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Content

BUSINESS HIGHLIGHTS

MOBILE MARKET OPPORTUNITIES

SAMSUNG STRATEGY

KEY TAKEAWAYS
2019 FINANCIAL SUMMARY

Earnings results*

107.26 trillion won
Sales

9.27 trillion won
Operating profit

9% Operating profit Margin

* Samsung IT and Mobile Communications Division
2019 FINANCIAL SUMMARY

Global number 1

Global market share*

Smartphone 20.9% ( #1 since 2011)

* Strategy Analytics
Strengthened premium market leadership

- Samsung Galaxy S10+ Takes Top Spot in Consumer Reports’ Smartphone Ratings
- Samsung Galaxy Note10+ 5G tops DxOMark charts for both main camera and selfies
- Samsung Galaxy Fold review: Most innovative phone of 2019 nears Holy Grail of One Device
BUSINESS ACCOMPLISHMENTS

Created a new category

- Innovative design and form factor
- Brand-new user experience
  - App Continuity between cover/main display
  - Multi-Active Window for maximum productivity
BUSINESS ACCOMPLISHMENTS

Led 5G Smartphone market

Successful 5G Commercialization

World 1st 5G Smartphone Launch

Launched in Korea on April 5th and in the US on May 16th.
BUSINESS ACCOMPLISHMENTS

Enhanced Mass smartphones portfolio

1H
- A70
- A50
- A30

Introducing cutting-edge technologies
(Rotating camera, On-Screen Fingerprint, Super Fast Charging)

2H
- A70s
- A50s
- A30s

Launching new products twice a year

Better sales trend
Content

BUSINESS HIGHLIGHTS

MOBILE MARKET OPPORTUNITIES

SAMSUNG STRATEGY

KEY TAKEAWAYS
New technologies will boost replacement and create additional demand.

- **5G Smartphone**: CAGR 173%
- **Foldable Smartphone**: CAGR 228%

Market demand increase.

*Strategy Analytics*
### SMARTPHONE GROWTH: EMERGING MARKET

Emerging markets will show continuous growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Global Handset Demand</th>
<th>Global Smartphone Demand</th>
<th>Smartphone Demand in Emerging Markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>1,372</td>
<td>585</td>
<td>76%</td>
</tr>
<tr>
<td>2020</td>
<td>1,350</td>
<td>588</td>
<td>76%</td>
</tr>
<tr>
<td>2021</td>
<td>1,377</td>
<td>601</td>
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<tr>
<td>2022</td>
<td>1,448</td>
<td>632</td>
<td>78%</td>
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<tr>
<td>2023</td>
<td>1,510</td>
<td>667</td>
<td>79%</td>
</tr>
</tbody>
</table>

- **Global handset demand**
- **Global smartphone demand**
- **Smartphone demand in emerging markets**

**Notes:**
- *Strategy Analytics*
- *Emerging Market: Asia excluding Greater China/Japan/South Korea, Middle East, Africa and Latin America*
5G Enabled services will be extended

- Mobile Service
- Fixed Wireless Access
- V2X
- Railway
- Massive IoT
- Smart Factory
SAMSUNG STRATEGY

Well-balanced business portfolio

- Premium smartphones
- Mass smartphones
- Tablets & Wearables
- B2B

Core competencies

- Galaxy
- Brand Leadership
- Retail excellence
- Operation excellence

Contents, Service & S/W

Sustainable Growth
5G/FOLDABLE MARKET DOMINANCE

Retain 5G market leadership

- Expand 5G product portfolio to mass
- Respond to 5G commercialization market

Mainstream foldable devices

- Introduce new design for foldable products
- Optimize the larger display experience
Solidify premium smartphone leadership

- Introduce a brand-new camera architecture
  - Space 100X Zoom
  - High resolution 108MP

- Provide the best optimized user experience with On-device Intelligence
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)
PHONE+ BUSINESS REINFORCEMENT

Strengthen phone+ business as a new growth engine
MOBILE ENTERPRISE PORTFOLIO

Provide an end-to-end integrated solution

**Products**
- Enterprise device program
- Security maintenance release
- Wide range of product portfolio

**Software, Application**
- Security
- Productivity
- Manageability
- Vertical solution

**Implementation, service**
- Expertise
- Customization
- Global partnerships

**Support**
- Warranty
- Mobile Carepack
Horizontal service expansion to provide continuous user experience

Customer Lock-in + New Business Opportunities
BRAND LEADERSHIP

Establish premium brand by sharing brand philosophy with our customers and solidifying leadership as an innovator.
Achieve global retail excellence by cooperating with our retail partners (enhanced in-store experience, differentiated online channel experience)
OPERATIONAL EXCELLENCE

Global SCM

Global Production Sites
Global Sales Network
Diverse Partnerships
Sell-out based Operation

Speed
Efficiency

Industry-leading SCM competency
NEW BUSINESSES OPPORTUNITIES

Create new businesses opportunities with emerging technologies

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

- 5G
  (new generation of devices and services)

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

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

- 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 Standard Compliant

Core
Cloud friendly & Flexible architecture

SW Tools & Service
Network Deployment, Optimization & Automation

Unveil new possibilities for the future of mobile communications by building user-centric 5G networks
BUSINESS HIGHLIGHTS
MOBILE MARKET OPPORTUNITIES
SAMSUNG STRATEGY
KEY TAKEAWAYS
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, 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