

Anthropic's $380B mark trades at a material discount to the only other transaction the market has priced in the same category.

2.4 SKM as Leveraged Anthropic Exposure

The torque becomes more compelling at higher Anthropic valuations. OpenAI priced at $730B+ pre-money on ∼$25B ARR; if Anthropic continues compounding through end-2026 while still seeing multiple compression, valuations of roughly $500B–$1.3T are within the range of reasonable outcomes. The table below shows what selected points within that range imply for SKM at a midpoint 0.50% stake (USD/KRW 1,504).

Anthropic EV ($B)	500	700	900	1,300
Anthropic in SKM (KRW T)	3.76	5.26	6.77	9.78
As % of SKM market cap	21.4%	30.0%	38.6%	55.8%
Anthropic per ADR ($)	6.5	9.1	11.7	17.0
Implied cost of core telco (KRW T)	13.8	12.3	10.8	7.8
Implied core EV/EBITDA after deducting Anthropic	4.2×	3.9×	3.6×	3.0×

Assumes 0.50% diluted stake, USD/KRW 1,504. At 0.55%, each row scales by 1.1×. Implied core EV/EBITDA after deducting Anthropic uses KRW 5.0T normalized EBITDA and KRW 7.2T net debt.

The table inverts the usual SOTP logic by asking what the market is charging for the telco after stripping out Anthropic. At $500B the residual core trades at 4.2×, still below today's reported $\sim 4.9\times$ and only modestly above the Korean peer range. At $700B the core trades at 3.9×, effectively giving an investor Anthropic at a premium to the last round while leaving the telco near trough levels on an Anthropic-deducted basis. At $900B to $1.3T—which corresponds to roughly $65–80B exit ARR at 14–16×—the Anthropic position alone reaches 39–56% of SKM's market cap and the implied core telco multiple collapses to 3.0–3.6×, levels associated with crisis-style dislocations. No other publicly traded instrument offers this torque. AMZN's Anthropic position is embedded in a $2T+ market cap at $< 1\%$ attribution; GOOG's stake is similarly diluted. SKM's smaller capitalization makes each dollar of Anthropic appreciation move the ADR roughly 5–6× more per unit of market cap than it moves AMZN.

2.5 Total Investment Book Valuation

We do not stack Anthropic on top of the entire audited Level 3 book because much of the FVOCI gain likely *is* Anthropic. The non-Anthropic row below is a deliberate underwriting haircut to audited carrying values, not a mark-to-book proxy: it excludes double-counting risk and does not carry the full disclosed associates/JVs plus non-Anthropic FVOCI balance.

	Bear	**Base**	**Bull**
Anthropic (KRW T)	4.3	6.2	8.3
Other FVOCI + associates/JVs (KRW T)	2.0	2.0	2.3
Total investment book (KRW T)	**6.3**	**8.2**	**10.6**

Anthropic row assumes a 0.50% midpoint diluted stake, USD/KRW 1,504, and midpoint EVs of $575B, $825B, and $1.1T from the conservative, base, and bull end-2026 scenario ranges. "Other FVOCI + associates/JVs" is a conservative haircut relative to audited carrying values rather than a literal carry-value match; FY2025 disclosed associates/JVs were KRW 2.24T and FVOCI equity instruments were KRW 3.03T.

3 Why the Mispricing Persists

The underlying facts are mostly public. The discount persists because the market is poorly configured to process this particular combination of assets, rather than because the information is hidden. In public-market discussion, SKM is usually framed either as a telecom with a breach overhang or as a telecom with some Anthropic mark-to-market uplift. The six frictions below explain why that framing remains incomplete and why the timing of a re-rating is the main risk.

3.1 Classification mismatch

SKM sits in GICS Sector 50 (Communication Services), sub-industry Wireless Telecommunications. Its holders are telecom-sector ETFs and income-oriented EM funds; its covering analysts evaluate dividend yield and subscriber metrics. None have mandates or frameworks to underwrite a venture-stage AI position embedded in a Korean telco's balance sheet. Investors seeking Anthropic exposure (growth equity funds, tech-focused hedge funds, AI thematic investors) buy AMZN (convertible stake), GOOG (cloud partnership), or attempt direct secondary access. SKM falls entirely outside their consideration set. Re-rating requires a crossover investor who can simultaneously evaluate Korean telecom normalized EBITDA and private-market AI cap tables. That population is very small.

3.2 Disclosure opacity

SKT does not disclose the Anthropic position by name in its FVOCI fair-value hierarchy tables. The mark is embedded within the Level 3 unquoted equity instruments bucket (KRW 2.06T at year-end 2025). Backing into the position size requires forensic work across multiple filings: the August 2023 $100M disclosure, every subsequent Anthropic round's dilution, and reconciliation against OCI gains (KRW 1.35T in 2025). Most sell-side analysts covering Korean telcos do not have the bandwidth or incentive to perform this exercise. Publicly visible commentary appears to stop at valuation uplift and dilution; to our knowledge, it does not model realized proceeds, taxes, or timing from an SKT selldown. That matters because the stock is not being priced as if a secondary exit were imminent; it is being priced as if Anthropic were an opaque Level 3 paper gain with uncertain visibility and no clear route to cash. Consensus models either ignore the investment book entirely or treat it as a static line item at book value.

3.3 ADR structure friction

The 5:9 ordinary-to-ADR ratio, dual KSE/NYSE listing, and USD/KRW translation create mechanical friction. For a thesis that requires granular SOTP work, this raises the analytical cost of entry relative to simpler Anthropic-proxy trades.

3.4 Cyber incident overhang

The April 2025 breach and subsequent KRW 800B revenue hit distort every trailing screen-based multiple. Forward consensus among the 20–25 covering analysts already reflects normalization toward KRW 5T+ EBITDA by 2026–2027, so the distortion affects mechanical/passive flows more than fundamental positioning. Earnings normalization over H1–H2 2026 removes a headwind rather than creating a catalyst.

3.5 Korean conglomerate discount

SK Group's chaebol structure creates a reflexive discount. The governance discount has some rational basis, but the market applies it bluntly, without differentiating between SKT's investment book quality and the generic holdco penalty.

3.6 Repricing lag

Anthropic's value compounds on a weekly cadence: revenue went from $14B to $19B ARR in roughly one month. SKM re-rates on a quarterly earnings cycle, filtered through sell-side model updates that lag by weeks. The repricing infrastructure for a Korean telecom ADR structurally cannot keep pace with the velocity of the underlying venture asset, and incremental news tends to be absorbed as vague "AI upside" rather than through a refreshed SOTP and holdco-discount framework.

4 Valuation

4.1 Core Telco Scenarios

We use **4.5–5.5**× normalized EBITDA for the core telco. The bear case is only a modest premium to the current Korean trading set, the base case assumes normalization toward SKT's deserved domestic premium, and the bull case still remains below developed-market telecom valuations. We do not give this multiple any credit for Anthropic or the broader investment book.

	Bear	**Base**	**Bull**
Normalized EBITDA (KRW T)	4.8	5.0	5.2
EV/EBITDA multiple	4.5×	5.0×	5.5×
Core EV (KRW T)	21.6	25.0	28.6
Less: net debt ex-leases	(7.2)	(7.2)	(7.2)
Core equity value (KRW T)	**14.4**	**17.8**	**21.4**

4.2 Anthropic End-2026 Scenarios

Anthropic grew from ∼$875M to ∼$19B ARR in fourteen months, roughly 22×. ARR rose from $14B to $19B in the single month of February 2026. Against that trajectory, the scenarios below assume substantial deceleration in every case; even the bull case implies only 3.4–4.2× growth over nine months, compared to 22× over the prior fourteen.

	Conservative	**Base**	**Bull**
Dec-2026 exit ARR ($B)	35–40	45–55	65–80
Implied growth from $19B	1.8–2.1×	2.4–2.9×	3.4–4.2×
Full-year 2026 sales ($B)	22–27	28–35	35–45
Applied P/ARR multiple	14–16×	15–17×	14–16×
Implied Anthropic EV ($B)	500–650	700–950	900–1,300

Observed P/ARR compressed from ∼62× (Q1 2025) to ∼27× (Series G) in roughly nine months, a ∼56% decline. However, none of those marks were market-clearing prices: the Series F was oversubscribed, the employee tender carried a structural discount to the primary round, and the Series G was 5–6× oversubscribed per the FT. If each round had been a proper auction, the observed multiples would have been lower at each point (higher valuations, same revenue) and the compression curve shallower. Our 14–17× forward range assumes a further ∼30–40% compression from the current ∼20–27×, moderate relative to the 2025 pace and consistent with the transition from private non-clearing rounds to a public market-clearing price at IPO.

Reuters reported in late January 2026 that Anthropic had raised its internal 2026 sales forecast to as much as $18B and 2027 to $55B. That forecast predated the acceleration to $19B ARR by March. Our conservative case (∼$35–40B exit ARR) would still require roughly 7–9% monthly compounding from here; our base case (∼$45–55B) implies roughly 10–13% monthly compounding, about half the pace embedded in the prior fourteen-month trajectory; the bull case (∼$65–80B) remains below a straight-line extrapolation of recent months.

4.3 Sum-of-Parts

Including lease liabilities fully reduces each scenario by ∼$2.60 per ADR.

KRW trillion	**Bear**	**Base**	**Bull**
Core operations equity	14.4	17.8	21.4
Investment book	6.3	8.2	10.6
Total equity value	**20.7**	**26.0**	**32.0**
Per ADR (USD)	*$35.9*	*$45.1*	*$55.5*
Upside / (downside)	*+18%*	*+48%*	*+83%*

Point estimates use midpoint Anthropic EVs of $575B, $825B, and $1.1T. Using the full Anthropic scenario ranges instead, the implied gross ADR ranges are roughly $35–37 (bear), $44–47 (base), and $53–58 (bull).

Sensitivity: every $100B move in Anthropic's valuation is worth roughly $1.17–1.43 per ADR across our 0.45–0.55% stake range, or $\sim$4–5% of SKM's current market cap.

4.4 After Holdco Discount

The gross SOTP above assigns full look-through value to the investment book. In practice, Korean operating holdcos trade at a discount to the underlying value of their financial investments, reflecting tax friction on disposal ($\sim$22–25% Korean corporate rate), the absence of a clear monetization path, and the FVOCI accounting treatment that channels gains through OCI rather than reported earnings. For SKM, the discount is not merely generic chaebol leakage: Anthropic is currently a non-named Level 3 asset with no public monetization plan and no broadly modeled realization path in public commentary. We therefore apply a scenario-appropriate holdco discount to the Anthropic position (bear 55%, base 40%, bull 27.5%) and a flat 50% to the remaining opaque associates/JVs, consistent with Korean market practice for operating holdcos and with comparable discounts at SoftBank ($\sim$34%), Prosus ($\sim$37%), and SK Square ($\sim$47%).[7]

KRW trillion	**Bear**	**Base**	**Bull**
Core operations equity	14.4	17.8	21.4
Anthropic (post-discount)	1.9	3.7	6.0
Other investments (post-discount)	1.0	1.0	1.2
Total equity value	**17.3**	**22.5**	**28.6**
Per ADR (USD)	*$30.1*	*$39.1*	*$49.6*
Upside / (downside)	*–1%*	*+29%*	*+63%*

Holdco discount on Anthropic: bear 55%, base 40%, bull 27.5%. Other investments: 50% flat. Bear assumes SKT treats Anthropic as permanent strategic capital with no monetization signal. Base assumes post-IPO transparency but no public selldown or explicit shareholder-return linkage. Bull assumes partial monetization, structured hedging, or explicit shareholder-return linkage. Range consistent with SoftBank (34%), Prosus (37%), SK Square (47%) observed discounts.

The discounted base case midpoint of $39/ADR represents $\sim$29% upside from the current price; using the full Anthropic range, the base scenario spans roughly $38–40/ADR. The asymmetry remains: the discounted bear case is roughly flat at $30–31/ADR, while the discounted bull case spans roughly $48–52/ADR. Crucially, the base case does not require SKT to sell a single

[7] SoftBank NAV discount per SBG IR page, mid-March 2026. Prosus discount implied from official NAV/share vs. buyback execution price. SK Square discount per company-disclosed NAV (KRW 149.2T) vs. market cap (KRW 79.9T), March 24, 2026.

Anthropic share. It requires only that the market move from valuing Anthropic as an opaque paper mark to valuing it as a visible, separately underwritten asset. The discount narrows further if SKT signals any intent to monetize (partial selldown, block trade, collar, or explicit linkage of Anthropic proceeds to buybacks); it widens if management reiterates the position as permanent strategic capital.

5 Catalysts, Risks, and Sizing

5.1 Base-Case Catalyst: Anthropic IPO (H2 2026)

At $19B ARR and growing, with 500+ enterprise customers and a $380B private mark, Anthropic has the scale and institutional demand to support a public listing. An IPO converts an opaque, hard-to-mark private position into a transparent, quoted asset even if SKT does not monetize a single share. It forces every SKM model to confront the holding by name and market value rather than by inference from a Level 3 bucket. That would directly resolve disclosure opacity, materially lower the analytical hurdle for crossover investors, and tighten the holdco discount, though it would not by itself eliminate it. Any subsequent monetization would be incremental upside, not a prerequisite for re-rating.

5.2 Supporting Catalysts

- **Explicit disclosure.** If SKT begins naming Anthropic in its fair-value tables or provides stake-size guidance before an IPO, the analytical cost of entry drops sharply.
- **Crossover analyst coverage.** A single high-profile initiation framing SKM as a disclosure-driven Anthropic derivative rather than a generic telecom-with-AI-upside story could redirect capital from the growth/AI investor base.
- **Monetization signal or capital-return linkage.** Any selldown, collar, block trade, or explicit linkage of Anthropic value to buybacks/dividends would move the debate from paper NAV to cash realization. We do not assume this in the base case.

Earnings normalization over H1–H2 2026 removes a headwind but is largely priced into forward consensus.

5.3 Korean Governance Reform: Concurrent and Independent

The “Value-Up died in political chaos” narrative is stale. After Lee Jae-myung took office in June 2025, the DP-controlled National Assembly passed two Commercial Act amendments that constitute hard law, not voluntary disclosure:

- **Director duty to shareholders** (enacted July 2025, effective **23 July 2026**): directors must protect total shareholders’ interests and ensure fair treatment of all shareholders. This gives minority holders legal standing to challenge value-destructive holdco capital allocation.
- **Treasury-share cancellation** (effective **6 March 2026**): newly acquired treasury shares must be cancelled within one year, backed by administrative fines. This closes a classic Korea-discount mechanism used to consolidate control.
- **Mandatory comply-or-explain governance reports** for all KOSPI firms from 2026, plus

tightened disclosure on executive compensation, AGM voting results, and treasury-share actions.

These provisions phase in from March 2026 through July 2026, overlapping with the H2 2026 Anthropic IPO window. The convergence is the point: the Anthropic IPO compresses the investment-book discount from below while governance reform compresses the core-telco discount from above. Even a modest core-telco re-rating from the current reported $\sim 4.9\times$ to $\sim 5.5\times$ would add ~KRW 3.0T of core equity value, or roughly $5/ADR. Neither catalyst is fully priced.

Caveats: the original Value-Up program remains voluntary; inheritance-tax reform (the deepest structural issue) is still a proposal; and the Stewardship Code lacks enforcement review. This is a staggered hybrid regime, not a completed Japan-style turn.

5.4 Risks

- **Capital intensity.** Anthropic committed $30B of Azure compute to Microsoft and announced $50B of U.S. data-center buildouts. The CFO disclosed that the company spent $> \$10$B to generate $\sim \$5$B of cumulative revenue through 2025. The capital-to-revenue ratio resembles infrastructure buildout more than traditional enterprise software.
- **Political/regulatory risk.** Reuters reported that Anthropic's dispute with the Pentagon/Trump administration has already cost it a $> \$100$M federal deployment, disrupted $180M in financial-sector negotiations, and spooked > 100 enterprise customers.
- **Dilution.** Every future funding round dilutes SKT's fractional stake further. Without pro-rata participation rights (not disclosed), the 0.45–0.55% stake will erode.
- **Liquidity.** This is a private position. There is no market mechanism for SKT to monetize at the marked round price without a secondary sale or IPO.
- **Duration.** Structural frictions can persist well beyond the point where the underlying value has moved.

5.5 Position Sizing

The payoff profile is asymmetric. After holdco discounts, the bear case is roughly flat at $30–31/ADR; the base case spans $38–40/ADR; and the bull case spans $48–52/ADR. On a gross look-through basis the corresponding ranges are roughly $35–37, $44–47, and $53–58. The risk/reward skews favorably in either framing.

The primary risk is duration, but the catalyst timeline is shorter than for a typical structural mispricing. We do not need an SKT selldown for the thesis to work: an Anthropic IPO or direct listing remains the base-case catalyst because it changes disclosure status, broadens the buyer universe, and forces explicit mark-to-market treatment. Absent that, clearer disclosure, OCI step-ups, and any monetization signal would still narrow the discount. The appropriate position size tolerates 9–12 months. The carry is modest: SKT skipped its FY2025 year-end dividend (cyber-incident-driven), leaving the current ADR yield at $\sim 2\%$. As earnings normalize, the payout should recover toward ~ 4–5%, but the near-term carry is not the reason to own this.

 All data sourced from SK Telecom SEC filings (20-F), Anthropic company disclosures, Bloomberg, the *Wall Street Journal*, the *Financial Times*, Reuters, GIC, and publicly available information as of March 26, 2026. Anthropic revenue run-rate figures are annualizations based on anonymous sourcing unless otherwise noted and do not represent audited GAAP revenue. Figures are estimates and subject to revision.