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2020 FINANCIAL SUMMARY

Earnings results*

- **100** Sales
- **11.5** Operating profit
- **11.5%** Operating profit Margin

*(trillion won)*

* Samsung IT and Mobile Communications Division
2020 FINANCIAL SUMMARY

Global number 1

Global market share*

Smartphone
19.6%
(#1 since 2011)

* Strategy Analytics
BUSINESS ACCOMPLISHMENTS

Strengthened market leadership in all lineup from Premium to Mass
Strengthened the Foldable portfolio

- Introduced Z Flip with a new clamshell type form factor
- Optimized user experience with Z Fold 2
  - App Continuity between cover/main display
  - Multi-Active Window for maximum productivity
BUSINESS ACCOMPLISHMENTS

Growth of Tablet and Wearable Business
BUSINESS ACCOMPLISHMENTS

Led 5G Smartphone market

Successful 5G Commercialization

World 1st 5G Smartphone Launch

The Largest 5G Contract with Verizon (Global No.1 Operator)
* Contract amount: $6.6B, Terms: June 30th, 2020 – December 31st, 2025

Launched in Korea on April 5th
Launched in on May 16th
BUSINESS HIGHLIGHTS

MOBILE MARKET OPPORTUNITIES

SAMSUNG STRATEGY

KEY TAKEAWAYS
SMARTPHONE GROWTH: NEW TECHNOLOGIES

Smartphone demand will increase as 5G/foldable spreads in full-scale

**Smartphone**

- **CAGR 6%**

**5G Smartphone**

- **CAGR 37%**

**Foldable Smartphone**

- **CAGR 95%**

*Strategy Analytics, in volume*
NEW PARADIGM: 5G SERVICES

5G Enabled services will be extended

- Mobile Service
- Fixed Wireless Access
- Massive IoT
- V2X
- Railway
- Smart Factory
'Next Normal' driving new demand

- Video Conference: +54%
- Remote Learning: +44%
- Online Fitness: +42%

* McKinsey, 2020
BUSINESS HIGHLIGHTS

MOBILE MARKET OPPORTUNITIES

SAMSUNG STRATEGY

KEY TAKEAWAYS
SAMSUNG STRATEGY

Well-balanced business portfolio

- Premium smartphones
- Mass smartphones
- Tablets, NPC & Wearables
- Service & Software

Core competencies

- Galaxy
  Brand Leadership
- B2B
- Retail & Online
- Operational excellence

Sustainable Growth
Solidify premium smartphone leadership

- Optimize device specification for flagship sales expansion
- Provide optimized innovative mobile experience
  - Pro-grade AI Camera
  - S-pen experience compatible to S Series
5G/FOLDABLE MARKET LEADERSHIP

Mainstream foldable devices

- Solidify premium position with Z Fold
- Meet the needs of millennials and female users with stylish design and competitive price of Z Flip

Retain 5G market leadership

- Expand 5G product portfolio to mass
- Differentiate 5G-based user experience
INNOVATIONS IN MASS SMARTPHONES

Pursue to sustain global sales and profitability in mass smartphones

✔ Expand 5G line-up

✔ Agilely adopt cutting-edge technologies in response to market needs
  (Quad camera, Super Steady Video, Infinity-O display, Long-lasting battery)

✔ Improve product mix

✔ Enhance efficiency of R&D/production
  (Expanding common use of key components)
Provide a Best-in-class experience

- Operate competitive lineup for each product category
- Provide a rich user experience by expanding mobile connectivity based on open collaboration
Increase profitability of Service Biz

Provide convenient and differentiated user experience based on One UI
ENHANCE B2B BUSINESS COMPETENCE

- Products Portfolio Expansion
  - Mobile Enterprise Edition Device
  - Mobile Rugged Device
  - Note PC / Wearable & Accessory

- SW Platform, Defense-grade Security and Application Differentiation
  - Security, Productivity & Manageability
  - Customization / Vertical Solution
  - Global Partnership

- Enterprise Business Support
  - Samsung Care+ for Business
  - Enterprise Technical Support

Improve efficiency and business productivity + Protect user privacy, ensure data security and device management through defense-grade Knox platform
BRAND LEADERSHIP

Become a Beloved Brand by Young Customers by reinforcing Galaxy experiences

Tech Leadership  Best Experience  Good Brand
ONLINE/RETAIL COMPETITIVENESS

Online, Respond to contactless demand

Retail, prepare the New Environment

Shop our newest offers and innovations

- For You
  - Galaxy S21 5G
  - Galaxy S21 Ultra 5G

- Smartphones & Wearables
  - Galaxy Buds Pro
  - Galaxy Watch 4

- TV
  - Galaxy Tab S7

- Tablets & Computing
  - Galaxy Note20 5G

- Home Appliances
  - Galaxy Z Fold2 5G
Create new businesses opportunities with emerging technologies

- **Artificial Intelligence**
  (interface and ecosystem that supports our customers to connect with various devices and technology)

- **Healthcare**
  (remote patient monitoring and medical service, fitness and wellness-related services)

- **5G**
  (new generation of devices and services)

- **Cloud / IoT**
  (seamless experience that provides more value to our customers)

- **M-commerce**
  (shopping experience not confined by time or location)
Provide an intelligent and personalized service experience by linking various services and devices seamlessly.
NEW BUSINESSES OPPORTUNITIES

Complete 5G End-to-end Solutions

Chips
- Low power & Small form factor

Devices
- Easy Setup CPE & Smartphone

Access
- Simple Installation & 5G NR Standard Compliant

Core
- Cloud friendly & Flexible architecture

SW Tools & Service
- Network Optimization & Automation

Unveil new possibilities for the future of mobile communications by building user-centric 5G networks
KEY TAKEAWAYS

- Lead the market with device innovation and differentiation in both H/W and S/W
- Sustain business growth & profitability with a well-balanced business portfolio
- Reinforce our brand leadership, online/retail experience and operational excellence
- Expand Galaxy ecosystem to provide consistent and seamless user experience
- Materialize new business with device & service platform and 5G technology