



NEWS RELEASE

SKT Invests USD\$200 Million in SMART Global Holdings, an Integrated AI Data Center Solution Provider in the US

7/16/2024

- SKT and SGH intend to form an alliance to establish more concrete cooperation across respective AI infrastructure businesses

Seoul, July 16, 2024 – SK Telecom (NYSE: SKM) (“SKT”) signed a definitive agreement to invest USD\$200 million in SMART Global Holdings, Inc. (NASDAQ: SGH) (“SGH”), a leading designer and developer of high-performance, high-availability enterprise solutions.

Additionally, SKT and SGH intend to leverage their complementary capabilities to enhance customer offerings in the development of differentiated global end-to-end AI factory and data center solutions and services, advanced memory market products and services, and NPU-based AI edge servers.

Under the terms of the agreement, SKT will invest USD\$200 million in SGH by acquiring 200,000 preferred shares. The 200,000 preferred shares are convertible into ordinary shares of SGH at a conversion price of \$32.81 per preferred share, subject to adjustment upon the occurrence of certain events.

Headquartered in Milpitas, California (US), SGH offers specialized platforms and services for high-performance computing, AI, machine learning, fault-tolerant computing, and the Internet of Things that span the continuum of edge, core, and cloud. Through its Penguin Solutions business, SGH provides integrated AI data center solutions ranging from the design of AI clusters consisting of large-scale GPU servers to the expertise in data center deployment and operation.

SKT and SGH plan to enter into a collaboration this year with an emphasis on establishing a more concrete



cooperation across the AI infrastructure business, including AI data center, edge AI, and future memory solutions.

SKT's current AI-related investments and partnerships include Anthropic, Lambda, and Perplexity. Along with these investments, the alliance with SGH is expected to solidify SKT's position in the AI value chain across the three pillars: AI semiconductor, AI infrastructure and AI services.

"Our investment in and cooperation with SGH give us an opportunity to boost our position in the AI value chain," said Ryu Young-sang, CEO of SKT. "In the era of AI transformation, we plan to continue to collaborate and make proactive investments to achieve global leadership in AI."

"We are thrilled to have SKT as a strategic investor," said Mark Adams, CEO of SGH. "Today's announcement is a testament to Penguin Solutions' capabilities in the deployment of AI factories at scale through our systems, software, and managed services suite of solutions. We look forward to executing on these strategic collaboration opportunities with the SKT team and believe they will create value for our respective stakeholders."

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Cautionary Note Regarding Forward-Looking Statements

This press release contains "forward-looking statements," as defined in Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, that are based on our current expectations, assumptions, estimates and projections about SKT and its industry. The forward-looking statements are subject to various risks and uncertainties. These statements include, but are not limited to, statements concerning the intended partnership between SKT and SGH and the opportunities resulting from such partnership, SKT's ability to enhance its business and SKT's investment in SGH. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "anticipate," "believe," "considering," "depends," "estimate," "expect," "intend," "plan," "planning," "planned," "project" and similar expressions, or that certain events, actions or results "may," "might," "should" or "could" occur, be taken or be achieved. We caution you that reliance on any forward-looking statement involves risks and uncertainties, and that although we believe that the assumptions on which our forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, and, as a result, the forward-looking statements based on those assumptions could be incorrect. In light of these and other uncertainties, you should not conclude that we will necessarily satisfy all conditions required to close our proposed investment in SGH or realize the benefits of the proposed partnership between SKT and SGH that are referred to in any of the forward-

looking statements. We do not undertake to release the results of any revisions of these forward-looking statements to reflect future events or circumstances.

About SK Telecom

SK Telecom has been leading the growth of the mobile industry since 1984. Now, it is taking customer experience to new heights by extending beyond connectivity. By placing AI at the core of its business, SK Telecom is rapidly transforming into an AI company with a strong global presence. It is focusing on driving innovations in areas of AI Infrastructure, AI Transformation (AIX) and AI Service to deliver greater value for industry, society, and life.

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