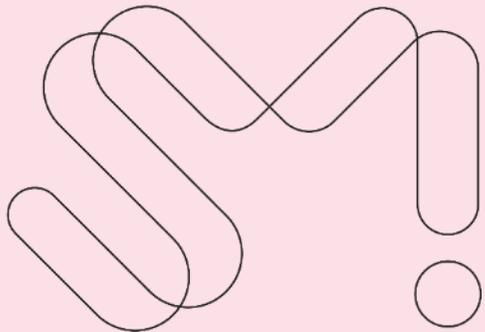


SM ENTERTAINMENT EARNINGS RELEASE

1Q25



DISCLAIMER

The information herein is intended solely to provide guidance for our investors. The financial information included in this presentation is preliminary, unaudited and subject to revision upon completion of the Company's closing and audit processes.

The Company undertakes no obligation to update or revise any forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events. Inevitably, some assumptions will not materialize, and unanticipated events and circumstances may affect the ultimate financial results.

The Company undertakes no obligation to provide promises or hold responsibilities with respect to forward-looking statements attributable to the Company. All investors should exercise their own independent and professional judgment in making any investment decisions.

The financial information is prepared in accordance with IFRS and includes both standalone and consolidated financial statements.

Table of Contents

1 Summary

1. Consolidated Business Results	-----	4
2. SM ENTERTAINMENT Business Results (parent)	-----	5
3. Major Subsidiaries	-----	6

2 Lineup Preview

1. Music	-----	7
2. Concert	-----	8

3 APPENDIX – Summary of Financial Statements

1-1. Consolidated Business Results

- **Revenue increased by 5.2% YoY to KRW 231.4bn**
 - Growth driven by headquarters' music revenue (one-off revenue) and increased concert revenue
- **Operating Profit increased by 109.6% YoY to KRW 32.6bn**
 - Effected by revenue mix change and one-off music revenue
- **Net Profit increased by 1,852.4% YoY to KRW 242.9bn**
 - Effected by equity acquisition of DearU

(Unit: KRW bn)	1Q25	1Q24	YoY	4Q24	QoQ
Revenue	231.4	220.1	5.2%	273.6	-15.4%
Gross Profit	83.4	71.1	17.2%	85.0	-1.9%
SG&A	50.8	55.6	-8.6%	51.3	-1.0%
Operating Profit	32.6	15.5	109.6%	33.7	-3.2%
OP Margin	14.1%	7.1%	7.0%p	12.3%	1.8%p
Income before Income Tax	252.0	19.3	1,208.9%	-30.8	TB
Income Tax	9.1	6.8	34.0%	-7.1	228.5%
Net Income	242.9	12.4	1,852.4%	-23.7	TB

1-2. SM ENTERTAINMENT Business Results (Parent)

(Unit: KRW bn)	1Q25	1Q24	YoY	4Q24	QoQ
Revenue	165.5	136.1	21.5%	181.8	-9.0%
Physical Album/ Digital Music	67.8	55.1	23.1%	86.0	-21.2%
Appearance (TV/advertising/event)	18.8	19.9	-5.3%	21.4	-12.3%
Concert	39.0	24.7	58.0%	22.5	73.6%
MD/licensing	39.4	36.0	9.4%	51.2	-23.1%
Other	0.5	0.5	-2.2%	0.6	-16.4%
Gross Profit	64.9	45.4	42.9%	57.9	12.0%
SG&A	23.6	25.3	-6.7%	22.0	7.1%
Operating Profit	41.3	20.1	105.2%	35.9	15.1%
OP Margin	24.9%	14.8%	10.2%p	19.7%	5.2%p
Net Income	32.2	16.6	94.1%	14.2	126.5%

- **Revenue increased by 21.5% YoY to KRW 165.5bn**
 - **Music revenue increased despite new album sales declined**
: New album sales 2.76 mn in 1Q24 → 0.92 mn in 1Q25
(1Q25, Hearts2Hearts 0.42 mn, SMTOWN 0.16 mn, TEN 0.16 mn, SEULGI 0.14 mn, etc.)
 - **Concert revenue increased due to global concert expansion**
: NCT 127 (18), aespa (16), TVXQ! (10), YESUNG (8), MINHO (5), TAEYEON (5), WayV (4), etc.
 - **MD/licensing revenue increased due to expanded IP collaborations with various brands**

- **Operating profit increased by 105.2% YoY to KRW 41.3bn**
 - Growth driven by concert and MD/licensing revenue increased
 - Impact from one-off music revenue

- **Net Income increased by 94.1% YoY to KRW 32.2bn**

1-3. Major Subsidiaries

(Unit: KRW bn)	1Q25	1Q24	YoY	4Q24	QoQ
Revenue ¹⁾	104.5	125.6	-16.8%	135.4	-22.8%
SM C&C ²⁾	17.7	23.9	-26.1%	33.4	-47.0%
SMC	20.8	27.4	-23.9%	20.2	3.0%
KEYEAST	4.5	25.4	-82.3%	21.0	-78.6%
SM BM	10.4	12.3	-15.6%	19.4	-46.3%
SMLDG	7.2	10.6	-32.3%	15.4	-53.2%
DREAM MAKER	23.0	12.9	78.1%	5.0	358.2%
Others ³⁾	20.9	13.0	60.0%	21.0	-0.7%
Operating Profit ¹⁾	-8.2	-6.0	RL	-2.1	RL
SM C&C ²⁾	-2.9	-1.9	RL	2.1	TR
SMC	-1.3	1.1	TR	-1.1	RL
KEYEAST	-1.1	0.7	TR	-0.6	RL
SM BM	-0.7	-0.7	RL	-0.6	RL
SMLDG	0.6	0.7	-25.3%	0.7	-22.2%
DREAM MAKER	1.3	1.3	0.4%	-1.3	TB
Others ³⁾	-4.1	-7.3	RL	-1.4	RL
Net Income ¹⁾	-3.3	-17.0	RL	-48.7	RL
SM C&C ²⁾	-1.8	-0.1	RL	-16.4	RL
SMC	-1.4	0.8	TR	-0.1	RL
KEYEAST	-0.5	-1.2	RL	-3.6	RL
SM BM	-0.4	-0.1	RL	-0.6	RL
SMLDG	0.7	1.0	-32.2%	1.6	-56.9%
DREAM MAKER	1.4	1.1	23.5%	-2.5	TB
Others ³⁾	-1.3	-18.5	RL	-27.1	RL

- **Revenue decreased by 16.8% YoY to KRW 104.5bn**
 - SM C&C, continued decline in advertising revenue
 - SMC, concerts reduced in Japan
 - KEYEAST, decrease in the number of dramas aired
 - SM BM, decrease in album and MD sales
 - DREAM MAKER, concerts expansion including SMTOWN LIVE, etc.

- **Operating Loss widened YoY**
 - SM C&C and KEYEAST, decrease revenue in major business
 - SMC, declining concert revenue in Japan

- **Net loss reduced YoY**

¹⁾ Simple aggregation of the performances of subsidiaries subject to consolidation

²⁾ Consolidation basis

³⁾ The amount represents the simple sum of consolidated subsidiaries, excluding six separately disclosed entities. Offset accounts have been netted out

2-1. Music LINE-UP Preview

Release	Artist	Album Type
4/7	MARK	Full Album
4/14	NCT WISH	Mini
4/18	SUPER JUNIOR-L.S.S.	Single (JPN)
4/21	KAI	Mini
2Q25	DOYOUNG	Full Album
	RIIZE	Full Album
	IRENE & SEULGI	Mini
	TEN	Mini (JPN)
	BoA	Single (JPN)
	SHINee	Single CD
	aespa	Single CD
	Hearts2Hearts	Single

Release	Artist	Album Type
3Q25	BoA	Full Album
	SUPER JUNIOR	Full Album
	KEY	Full Album
	NCT DREAM	Full Album
	HAECHAN	Full Album
	BoA	Mini (JPN)
	SUHO	Mini
	CHANYEOL	Mini
	JOY	Mini
	WayV	Mini
	aespa	Mini
	NCT WISH	Mini
	Hearts2Hearts	Mini
	HYO	Single

2-2. Concert LINE-UP Preview

Date	Country and Region	Artist	Title	No. of Concerts
4/4 ~ 6/7	Macao, Philippines, Hong Kong, Singapore, Taiwan, Indonesia, Thailand	NCT WISH	2024 NCT WISH ASIA TOUR LOG in 도시명	10
4/5 ~ 5/22	Japan, Macao	NCT 127	NCT 127 4TH TOUR 'NEO CITY - THE MOMENTUM'	6
4/4 ~ 4/20	Japan, Malaysia, Republic of Korea	YESUNG	2025 YESUNG CONCERT [It's Complicated]	6
4/12 ~ 5/31	Republic of Korea, Thailand, China, Japan	TEN	2025 TEN CONCERT 1001 MOVEMENT 'STUNNER' IN 도시명	15
4/12 ~ 6/7	Indonesia, Macao, Singapore, Thailand, Hong Kong	TAEYEON	TAEYEON CONCERT - The TENSE	8
4/25 ~ 4/27	Japan	TVXQ!	TOHOSHINKI 20th Anniversary LIVE TOUR~ZONE~	3
5/9 ~ 6/28	Mexico, US, UK	SMTOWN	SMTOWN LIVE 2025 [THE CULTURE, THE FUTURE]	3
5/17 ~ 6/21	Republic of Korea, Malaysia, Macao, Indonesia, Singapore	KAI	2025 KAI SOLO CONCERT TOUR <KAION>	6
5/17 ~ 6/22	Japan	YUTA	YUTA TALK SHOW 2025	8
5/23 ~ 5/25	Republic of Korea	SHINee	SHINee WORLD VII [E.S.S.A.Y]	3
5/24 ~ 5/25	Republic of Korea	NCT DREAM	2025 NCT DREAM FANMEETING <DREAM QUEST>	2
5/24 ~ 5/25	Japan	aespa	MY-J presents aespa JAPAN FANMEETING 2025 To MY WORLD	2
6/13 ~ 6/15	Republic of Korea	DOYOUNG	2025 DOYOUNG CONCERT [Doors]	3
6/14 ~ 6/15	Republic of Korea	IRENE & SEULGI	2025 IRENE & SEULGI Concert Tour [BALANCE]	2
3Q25	Singapore, Macao, Thailand, Taiwan, Malaysia, Japan	IRENE & SEULGI	2025 IRENE & SEULGI Concert Tour [BALANCE]	7
	Republic of Korea, Japan, Hong Kong, Malaysia, Taiwan, Thailand	RIIZE	2025 RIIZE CONCERT TOUR [RIIZING LOUD]	19
	Japan	YUTA	YUTA TALK SHOW 2025	1
	Taiwan, Philippines, Thailand, Japan, Hong Kong	KAI	2025 KAI SOLO CONCERT TOUR <KAION>	6
	Japan	SMTOWN	SMTOWN LIVE 2025 [THE CULTURE, THE FUTURE]	2

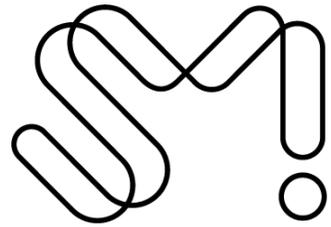
APPENDIX – Summary of Financial Statements Summary

Consolidated P/L

(Unit: KRW bn)	1Q24	2Q24	3Q24	4Q24	1Q25
Revenue	220.1	253.9	242.2	273.6	231.4
Cost of Revenues	148.9	176.1	168.9	188.6	148.0
Gross Profit	71.1	77.7	73.4	85.0	83.4
SG&A	55.6	53.0	60.0	51.3	50.8
Operating Profit	15.5	24.7	13.3	33.7	32.6
Other Non-operating Income	3.3	2.8	2.8	7.3	3.9
Other Non-operating Expenses	3.5	9.5	2.5	73.7	12.6
Financial Income	7.3	3.2	3.1	9.2	3.5
Financial Expenses	5.4	1.9	1.9	-0.6	1.5
Share of Profit(Loss) of Associates and JVs	2.0	1.9	1.6	-8.0	226.2
Income before Income Tax	19.3	21.1	16.5	-30.8	252.0
Income Tax	6.8	12.7	12.8	-7.1	9.1
Net Income	12.4	8.4	3.7	-23.7	242.9

Consolidated B/S

(Unit: KRW bn)	2023	2024	1Q25
Tangible Assets	858.3	814.0	903.9
Intangible Assets	682.7	605.1	875.4
Total Assets	1,541.0	1,419.1	1,779.3
Current Liabilities	519.3	484.6	501.5
Non-current Liabilities	112.3	105.5	106.1
Total Liabilities	631.6	590.0	607.6
Controlling Interest Equity	722.5	664.8	898.2
Capital Stock	11.9	11.9	11.9
Minority Interest	186.9	164.3	273.4
Total Shareholder's Equity	909.4	829.1	1,171.6
Total Liabilities and Shareholder's Equity	1,541.0	1,419.1	1,779.3



SM
ENTERTAINMENT