

SAMSUNG

SAMSUNG ELECTRONICS Co., Ltd.

2021 Half-year Business Report

For the quarter ended June 30, 2021

Certain statements in the document, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements.” Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. A detailed discussion of risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in our financial reports available on our website.

See, also, 『Note on Forward-Looking Statements』 in preamble of 『II. Businesses Overview』.

Table of Contents

| | |
|--|------------|
| Certification | 4 |
| I. Corporate Overview | 5 |
| 1. Overview..... | 5 |
| 2. Company history | 9 |
| 3. Changes in paid-in capital | 12 |
| 4. Stock information | 12 |
| 5. Changes to Articles of Incorporation..... | 14 |
| II. Businesses Overview | 15 |
| 1. Overview | 15 |
| 2. Key products and services | 16 |
| 3. Production materials and production facilities | 17 |
| 4. Sales and long-term contracts..... | 23 |
| 5. Risk management and derivative trading | 26 |
| 6. Major contracts and research and development activities | 29 |
| 7. Other information | 34 |
| III. Financial Affairs..... | 45 |
| 1. Financial statements | 45 |
| 2. Consolidated financial statements..... | 47 |
| 3. Notes to Consolidated Financial Statements..... | 58 |
| 4. Non-Consolidated financial statements | 106 |
| 5. Notes to Non-Consolidated Financial Statements..... | 117 |
| 6. Dividends | 154 |
| 7. Matters about financing through the issuance of securities | 156 |
| 8. Other financial information | 163 |
| IV. Management Discussion and Analysis..... | 172 |
| V. Auditor's Report | 173 |
| 1. Introduction..... | 173 |
| 2. Change of Independent Auditor | 175 |
| 3. Regarding Internal Control | 176 |
| VI. Corporate Governance..... | 177 |
| 1. Board of Directors | 177 |
| 2. Audit System..... | 188 |
| 3. General Meeting of Shareholders | 193 |
| VII. Information on Shareholders | 197 |
| 1. Ownership of shares by the major shareholder(s) and related parties | 197 |
| 2. Matters related to the major shareholder | 198 |
| 3. Change of the major shareholder | 201 |
| 4. Ownership of shares | 202 |
| 5. Stock price and stock transactions | 203 |
| VIII. Executives and Employees | 205 |
| 1. Executives and employees..... | 205 |
| 2. Remuneration for directors | 208 |
| IX. Affiliates and Subsidiaries | 217 |

| | |
|---|------------|
| X. Transactions with affiliates and subsidiaries | 237 |
| 1. Credit offerings for affiliates and subsidiaries..... | 237 |
| 2. Acquisitions and disposals of assets with affiliates and subsidiaries | 238 |
| 3. Business Transactions with Affiliates and Subsidiaries | 239 |
| 4. Transactions with Stakeholders other than Affiliates and Subsidiaries | 239 |
| XI. Other Information..... | 240 |
| 1. Changes in public disclosure..... | 240 |
| 2. Contingent liabilities | 240 |
| 3. Sanctions and others | 241 |
| 4. Subsequent events and other matters..... | 247 |
| XII. Appendix..... | 251 |
| 1. Subsidiaries subject to consolidated financial statements (detailed) | 251 |
| 2. Affiliates & subsidiaries (detailed) | 259 |
| 3. Equity investments in other corporations (detailed) | 273 |
| 4. R&D results (detailed) | 280 |

Certification

Letter of Certification


We, Ki-nam Kim and Yoon-ho Choi, as a CEO and the executive in charge of reporting, respectively, certify that we have thoroughly reviewed the half-year business report of Samsung Electronics Co., Ltd. for the six-month period ended June 30, 2021.

Based on our knowledge, this report does not contain any untrue statements of material facts or omit any material facts; and it does not contain any statements that are intentionally misleading for the users of the information in the report.

We confirm that Samsung Electronics operates the Internal Controls over Financial Reporting, as defined in Article 8 of the Act on External Audit of Stock Companies.

Date: August 17, 2021

Ki-nam Kim



Vice Chairman and CEO
Samsung Electronics Co., Ltd.

Executive responsible for reporting: Yoon-ho Choi



President and CFO
Samsung Electronics Co., Ltd.

I. Corporate Overview

1. Overview

A. Legal, commercial name:

- Samsung Electronics Co., Ltd.

B. Date of establishment:

- Samsung Electronics Co., Ltd. (“SEC” or “the Company”) was established as Samsung Electronics Industry Co., Ltd. on January 13, 1969, and held an initial public offering on June 11, 1975.
- SEC changed its name from Samsung Electronics Industry Co., Ltd. to Samsung Electronics Co., Ltd. following a resolution passed at the Annual General Meeting (AGM) of shareholders on February 28, 1984.

C. Address, phone number, and English language website of the corporate headquarters

- Address: 129, Samsung-ro, Yeongtong-gu, Suwon, Gyeonggi-do, Korea
- Phone Number: 82-31-200-1114
- Website: <https://www.samsung.com/sec>

D. Core businesses

- The Company (defined below) consists of business divisions that operate independently: CE (Consumer Electronics); IM (Information Technology & Mobile Communications); DS (Device Solutions); and Harman (Harman International Industries, Inc. and its subsidiaries), which produces automotive electronics components.

SEC is a global electronics firm consisting of headquarters in Korea and 237 subsidiaries (collectively, “Samsung Electronics” or the “Company”) across the world, including 9 regional headquarters for the CE and IM Divisions, 5 regional headquarters for the DS Division, and the Harman Division’s subsidiaries.

Key products in each Division are presented below:

| Division | Key products |
|----------|--|
| CE | TVs, monitors, refrigerators, washing machines, air conditioners, etc. |
| IM | HHPs, network systems, computers, etc. |
| DS | DRAM, NAND flash, mobile APs, OLED panels for smartphones, etc. |
| Harman | Digital cockpits, telematics, speakers, etc. |

[CE Division]

The CE Division manufactures TVs, monitors, refrigerators, washing machines and air conditioners, satisfying customer needs and leading the global digital era by continuously offering new products featuring innovative technology, unique designs, and enhanced value propositions.

TV is the core product of the CE division. The Company has maintained its position as the market leader for 15 consecutive years by leveraging competitive advantages in hardware such as LCD/LED TVs as well as in software driven product features within our Smart TV product portfolio. We will continue to expand our market leadership based on our competitive edge in the premium segment through our 8K QLED and ultra-large products to name a few.

[IM Division]

The IM Division manufactures and sells smart mobile devices, network systems, and computers. For smartphones, a key product of the business, we have developed a lineup ranging from low-end right through to premium models with the Galaxy series. We will lead growth of the smartphone market and deliver exceptional user experiences by continuing to invest in future growth drivers such as Cloud, IoT, healthcare, AR, and VR. At the same time, we will lead the global 5G market based on our end-to-end solutions, which encompass handsets, chipsets, as well as our commercialization experience in initial 5G markets.

[DS Division]

The Memory Business, System LSI Business, Foundry Business, and Display Panel (DP) Business make up the DS Division. The Memory Business manufactures and sells DRAM and NAND products; the System LSI Business designs and sells mobile application processors (“mobile APs” or “APs”) and camera sensor chips; the Foundry Business is in charge of consignment production of semiconductors; and the DP Business manufactures and sells display panels.

The Memory Business has maintained its position at the top of the global memory market by sustaining cost competitiveness and applying the latest advanced process technology in each technological iteration. The System LSI Business has not been complacent, expanding its focus from mobile to include automotive chips, and it is expanding its market power by offering differentiated products, such as APs and CISs, and strengthening competitiveness via its advanced manufacturing process technology. The Foundry Business is expanding by securing technology competitiveness via adopting enabling technologies and new structures, strengthening its manufacturing capacity in a timely manner to address demand, enhancing its IP and infrastructure for customer support, and diversifying its product portfolio using legacy processes.

In the Display division, the mobile panel business’s differentiated technology is a main factor behind the increased adoption of OLED panels, while its release of products in new applications—such as foldable devices, rollable devices, and automotives—has expanded the overall market. Meanwhile, the large panel business is focusing on premium products such as high-definition, ultra-large, QD TVs and is enhancing its competitiveness through continuous improvements in technology and productivity.

[Harman Division]

Harman designs and develops connected products and solutions for automakers, consumers, and companies worldwide and is a global leader in the market for connected car systems, audio and visual products, professional solutions, and connected services. Harman has established an internationally renowned brand and employs both internal development and strategic acquisitions to expand its lineup of quality products.

☞ See 『II. Businesses Overview』 for more details about each Division.

E. Subsidiaries subject to consolidated accounting (summary)

These interim consolidated financial statements have been prepared in accordance with Korean International Financial Reporting Standards (K-IFRS) 1110, *Consolidated Financial Statements*. As of June 30, 2021, Samsung Electronics, the controlling company, had 237 consolidated subsidiaries, with the addition of 2 subsidiaries and reduction of 6 subsidiaries when compared to totals as of December 31, 2020.

| Classification | Number of subsidiaries subject to consolidated accounting | | | | Number of major subsidiaries |
|----------------|---|-------|---------|---------------------|------------------------------|
| | As of January 1, 2021 | Added | Removed | As of June 30, 2021 | |
| Listed | - | - | - | - | - |
| Unlisted | 241 | 2 | 6 | 237 | 137 |
| Total | 241 | 2 | 6 | 237 | 137 |

See 『Appendix-1. Subsidiaries subject to consolidated accounting (detailed)』 for details.

1H21: Changes in subsidiaries subject to consolidated accounting

| Classification | Subsidiary | Reason |
|------------------------|---|---------------|
| Newly consolidated | Samsung Electronics Industry and Commerce Ltd. (SETK-P) | Establishment |
| | SVIC 52 New Technology Investment Association | Establishment |
| No longer consolidated | Viv Labs, Inc. | Merger |
| | Stellus Technologies, Inc. | Liquidation |
| | SigMast Communications Inc. | Liquidation |
| | Arcam Limited | Liquidation |
| | Samsung Suzhou Module Co., Ltd. (SSM) | Sale |
| | Samsung Suzhou LCD Co., Ltd. (SSL) | Sale |

F. Whether the Company is an SME

The Company is not subject to Article 2 of the Framework Act on Small and Medium Enterprises.

| | |
|-----------------------------|----|
| Small and medium enterprise | No |
| Venture company | No |
| Medium-sized enterprise | No |

G. Credit rating

SEC's credit rating is assessed by two external credit ratings agencies. As of June 30, 2021, SEC's credit ratings were Aa3 with a stable investment outlook as rated by Moody's (US); and AA- with a stable investment outlook as rated by S&P (US). As of July 2021, S&P had maintained its rating of AA-.

| Securities | Date | Ratings | Credit rating agency | Note |
|--|----------|---------|----------------------|------------------|
| Corporate bond (USD denominated; issued in 1997 and expire in 2027) | May 2019 | Aa3 | Moody's | Annual review |
| | Jul 2019 | AA- | S&P | |
| | Aug 2019 | Aa3 | Moody's | |
| | Jul 2020 | AA- | S&P | |
| | Sep 2020 | Aa3 | Moody's | |

Credit rating range: Moody's (Aaa-C), S&P (AAA-D)

[Credit ratings definitions]

| | Moody's | Definition | S&P | Definition |
|-------------------|----------------|--|---------------|--|
| Investment grade | Aaa | Superior ability to repay debt obligations; lowest level of credit risk | AAA | Extremely strong ability to meet financial commitments; highest rating |
| | Aa1/Aa2/Aa3 | High ability to repay debt obligations; very low credit risk | AA+/AA/AA- | Very strong capacity to meet financial commitments |
| | A1/A2/A3 | Upper-medium ability to repay debt obligations; low credit risk | A+/A/A- | Strong capacity to meet financial commitments; susceptible to adverse effects of changes in economic conditions |
| | Baa1/Baa2/Baa3 | Medium ability to repay debt obligations; moderate credit risk, speculative factors | BBB+/BBB/BBB- | Adequate capacity to meet financial commitments; relatively more susceptible to adverse economic conditions |
| Speculative grade | Ba1/Ba2/Ba3 | Speculative; substantial credit risk | BB+/BB/BB- | Major ongoing uncertainties; exposure to adverse business, financial, or economic conditions can impair ability to meet financial commitments |
| | B1/B2/B3 | Speculative; high credit risk | B+/B/B- | More vulnerable to nonpayment than those rated BB; has capacity to meet financial commitments but adverse financial or economic conditions are likely to impair ability to continue doing so |
| | Caa | Speculative; very high credit risk | CCC | Vulnerable to nonpayment; dependent upon favorable business, financial, and economic conditions |
| | Ca | Highly speculative; likelihood of being in or near default; some prospect for recovery of principal and interest | CC | Highly vulnerable to nonpayment; default has not yet occurred but expected to be a virtual certainty |
| | C | Typically in default; little prospect for recovery of principal or interest | C | Highly vulnerable to nonpayment; obligation is expected to have lower ultimate recovery vis-à-vis higher rated obligations |
| | | | | D |

H. Whether the Company is listed (or registered or designated) and matters related to special listed companies

The Company listed on the Korea Stock Exchange on June 11, 1975.

| Listed (or registered or designated) | Date listed (or registered or designated) | Special listed company | Subject to regulations for special exception companies |
|---|--|------------------------|---|
| Stock market (KOSPI) | June 11, 1975 | No | No |

2. Company history

A. Company history

| | |
|--------------|---|
| Jan 13, 1969 | Samsung Electronics Manufacturing Incorporated |
| Jun 11, 1975 | Listed on the Korea Stock Exchange |
| Feb 28, 1984 | Renamed as Samsung Electronics |
| Nov 1, 1988 | Merged with Samsung Semiconductor and Communications |
| Aug 1, 1992 | Developed 64M DRAM, a world's first |
| Mar 23, 2010 | Unveiled Galaxy S |
| Sep 2, 2010 | Unveiled Galaxy Tab |
| Feb 11, 2011 | Launched Exynos, the first mobile AP brand |
| Sep 1, 2011 | Unveiled Galaxy Note |
| Apr 1, 2012 | Spun off the LCD division (established Samsung Display) |
| Jun 26, 2013 | Launch of S4 LTE-A, the world's first LTE-A smartphone |
| Aug 6, 2013 | Mass production of the world's first 3D V-NAND flash memory chips |
| Sep 24, 2013 | Development of ISOCELL, an industry-first next generation CMOS image sensor technology |
| Mar 5, 2017 | Released advanced Quantum dot-based QLED TV |
| Mar 10, 2017 | SEA acquired shares of Harman International Industries, Inc. (100%) |
| Jul 4, 2017 | Started operations at semiconductor production fab in Pyeongtaek, the largest such facility in the world |
| Nov 1, 2017 | Sold Printing Solution business |
| Aug 30, 2018 | Launched QLED 8K TVs with Quantum Dot technology |
| Nov 7, 2018 | Unveiled foldable display at the Samsung Developer Conference |
| Apr 3, 2019 | Launched 5G smartphone, Galaxy S10 5G |
| Apr 24, 2019 | Announced "Semiconductor Vision 2030"—a vision to invest KRW 133 trillion through 2030 in system semiconductor and employ 15,000 persons |
| Sep 4, 2019 | Unveiled Exynos 980, 5G mobile processor |
| Sep 6, 2019 | Unveiled Galaxy Fold, a foldable phone with a new form factor |
| Jan 29, 2020 | Launched AI-technology-based Grande AI washer/dryer |
| Feb 4, 2020 | Launched world's first ultra-high speed DRAM for AI and next-generation super computers |
| Feb 11, 2020 | Unveiled Galaxy Z Flip, a foldable model with a new form factor |
| Aug 30, 2020 | Started operation of Pyeongtaek Line 2, the world's largest semiconductor line |
| Jan 7, 2021 | Unveiled Neo QLED TV |
| May 11, 2021 | Announced expansion to the global market for "Bespoke Home" |
| Jun 3, 2021 | Received certification for reducing carbon emissions, water use, and waste discharge for all of our semiconductor worksites, a first in the global semiconductor industry |

B. Company location and changes

The Company's head office is located at 129, Samsung-ro, Yeongtong-gu, Suwon, Gyeonggi-do. There were no changes in the Company's head office location over the past five fiscal years.

C. Important changes in management executives

As of June 30, 2021, SEC's Board consisted of five Executive Directors (Ki-nam Kim, Hyun-suk Kim, Dong-jin Koh, Jong-hee Han, and Yoon-ho Choi) and six Independent Directors (Jae-wan Bahk, Sun-uk Kim, Byung-gook Park, Jeong Kim, Curie Ahn, and Han-jo Kim).

| Date of change | Type of shareholder meeting | Appointed | | Terms expired or dismissed |
|----------------|-----------------------------|--|--|--|
| | | Newly appointed | Reappointed | |
| Mar 23, 2018 | AGM | Executive Director Sang-hoon Lee Executive Director Ki-nam Kim Executive Director Hyun-suk Kim Executive Director Dong-jin Koh Independent Director Jeong Kim Independent Director Sun-uk Kim Independent Director Byung-gook Park | - | Executive Director Oh-hyun Kwon Executive Director Boo-keun Yoon (resigned) Executive Director Jong-kyun Shin (resigned) Independent Director Han-joong Kim Independent Director Byeong-gi Lee |
| Mar 23, 2018 | - | CEO Ki-nam Kim CEO Hyun-suk Kim CEO Dong-jin Koh | - | - |
| Mar 20, 2019 | AGM | Independent Director Han-jo Kim Independent Director Curie Ahn | Independent Director Jae-wan Bahk | Independent Director In-ho Lee Independent Director Kwang-soo Song |
| Oct 26, 2019 | - | - | - | Executive Director Jae-yong Lee |
| Feb 14, 2020 | - | - | - | Executive Director Sang-hoon Lee (resigned) |
| Mar 18, 2020 | AGM | Executive Director Jong-hee Han Executive Director Yoon-ho Choi | - | - |
| Mar 17, 2021 | AGM | - | Executive Director Ki-nam Kim Executive Director Hyun-suk Kim Executive Director Dong-jin Koh Independent Director Byung-gook Park Independent Director Jeong Kim Independent Director Sun-uk Kim | - |
| Mar 17, 2021 | - | - | CEO Ki-nam Kim CEO Hyun-suk Kim CEO Dong-jin Koh | - |

D. Changes in the major shareholder

The major shareholder changed to Samsung Life Insurance as the shares of the previous major shareholder were bequested to beneficiaries during 1H21.

(As of June 30, 2021)

| Date of Change | Name of major shareholder | Number of shares owned | Share ratio | Reason for change | Note |
|----------------|---------------------------|------------------------|-------------|--|------|
| Apr 29, 2021 | Samsung Life Insurance | 1,263,050,053 | 21.16% | Shares of the previous major shareholder were bequested to beneficiaries | - |

Number of shares owned and share ratio are the sum of those of major shareholder and its related parties, and the number of shares is based on shares with voting rights (including those with limited voting rights in accordance with relevant laws).

☞ Please refer to 『VII. Information on Shareholders』 for details on the major shareholder.

E. Company name changes

In 2017, Quietside LLC, NewNet Communication Technologies (Canada), Inc., and Martin Professional ApS changed their names to Samsung HVAC America, LLC, SigMast Communications Inc., and Harman Professional Denmark ApS, respectively.

In 2018, Harman Connected Services Finland OY, and Harman Professional Singapore Pte. Ltd changed their names to Harman Finland Oy, and Harman Singapore Pte. Ltd., respectively.

In 2019, Samsung Electronics Greece S.A. (SEGR) changed its name to Samsung Electronics Greece S.M.S.A. (SEGR).

In 2021, Samsung Electronics Portuguesa S.A. (SEP) changed its name to Samsung Electronics Portuguesa, Unipessoal, Lda. (SEP).

☞ Details are for SEC and major subsidiaries of SEC. See 『1. Subsidiaries subject to consolidated accounting (detailed)』 in 『XII. Appendix』 for details.

F. Mergers and acquisitions

In 2017, Samsung Electronics America, Inc. (SEA) acquired full ownership of Harman International Industries, Inc.

In 2018, Samsung Electronics America, Inc. merged with Samsung Pay, Inc.; and Harman Connected Services, Inc. merged with Harman Connected Services Holding Corp. In the same year, SEA sold its full stake in NexusDX, Inc.

In 2019, Samsung Electronics Benelux B.V. (SEBN) acquired shares of Corephotonics Ltd. In the same year, SEC acquired a PLP business from affiliate Samsung Electro-Mechanics. In addition, Harman Becker Automotive Systems Manufacturing Kft merged with Duran Audio B.V.; and Samsung (China) Investment Co., Ltd. (SCIC) merged with Samsung Electronics (Beijing) Service Company Limited (SBSC).

In the first half of 2021, Samsung Research America, Inc. (SRA) merged with Viv Labs, Inc.

☞ Details are for SEC and major subsidiaries of SEC. See 『1. Subsidiaries subject to consolidated accounting (detailed)』 in 『XII. Appendix』 for details.

G. Important changes in the Company's business

There were no changes over the past five fiscal years.

H. Changes in organizational structure

In June 2017, the System LSI business was divided into Foundry and System LSI businesses.

[As of June 2017]

| | Before | After |
|-----------------------|--|--|
| Business organization | CE Division (Visual Display, Digital Appliances, Medical Devices) | CE Division (Visual Display, Digital Appliances, Medical Devices) |
| | IM Division (Mobile, Network) | IM Division (Mobile, Network) |
| | DS Division (Memory, System LSI, DP) | DS Division (Memory, System LSI, Foundry, DP) |
| | - | Harman Division |
| Regional headquarters | Korea, North America, Latin America, Europe, CIS, Southwest Asia, Southeast Asia, China, Middle East, Africa | Korea, North America, Latin America, Europe, CIS, Southwest Asia, Southeast Asia, China, Middle East, Africa |
| | Americas (DS), Europe (DS), China (DS), Southeast Asia (DS), Japan (DS) | Americas (DS), Europe (DS), China (DS), Southeast Asia (DS), Japan (DS) |

Harman Division was added on the acquisition of Harman International Industries, Inc. in March 2017.

Health & Medical Equipment Business was excluded from the CE Division in 1Q18 and included again from 1Q20.

3. Changes in paid-in capital

There were no changes in paid-in capital over the past five fiscal years.

Due to the retirement of shares, the total par value of the shares issued is KRW 679,267 million (KRW 596,978 million in common stock and KRW 82,289 million in preferred stock), which is not equivalent to paid-in capital of KRW 897,514 million.

(KRW, shares)

| Type of stock | Classification | June 30, 2021 |
|---------------|-------------------------|-----------------|
| Common | Number of issued shares | 5,969,782,550 |
| | Par value | 100 |
| | Paid-in capital | 596,978,255,000 |
| Preferred | Number of issued shares | 822,886,700 |
| | Par value | 100 |
| | Paid-in capital | 82,288,670,000 |
| Total | Paid-in capital | 679,266,925,000 |

4. Stock information

A. Total number of shares

As of June 30, 2021, SEC's issued shares on a cumulative basis totaled 7,780,466,850 registered common shares and 1,194,671,350 registered, non-voting preferred shares; and the Company had canceled 1,810,684,300 common shares and 371,784,650 preferred shares in accordance with resolutions of the Board of Directors (the Board). As of the same date, issued shares and shares outstanding totaled 5,969,782,550 for common shares and 822,886,700 for preferred shares.

[As of Jun 30, 2021]

(Shares)

| Classification | Type of stocks | | | Note |
|--|----------------|---------------|----------------|-----------------|
| | Common | Preferred | Total | |
| I. Authorized shares | 20,000,000,000 | 5,000,000,000 | 25,000,000,000 | - |
| II. Issued shares (cumulative) | 7,780,466,850 | 1,194,671,350 | 8,975,138,200 | - |
| III. Decrease in number of shares (cumulative) | 1,810,684,300 | 371,784,650 | 2,182,468,950 | - |
| 1. Capital reduction | - | - | - | - |
| 2. Cancellation | 1,810,684,300 | 371,784,650 | 2,182,468,950 | Treasury shares |
| 3. Redemption | - | - | - | - |
| 4. Other | - | - | - | - |
| IV. Issued shares (II-III) | 5,969,782,550 | 822,886,700 | 6,792,669,250 | - |
| V. Treasury shares | - | - | - | - |
| VI. Outstanding shares | 5,969,782,550 | 822,886,700 | 6,792,669,250 | - |

Post-split basis; SEC conducted a 50:1 stock split effective from May 3, 2018, lowering par value of every common and preferred share from KRW 5,000 to KRW 100.

B. Treasury shares

In 2018, SEC completed the cancellation of all shares held in treasury as a part of its shareholder return policy.

[As of Jun 30, 2021]

(Shares)

| Acquisition method | Share type | Period-start | Change | | | Period-end |
|---|------------|--------------|-----------------|--------------|------------------|------------|
| | | | Acquisition (+) | Disposal (-) | Cancellation (-) | |
| Intra-market direct acquisition (within dividend related capital gains limit) | Common | - | - | - | - | - |
| | Preferred | - | - | - | - | - |
| Acquisition from a trust agreement (within dividend related capital gains limit) | Common | - | - | - | - | - |
| | Preferred | - | - | - | - | - |
| Total | Common | - | - | - | - | - |
| | Preferred | - | - | - | - | - |

C. Types of registered stock

SEC has two types of registered equity securities: 1) common stock; 2) non-voting and non-cumulative preferred stock.

The shareholders of preferred stock are entitled to dividend payments of an additional 1% of par value compared to shareholders of common stock.

As of June 30, 2021, the number of issued non-cumulative and non-voting preferred stock totaled 822,886,700.

5. Changes to Articles of Incorporation

The most recent changes to the Articles of Incorporation took place on March 23, 2018. There were no other changes in the Articles of Incorporation in the past three fiscal years or in 2021 as of August 17, the disclosure date of the Korean version of this report.

II. Businesses Overview

Note on forward-looking statements

This report includes forward-looking statements that relate to future events and can be generally identified by phrases containing words such as “believes,” “expects,” “anticipates,” “foresees,” “forecasts,” “estimates” or other words or phrases of similar meaning. These forward-looking statements are not guarantees of future performance and may involve known and unknown risks, uncertainties and other factors that may affect the Company’s actual results, performance, achievements or financial position, making them materially different from the actual future results, performance, achievements or financial position expressed or implied by these forward-looking statements.

Uncertain events that could positively or negatively affect the Company’s management condition and financial performance include:

- *Trends of financial markets domestically and abroad, including changes in exchange rates and interest rates*
- *The Company’s strategic decision making, including disposals and purchases of businesses*
- *Unexpected sudden changes in core businesses such as CE, IM, Semiconductor, DP, and Harman*
- *Other changes domestically and abroad that can affect management condition and financial performance*

The Company assumes no obligation to revise or update this report to reflect risks or uncertainties that arise after the reporting period.

1. Overview

In addition to our headquarters in Korea, Samsung Electronics consists of 237 subsidiaries across the world responsible for sales and production. There are 9 regional headquarters for CE and IM Divisions, 5 regional headquarters for the DS Division, and Harman Division’s subsidiaries.

The Company’s business divisions are organized in a two-pronged framework consisting of finished products and component businesses. The finished product business consists of the CE and IM Divisions, and the component business consists of the Semiconductor and DP Business Units. The CE Division is responsible for the production and sales of TVs, monitors, refrigerators, washing machines, and air conditioners; and the IM Division focuses on the production and sales of HHPs, which includes smartphones, as well as network systems, and computers. The DS Division consists of the Semiconductor business which manufactures and sells DRAM, NAND flash, mobile APs, and other semiconductor-related products, and the DP Business, which manufactures and sells display panels, including OLED panels for smartphones and LCD panels for TVs and monitors. The Harman Division (acquired in 2017) manufactures and sells products such as Digital cockpit, telematics, and speakers.

☞ See C. Current status of each division and D. Financial summary by division in 『7. Other information』 for more details about each Division.

The Company’s corporate headquarters—which oversees the CE and IM Divisions and the semiconductor business—as well as 30 consolidated subsidiaries are located in Korea.

The Company’s corporate headquarters is divided along Divisions and/or Businesses, which are located in Suwon, Gumi, Gwangju, Giheung, Hwaseong, Pyeongtaek, etc. The Company’s 30 unlisted domestic subsidiaries include Samsung Display for display panel production, Samsung Electronics Sales for domestic retail sales, Samsung Electronics Service for after-sales services, and Samsung Electronics Logitech for logistics.

We have 207 unlisted overseas subsidiaries for product manufacturing, sales, and R&D, with locations in the US, Europe/CIS, Middle East/Africa, and Asia, etc.

We have 52 subsidiaries in North America, including SEA (New Jersey; responsible for the sales of finished products including TV and HHPs), SII (California; manufacturing of TVs), SSI (California; sales of semiconductors and DPs), SAS (Texas; manufacturing of semiconductor products), SEDA (Brazil; manufacturing of multiple finished products) and Harman (Connecticut; automotive components) in the US.

In Europe and CIS, we operate 74 subsidiaries. These include SEUK (UK), SEG (Germany), SEF (France), SEI (Italy) for sales of finished products; SEH (Hungary) and SESK (Slovakia) for manufacturing TVs, and SEPM (Poland) for manufacturing home appliances.

We have 20 subsidiaries in Middle East and Africa, including SGE (UAE) and SSA (South Africa) for sales of finished products and SEEG (Egypt) and SSAP (South Africa) for manufacturing TVs.

We have 30 subsidiaries in Asia (ex China), including SESP (Singapore), SEAU (Australia), SEPCO (Philippines), and SME (Malaysia), which are responsible for regional sales. In addition, we operate numerous production sites including SEV and SEVT (Vietnam) for HHPs, SEHC (Vietnam) for TVs, SDV (Vietnam) for DPs, and SIEL (India) for multiple products.

We operate 31 subsidiaries in China, including SCIC (Beijing) and SEHK (Hong Kong) for the sales of finished products in those regions; and SSS (Shanghai) and SSCX (Xian) for semiconductors and DPs sales. Production sites for finished products include SSEC (Suzhou) and semiconductor production facilities are located in SCS (Xian) among others.

☞ See 『1. Subsidiaries subject to consolidated accounting (detailed)』 in 『XII. Appendix』 for more details about subsidiaries.

In 1H21, the Company recorded total revenue of KRW 129,060.1 billion, an increase of 19% year-on-year. Major customers (listed in alphabetical order) included Apple, AVP Electronics, Best Buy, Deutsche Telekom, and Verizon.

2. Key products and services

A. Revenue

SEC is involved in the production and sales of finished products, including TVs, refrigerators, washers, air conditioners, HHPs and components such as semiconductors (DRAM, NAND Flash, mobile APs) and display panels. Through Harman, the Company also produces and sells products such as digital cockpits and telematics.

In 1H21, CE reported revenue of KRW 26,383.2 billion (20.4% of total net sales) and IM reported revenue of KRW 51,880.0 billion (40.2%). DS contributed approximately 42.8% of revenue, reporting KRW 55,279.9 billion. The Harman Division reported net sales of KRW 4,786.7 billion (3.7%).

(KRW 100 mil)

| Division | | Major products | Revenue | Portion |
|----------|---------------|--|-----------|---------|
| CE | | TVs, monitors, refrigerators, washing machines, air conditioners, etc. | 263,832 | 20.4% |
| IM | | HHPs, network systems, computers, etc. | 518,800 | 40.2% |
| DS | Semiconductor | DRAM, NAND flash, mobile APs, etc. | 417,463 | 32.3% |
| | DP | OLED smartphone panels, LCD TV panels, LCD monitor panels, etc. | 137,909 | 10.7% |
| | Others | - | (2,573) | (0.2%) |
| | DS total | | | 552,799 |
| Harman | | Digital cockpit, telematics, speakers, etc. | 47,867 | 3.7% |
| Others | | - | (92,697) | (7.2%) |
| Total | | | 1,290,601 | 100.0% |

Revenue includes sales between Divisions.

☞ See 「4. Sales and long-term contracts」 for sales by each product.

B. Average selling price changes

In 1H21, the ASP of TVs increased approximately 23% and that of HHPs increased approximately 3% year-on-year. The ASP of memory products fell by approximately 8% year-on-year, and display panel ASP decreased approximately 17%. The ASP of digital cockpits declined approximately 4% year-on-year.

3. Production materials and production facilities

A. Key production materials

For the CE Division, key materials include display panels, which are supplied by CSOT and other companies. For the IM Division, key materials include camera modules and mobile AP, which are supplied by Semco, Qualcomm and others. For the DS Division, key materials include Wafer, chemicals, FPCAs, windows with suppliers including SK Siltron, Soulbrain, BH, Apple, etc. For the Harman division, key materials include SoC (system-on-chip) products and memory products for in-vehicle solutions, which are supplied by Nvidia, Avnet, etc.

(KRW 100 mil)

| Division | Type of purchase | Item | Specific usage | Purchase price | Portion ¹⁾ | Main supplier(s) | |
|----------------|----------------------|----------------------|--|--------------------|-----------------------|---------------------------------|------------------------------------|
| CE | Production materials | Display panel | Color picture signaler for TV, monitor | 45,277 | 31.4% | CSOT, AUO, etc. | |
| | Production materials | Steel | Digital appliance outer-case | 7,312 | 5.1% | Posco, Dongkuk Steel Mill, etc. | |
| | Production materials | Others | - | 91,793 | 63.5% | | |
| | Division total | | | 144,382 | 100.0% | | |
| IM | Production materials | Camera module | Camera for mobile | 27,487 | 16.1% | Semco, Partron, etc. | |
| | Production materials | Mobile AP | CPU | 24,679 | 14.5% | Qualcomm, MediaTek, etc. | |
| | Production materials | Display panel | Color picture signaler for mobile | 11,252 | 6.6% | BOE, CSOT, etc. | |
| | Production materials | Others | - | 107,320 | 62.8% | | |
| Division total | | | 170,738 | 100.0% | | | |
| DS | Semiconductor | Production materials | Wafer | Semiconductor disk | 10,636 | 8.7% | SK Siltron, Sumco etc. |
| | | Production materials | Chemical | Disk processing | 7,833 | 6.4% | Soulbrain, DongWoo Fine-Chem, etc. |

| Division | | Type of purchase | Item | Specific usage | Purchase price | Portion ¹⁾ | Main supplier(s) |
|----------|----------------------|------------------------|--------------------|----------------|----------------|------------------------|-------------------|
| | | Production materials | Others | - | 49,920 | 40.9% | |
| | | Business total | | | | 68,389 | 56.1% |
| | DP | Production materials | FPCA | Circuit | 10,096 | 8.3% | BH, Union, etc. |
| | | Production materials | Window | Tempered glass | 9,401 | 7.7% | Apple, Lens, etc. |
| | | Production materials | Others | - | 32,762 | 26.9% | |
| | | Business total | | | | 52,259 | 42.9% |
| | Others | Production materials | - | - | 1,286 | 1.0% | |
| | Division total | | | | 121,934 | 100.0% | |
| Harman | Production materials | SoC | Chips for vehicles | 2,712 | 9.4% | Nvidia, Renesas, etc. | |
| | Production materials | Automotive memory chip | Chips for vehicles | 2,028 | 7.1% | Avnet, Microchip, etc. | |
| | Production materials | Others | - | 23,970 | 83.5% | | |
| | Division total | | | | 28,710 | 100.0% | |
| Others | Production materials | - | - | 275 | - | | |
| Total | | | | | 466,039 | - | |

Purchase price does not include sales between Divisions.

Semco is a subsidiary.

1) Portion of purchase price of each item compared to total purchase price for the Division's raw materials.

B. Production material price trends

The price of TV and monitor display panels, which are the major production materials for the CE Division, increased approximately 66% year-on-year. For the IM Division, compared to last year, the price of camera modules and display panels for mobile decreased approximately 41% and 18% respectively. The price of mobile APs also decreased, falling approximately 6%. For the DS Division, the price of wafers for semiconductor disks and FPCAs decreased approximately 1% and 16% year-on-year respectively. Prices of tempered glass windows decreased approximately 18% year-on-year. For the Harman division, the prices of SoC and memory for vehicles decreased approximately 1% and 2% respectively.

C. Production capacity, output, utilization rate

(Capacity)

(1,000 units)

| Division | Item | Capacity | | |
|----------|-----------------|-------------|---------------|-------------|
| | | 1H21 | 2020 | 2019 |
| CE | Image devices | 27,884 | 51,538 | 51,418 |
| IM | HHP | 161,050 | 321,600 | 346,960 |
| DS | Memory | 787,237,410 | 1,230,287,321 | 988,104,491 |
| | Display panel | 2,045 | 7,274 | 8,236 |
| Harman | Digital cockpit | 4,124 | 9,362 | 7,921 |

Production capacity for major product categories on a consolidated basis.

The CE and IM Divisions' production capacity, by major product, is calculated as follows:

- the average number of lines (x) the average output per hour (x) the average operation hours per day (x) standard days of operation

Memory production capacity for the DS Division is calculated as follows:

- converted output (after packaging, 1Gb equivalent) ÷ the utilization rate

Display panel production capacity is calculated as follows:

- the total producible panel surface area ÷ the dimensions of eighth generation glass (2200x2500mm)

Harman's production capacity for Digital cockpit is calculated as follows:

- the number of production (assembly and test) cells for each customer/product (x) the average production capacity per hour by production cell (x) the average operation hours per day (x) standard days of operation

(Output)

In 1H21, the CE Division's output of image devices was 21,666 thousand units (major production sites: Mexico, Vietnam, Brazil, and Hungary). The IM Division's HHP output was 120,056 thousand units (major production sites: Korea [Gumi], Vietnam, India, and Brazil). The DS Division's memory output (1Gb equivalent) was 787,237 million (major production sites: Korea [Hwaseong, Pyeongtaek] and China). The DP Division's output of display panels was 1,499 thousand units (major production sites: Korea [Cheonan, Asan]). The Harman Division's Digital cockpit output was 3,426 thousand units.

(1,000 units)

| Division | Item | Output | | |
|----------|-----------------|-------------|---------------|-------------|
| | | 1H21 | 2020 | 2019 |
| CE | Image devices | 21,666 | 48,244 | 43,964 |
| IM | HHP | 120,056 | 249,218 | 318,635 |
| DS | Memory | 787,237,410 | 1,230,287,321 | 988,104,491 |
| | Display panel | 1,499 | 5,977 | 6,567 |
| Harman | Digital cockpit | 3,426 | 6,116 | 6,459 |

Output for major product categories on a consolidated basis.

(Utilization rate)

In 1H21, CE and IM utilization rates were calculated as actual output relative to production capacity. The utilization rates were 77.7% for Image devices and 74.5% for HHPs.

(1,000 units)

| Division | Item | 1H21 | | |
|----------|---------------|---------------------|---------|------------------|
| | | Production capacity | Output | Utilization rate |
| CE | Image devices | 27,884 | 21,666 | 77.7% |
| IM | HHP | 161,050 | 120,056 | 74.5% |

The DS Division operates memory and display panel production in three shifts (24 hours a day). Cumulative operating days including holidays were 181 days in 1H21. The utilization rate was calculated as actual hours [operating days (x) number of production lines (x) 24 hours] relative to production capacity.

(Hours)

| Division | Item | 1H21 | | |
|----------|---------------|---------------------------|------------------------|------------------|
| | | Potential production time | Actual production time | Utilization rate |
| DS | Memory | 39,096 | 39,096 | 100.0% |
| | Display Panel | 25,656 | 25,656 | 100.0% |

In 1H21, Harman's utilization rate was 83.1% and was calculated as actual output relative to production capacity.

(1,000 units)

| Division | Item | 1H21 | | |
|----------|-----------------|---------------------|--------|------------------|
| | | Production capacity | Output | Utilization rate |
| Harman | Digital cockpit | 4,124 | 3,426 | 83.1% |

D. Production facilities and investment

(Key facilities for production and operation)

The Company's operational activities include manufacturing, development, marketing, and sales. In Korea, operations are located in Suwon, Gumi, Gwangju, Hwaseong, Pyeongtaek, and Asan. Overseas operations in North America, Europe, and China include a total of include nine regional headquarters under the CE and IM Divisions, five regional headquarters under the DS Division, and Harman Division and its subsidiaries.

[Operations]

| Region | Operations | Location |
|--|------------------|----------------------------|
| Korea (12) | Suwon | Suwon |
| | Secho | Seoul |
| | Woomyeon | Seoul |
| | Giheung | Yongin |
| | Hwaseong | Hwaseong |
| | Pyeongtaek | Pyeongtaek |
| | Cheonan | Cheonan |
| | Onyang | Onyang |
| | Asan | Asan |
| | Gumi1 | Gumi |
| | Gumi2 | Gumi |
| | Gwangju | Gwangju |
| Overseas (CE and IM Divisions - nine regional headquarters) | North America | New Jersey, US |
| | Europe | Surrey, UK |
| | China | Beijing, China |
| | Southeast Asia | Singapore, Singapore |
| | Southwest Asia | Haryana, India |
| | CIS | Moscow, Russia |
| | Middle East | Dubai, UAE |
| | Africa | Johannesburg, South Africa |
| | Latin America | Sao Paulo, Brazil |
| Overseas (DS Division - five regional headquarters) | Americas | San Jose, US |
| | Europe | Eschborn, Germany |
| | China | Shanghai, China |
| | Southeast Asia | Singapore, Singapore |
| | Japan | Tokyo, Japan |
| Harman | North America HQ | Connecticut, US |

Harman's automotive business is mainly based in the US (Novi, MI) and in Germany (Garching), and its Lifestyle business is located in the US (Northridge, CA)

The Company's property, plant and equipment include land, buildings and structures, machinery and equipment, and construction in progress. As of June 30, 2021, their total book value was KRW 139,389.9 billion, which is an increase of KRW 10,437.0 billion from year-end 2020.

(KRW 100 mil)

| Classification | | Land | Buildings and structures | Machinery and equipment | Under construction | Other tangible assets | Total |
|----------------|--|--------|--------------------------|-------------------------|--------------------|-----------------------|-------------|
| Dec 31, 2020 | Book value | 97,722 | 345,520 | 609,941 | 201,759 | 34,587 | 1,289,529 |
| | - Acquisition cost | 98,509 | 550,264 | 2,330,565 | 201,759 | 104,966 | 3,286,063 |
| | - Accumulated depreciation (including impairment loss) | (787) | (204,744) | (1,720,624) | - | (70,379) | (1,996,534) |
| Change | General acquisition and capital expenditure | 718 | 13,585 | 99,265 | 119,532 | 7,459 | 240,559 |
| | Depreciation ¹⁾ | (290) | (15,306) | (120,825) | - | (7,187) | (143,608) |
| | Disposal/discard/impairment | (471) | (1,971) | (188) | - | (248) | (2,878) |
| | Others ²⁾ | 199 | 3,684 | 5,038 | 883 | 493 | 10,297 |
| Mar 31, 2021 | Book value | 97,878 | 345,512 | 593,231 | 322,174 | 35,104 | 1,393,899 |
| | - Acquisition cost | 98,833 | 564,964 | 2,430,685 | 322,174 | 111,593 | 3,528,249 |
| | - Accumulated depreciation (including impairment loss) | (955) | (219,452) | (1,837,454) | - | (76,489) | (2,134,350) |

Market value of major tangible assets is omitted as objective assessment is difficult.

1) Land-depreciation is depreciation expense of right-of-use asset as per K-IFRS 1116 (Lease).

2) Includes effects of FX rates and government subsidies.

(Capex)

The Company's capex in 1H21 was KRW 23.3 trillion, which included establishing, adding, upgrading, etc., production lines of the semiconductor and DP businesses. Capex in 2021 will be flexibly managed in accordance with changes in the market and we will enhance competitiveness of our major businesses by investing in areas such as infrastructure and memory node migration as well as capacity expansions in memory, system semiconductor, and display.

[Capex, by division]

(KRW 100 mil)

| Business | Purpose | Period | Assets | Investment |
|---------------|----------------------------------|-------------------|-----------------------------|------------|
| Semiconductor | Establishment, addition, upgrade | January–June 2021 | Buildings, facilities, etc. | 209,338 |
| DP | Establishment, addition, upgrade | January–June 2021 | Buildings, facilities, etc. | 13,763 |
| Other | Establishment, addition, upgrade | January–June 2021 | Buildings, facilities, etc. | 9,959 |
| Total | | | | 233,060 |

4. Sales and long-term contracts

A. Sales

In 1H21, the Company recorded total revenue of KRW 129,060.1 billion, an increase of 19% year-on-year. By Division, when compared to the previous year, revenue of the CE Division and IM increased by 29% and 11%, respectively, and DS Division and Harman division also increased by 12% and 31%.

(KRW 100 mil)

| Division | | Sales types | Product categories | 1H21 | 2020 | 2019 |
|----------|---------------|----------------------------------|--|-----------|-----------|-----------|
| CE | | Goods, products, services, other | TVs, monitors, refrigerators, washing machines, air conditioners, etc. | 263,832 | 481,733 | 453,228 |
| IM | | Goods, products, services, other | HHPs, Network systems, computers, etc. | 518,800 | 995,875 | 1,072,662 |
| DS | Semiconductor | Goods, products, services, other | DRAM, NAND flash, mobile APs, etc. | 417,463 | 728,578 | 649,391 |
| | DP | Goods, products, services, other | OLED panels for smartphones, LCD panels for TVs and monitors | 137,909 | 305,857 | 310,539 |
| | Others | - | - | (2,573) | (4,074) | (4,750) |
| | DS total | | | 552,799 | 1,030,361 | 955,180 |
| Harman | | Goods, products, services, other | Digital cockpit, telematics, speakers, etc. | 47,867 | 91,837 | 100,771 |
| Others | | - | - | (92,697) | (231,736) | (277,832) |
| Total | | | | 1,290,601 | 2,368,070 | 2,304,009 |

Includes sales between Divisions.

(1) Sales, by major product (on a consolidated basis)

(KRW 100 mil)

| Classification | 1H21 | 2020 | 2019 |
|----------------|---------|---------|-----------|
| Image devices | 143,906 | 277,118 | 261,775 |
| Mobile devices | 496,340 | 960,217 | 1,023,318 |
| Memory | 323,146 | 555,442 | 502,163 |
| Display panels | 137,909 | 305,857 | 310,539 |

Includes sales between Divisions

(2) Sales, by type

(KRW 100 mil)

| Classification | 1H21 | 2020 | 2019 |
|--------------------------|-----------|-----------|-----------|
| Products | 1,215,819 | 2,235,963 | 2,188,604 |
| Services and other sales | 74,782 | 132,107 | 115,405 |
| Total | 1,290,601 | 2,368,070 | 2,304,009 |

Other sales consists of royalty income, etc.

(3) Sales, by region (on a separate basis)

(KRW 100 mil)

| Classification | 1H21 | 2020 | 2019 |
|----------------|-----------------|-----------|-----------|
| Domestic | 110,773 | 198,331 | 203,009 |
| Export | Americas | 251,727 | 476,768 |
| | Europe | 122,451 | 235,012 |
| | Asia and Africa | 156,235 | 315,598 |
| | China | 266,924 | 437,403 |
| Total | 908,110 | 1,663,112 | 1,547,729 |

Domestic consumption and exports on a separate basis.

B. Sales channels

(1) Domestic

| Seller | Sales channel | Consumer |
|------------------------|--|----------|
| Manufacturer and buyer | Exclusive agencies | Consumer |
| | Distributor (general merchandise stores, discount stores, department stores, home-shopping, online, etc.) | |
| | Telecommunication service provider (SKT Co., Ltd., KT Corp., LG Uplus Corp.) | |
| | B2B and online channels | |

(2) Overseas

| Seller | Sales channel | | | Consumer | |
|-------------------------|------------------------------|--|----------|----------|----------|
| Production subsidiaries | Regional sales office | Retailer | | Consumer | |
| | | Dealer | Retailer | | |
| | | Distributor | Dealer | | Retailer |
| | | Telecommunication service provider, automotive OEM | | | |
| | | Direct sales (B2B and online channels) | | | |
| | Regional distribution office | Regional sales office | Retailer | | |
| | | | Dealer | | Retailer |
| Distributor | | | Dealer | Retailer | |

(3) Sales ratio (global), by Channel

| Channel | Wholesale | Retail | Special/direct sales | Others |
|---------|-----------|--------|----------------------|--------|
| Ratio | 17% | 27% | 50% | 6% |

C. Sales methods and conditions

(1) Domestic

| Classification | Channel | Collection | Incidental expense sharing |
|------------------------------------|--|-------------------------------------|--|
| Exclusive | Retailer | Credit specific | Case specific cost sharing as determined by mutual agreement |
| Distributor | General merchandise store, discount store, department store, home shopping, online, etc. | Case specific and contract specific | Case specific cost sharing as determined by mutual agreement |
| Telecommunication service provider | SKT Co., Ltd., KT Corp. LG Uplus Corp. | Case specific and contract specific | Case specific cost sharing as determined by mutual agreement (joint marketing) |
| B2B and online channels | Corporate clients, etc. | Case specific and contract specific | N/A |

(2) Overseas

| Classification | Channel | Collection | Incidental expense sharing |
|-------------------------|---|-------------------------------------|--|
| Retailer | Retail store | Case specific and contract specific | Case specific cost sharing as determined by mutual agreement |
| Dealer | General merchandise store, discount store, department store | Case specific and contract specific | Case specific cost sharing as determined by mutual agreement |
| Distributor | Direct sales to local distributors | Case specific and contract specific | Case specific cost sharing as determined by mutual agreement |
| B2B and online channels | Corporate clients, etc. | Case specific and contract specific | N/A |

D. Sales strategy

- Expand market leadership based on premium products such as smart devices
- Provide differentiated value to customers through brand, products, and services
- Strengthen marketing activities to boost demand from customer/market

E. Major customers

In 1H21, major customers included Apple, AVP Electronics, Best Buy, Deutsche Telekom, and Verizon (listed alphabetically). Sales to the five major customers accounted for approximately 13% of total sales.

F. Long-term contracts

As of June 30, 2021, there were no long-term contracts that have a significant impact on the Company's financial statement.

5. Risk management and derivative trading

A. Financial risk management policy

The Company's financial risk management focuses on minimizing market risk, credit risk, and liquidity risk arising from operating activities. To mitigate these risks, the Company closely monitors each risk factor and operates corresponding financial risk management policies and program. The Company's use of derivative instruments for hedging risks are included in this program.

The finance team mainly carries out the Company's financial risk management. After implementing the global financial risk management policies, the finance team periodically measures, evaluates, and hedges financial risks.

Meanwhile, the Company manages exchange rate risk via monitoring exchange rates and conducting transactions through local finance centers in each major region (United States, United Kingdom, Singapore, China, Brazil, and Russia). Liquidity risk is managed by managing capital as a whole by each region.

The Company's assets that are under financial risk management consist of cash and cash equivalents, short-term financial instruments, financial assets at amortized cost, trade receivables and others. The Company's liabilities under financial risk management consist of trade payables, borrowings, and others.

B. Major financial risks

(1) Market risk

(Foreign exchange risk)

The Company operates internationally and is exposed to foreign exchange risks as it conducts transactions in currencies other than the functional currency. Major currencies that are exposed to foreign exchange risk include USD, EUR, INR, and others.

The Company focuses on minimizing the impact of foreign exchange fluctuation by maintaining the equal amount of assets and liabilities denominated in each foreign currency, irrespective of foreign exchange fluctuation considerations. To prevent exchange position, the Company's foreign exchange management policy requires normal business transactions, including import and export, as well as financing transactions such as depositing and borrowing, to be in local currency or for the cash-in currency to be matched up with the cash-out currency.

In order to effectively manage foreign exchange risk, the Company periodically monitors and evaluates exchange rate risk and strictly prohibits speculative foreign exchange transactions.

(Interest rate risk)

Risk of changes in interest rates for floating interest rate financial instruments is defined as the risk that the fair value of components of the consolidated statement of financial position, and future cash flows of interest income (expenses) of a financial instrument, will fluctuate because of changes in market interest rates. The Company's position with regard to interest rate risk exposure is mainly driven by its floating interest rate debt obligations and interest-bearing deposits. The Company implemented policies and operates to minimize uncertainty arising from changes in interest rates and financial expenses.

(Price risk)

The Company's investment portfolio consists of direct and indirect investments in equity securities classified as financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss, which is in line with the Company's strategy.

As of 1H21, a price fluctuation in relation to marketable equity instruments (listed shares) by 1% would result in changes in other comprehensive income (before income tax effects) of KRW 107,635 million (2H20: KRW 47,701 million), and in profit or loss (before income tax effects) of KRW 3,941 million (2H20: KRW 2,216 million).

(2) Credit risk

Credit risk arises during the normal course of transactions and investing activities where clients or other parties fail to discharge an obligation. The Company sets and manages the client's and counterparty's credit limit, and evaluates their financial credit rating on a periodic basis based on the client's and counterparty's financial conditions, default history and other important factors. Adequate insurance coverage is maintained for trade receivables related to trading partners situated in higher risk countries.

Credit risk can arise from transactions with financial institutions which include financial instrument transactions such as cash and cash equivalents, savings, and derivative instruments. To minimize such risk, the Company transacts only with banks which have strong international credit rating (S&P A and above), and all new transactions with financial institutions with no prior transaction history are approved, managed and monitored by the Company's finance team and the local finance center. The Company generally enters into a financial agreement with no restrictions, such as debt ratio covenants, provision of collateral, and loans or borrowings repayment. The Company requires separate approval for contracts with restrictions.

The Company estimates that its maximum exposure to credit risk is the carrying amount of its financial assets, net of impairment losses.

(3) Liquidity risk

Due to the nature of the Company's business that requires making large investments, maintaining adequate level of liquidity risk is crucial. The Company maintains and manages adequate level of liquidity by periodically forecasting its capital balances, estimating required cash, managing income and expenses, and others.

The Company efficiently manages its liquidity risk by periodically forecasting projected cash flows and by utilizing regional cash pooling, which allows for the use of internal funds when there is a shortage of cash in a region. The cash pooling program allows sharing of surplus funds among entities and contributes to minimizing liquidity risk and strengthening the Company's competitive position by reducing capital operation expenses and financial expenses.

In addition, the Company's headquarters provides payment guarantees to overseas subsidiaries to secure credit limit to brace for a potential large-scale liquidity need.

(4) Capital risk

The purpose of capital management is to protect our capability of continuously providing profit to our shareholders and stakeholders and to maintain a sound capital structure. To this end, the Company monitors capital on the basis of credit rating and the ratio of total liabilities to total equity.

As of June 30, 2021, the Company has an AA- and Aa3 credit rating from S&P and Moody's, respectively, and the figures for total liabilities and total equity are as follows:

| | Jun 30, 2021 | Dec 31, 2020 |
|-----------------------------------|--------------|--------------|
| Total liabilities | 102,453,403 | 102,287,702 |
| Total equity | 282,324,266 | 275,948,016 |
| Total liabilities to equity ratio | 36.3% | 37.1% |

(KRW mil)

C. Derivative instruments and put options

The company hedges foreign currency positions by trading currency forward contracts of currencies other than won for the purpose of managing foreign exchange risk. Currency forwards are bought through a bank in the purpose of trade and hedging.

As of June 30, 2021, the Company had 2,548 currency forward contracts involving 35 foreign currencies including USD/EUR/JPY, and the book value of assets and liabilities as well as valuation gain and loss were as follows:

(KRW mil)

| | Assets | Liabilities | Valuation gain | Valuation loss |
|-------------------|--------|-------------|----------------|----------------|
| Currency forwards | 74,291 | 78,938 | 300,785 | 425,060 |

Samsung Display (a subsidiary of the Company) may exercise its put option to sell part of its shares of Corning Incorporated back to Corning, according to the stock trade contract with Corning on April 8, 2021.

Furthermore, Samsung Display may exercise its put option to sell all or part of its shares of TCL China Star Optoelectronics Technology Co. Ltd. (CSOT) to TCL Technology Group Corporation (TCL), if CSOT remains unlisted within the listing period, according to the shareholders' agreement executed with TCL and CSOT on April 1, 2021.

Fair value of the above derivative instruments as of June 30, 2021 was evaluated by Earnest & Young Global Limited.

6. Major contracts and research and development activities

A. Major contracts

| Account | Contract information | Contents |
|-----------------------|----------------------|---|
| Cisco | Type | Patent cross-license agreement |
| | Date | Jan 23, 2014 |
| | Purpose and contents | Eliminate risk of patent disputes and lawsuits through mutual patent licensing |
| Google | Type | Patent cross-license agreement |
| | Date | Jan 25, 2014 / indefinite term |
| | Purpose and contents | Eliminate risk of patent disputes and lawsuits through mutual patent licensing |
| | Other | Permanent license contract (including patent applications in the next 10 years) |
| Global Foundries Inc. | Type | Process technology license agreement |
| | Date | Feb 28, 2014 |
| | Purpose and contents | Expand customer base of 14nm process |
| InterDigital | Type | Patent license agreement |
| | Date | Jun 3, 2014 |
| | Purpose and contents | Eliminate risk of patent disputes and lawsuits through patent licensing |
| Qualcomm | Type | Patent cross-license agreement |
| | Date | Jan 1, 2018–Dec 31, 2023 |
| | Purpose and contents | Eliminate risk of patent disputes and lawsuits through mutual patent licensing and signing of covenant not to sue |
| Apple | Type | Withdrawal of lawsuit agreement |
| | Date | Jun 26, 2018 |
| | Purpose and contents | Withdraw from all lawsuits in the United States |
| Nokia | Type | Patent license agreement |
| | Date | Oct 19, 2018 |
| | Purpose and contents | Eliminate risk of patent disputes and lawsuits through patent licensing |
| Microsoft | Type | Patent cross-license agreement |
| | Date | Feb 11, 2019 |
| | Purpose and contents | Eliminate risk of patent disputes and lawsuits through mutual patent licensing |
| Google | Type | EMADA |

| Account | Contract information | Contents |
|----------|----------------------|--|
| | Date | Feb 27, 2019–Dec 31, 2021 (extended) |
| | Purpose and contents | Licensing agreement for using Google apps (Play Store, YouTube, etc.) in 31 European countries (EEA) |
| Huawei | Type | Patent cross-license agreement |
| | Date | Feb 28, 2019 |
| | Purpose and contents | Eliminate risk of patent disputes and lawsuits through mutual patent licensing |
| AMD | Type | Technology licensing agreement |
| | Date | May 30, 2019 |
| | Purpose and contents | Secure mobile graphics design for mobile products and other applications |
| Sharp | Type | Patent cross-license agreement |
| | Date | July 30, 2019 |
| | Purpose and contents | Eliminate risk of patent disputes and lawsuits through mutual patent licensing |
| Ericsson | Type | Patent cross-license agreement |
| | Date | May 7, 2021 |
| | Purpose and contents | Eliminate risk of patent disputes and lawsuits through mutual patent licensing |

Information that may be referenced or used in other IP disputes, including contract amount, is excluded.

B. Summary of R&D activities and expenditures

The Company is leading the global market by continuously developing creative and innovative products and the future technology through shifting its way of thinking and understanding customer demand. The Company is doing its utmost to cement its position in the global IT industry and become a worldwide leader in industrial technology by creating and securing next-generation technology.

As of June 30, 2021, the Company's R&D expenses in 2021 were KRW 10,994.1 billion. Among this, KRW 10,823.1 billion was recognized as expenditures, excluding government subsidies and capitalized expenses.

[R&D expenses]

(KRW mil)

| | | 1H21 | 2020 | 2019 |
|--|---|------------|------------|------------|
| Total R&D expenditures | | 10,994,065 | 21,229,200 | 20,207,612 |
| (Government subsidies) | | (328) | (8,228) | (14,677) |
| R&D expenditures | | 10,993,737 | 21,220,972 | 20,192,935 |
| Accounting | Capitalization of development expenses (intangible asset) | (170,677) | (109,482) | (285,699) |
| | R&D costs (expenses) | 10,823,060 | 21,111,490 | 19,907,236 |
| R&D expenses/sales ratio ¹⁾ | | 8.5% | 9.0% | 8.8% |

On a consolidated basis.

1) Calculated using total R&D expenditures, which includes government subsidies.

C. R&D organization and operations

(Domestic)

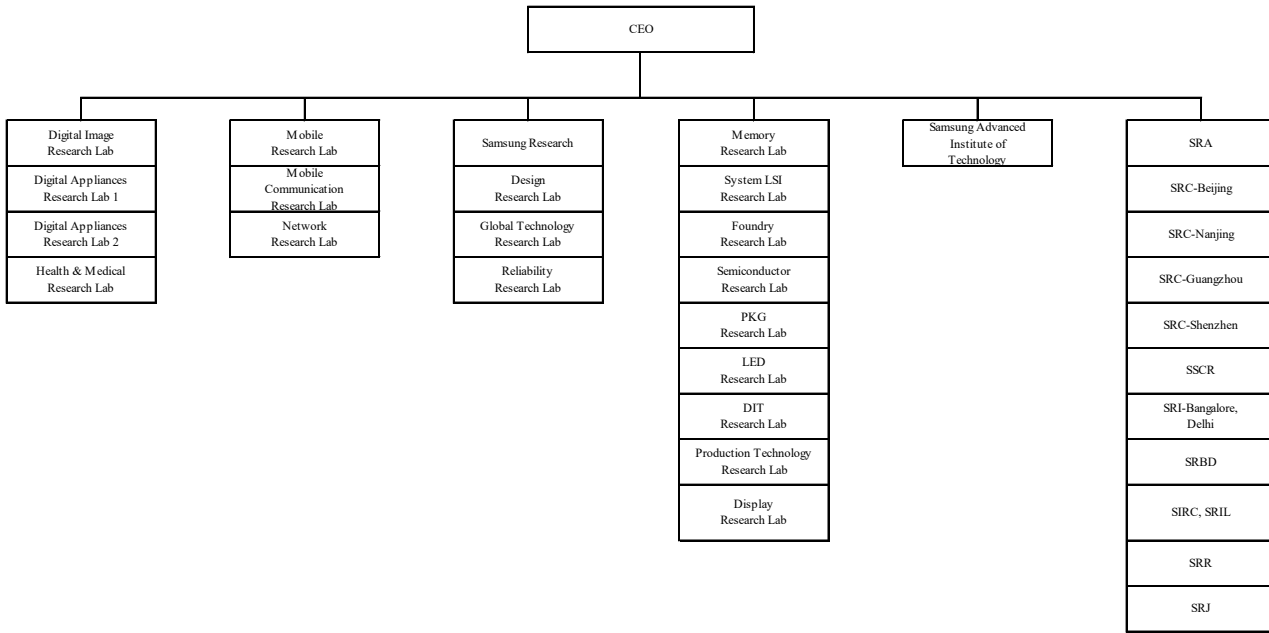
The Company operates three levels of R&D organizations; a business unit development team under each Division that develops market ready technologies with a 1–2 year outlook, a research institute under each business unit that develops mid- to long-term technology with a 3–5 year outlook, and the Samsung Advanced Institute of Technology that develops core technology as seeds for future growth engines.

Samsung Advanced Institute of Technology is the central research institute of Samsung Electronics that has been established to lead the Company into the future and serve as an incubator of cutting-edge technology. It has a creative R&D system and provides R&D direction for promising growth sectors at the Company level, exploring future growth engines and strengthening technological competitiveness of core businesses.

(Overseas)

The Company operates R&D organizations in the US (SRA), China (SRC-Beijing, SRC-Nanjing, SRC-Guangzhou, SRC-Shenzhen, and SSCR), India (SRI-Bangalore and SRI-Delhi), Bangladesh (SRBD), Israel (SRIL and SIRC), Russia (SRR), Japan (SRJ), to carry out research activities for product development and basic technological research.

The Company has established AI centers in Cambridge (United Kingdom), Moscow (Russia), Toronto (Canada), Montreal (Canada), and New York (United States), so our global team of researchers can collaborate with international experts to strengthen capabilities in AI technology.



As of June 30, 2021.

Refer to 『1. Subsidiaries subject to consolidated accounting (detailed)』 in 『XII. Appendix』 for more details about overseas R&D organizations.

D. R&D results

The Company's key R&D results by division in the first half of 2021 are as follows:

| CE Division | |
|----------------------------|---|
| Research project | Details |
| Neo QLED 8K | • Release of ultra-high-definition, slim 8K TV based on mini LED |
| Neo QLED 4K | • Rollout of three series and five sizes based on mini LED |
| Clothing care machine | • Launch of Shoe Dresser |
| IM Division | |
| Research project | Details |
| Galaxy S21 | • Rollout of Galaxy S21 5G · S21+ 5G · S21 Ultra 5G |
| Galaxy Tab | • Release of Galaxy Tab S7 FE |
| Galaxy A | • Rollout of Galaxy A52 LTE · 5G • Launch of Galaxy A72 • Release of Galaxy A32 LTE · 5G • Rollout of Galaxy Quantum2 A82 |
| Galaxy Book | • Launch of Galaxy Book Go |
| Network | • Development of RAN (SVR21B NR vDU) S/W Package |
| DS Division | |
| Research project | Details |
| DRAM for server | • Development of the industry's first high-capacity DDR5 memory applying HKMG process |
| HBM DRAM | • Development world's first AI HBM-PIM with an AI engine |
| SSD for server | • Mass production of high-performing OCP SSD exclusive for data centers • Mass production of SAS 24Gbps SSD for server—highest performance in the industry • Industry's first mass production of the next-generation ZNS SSD for business servers |
| Brand SSD | • Global launch of SATA SSD 870 EVO for customers • Release of high-performing NVMe SSD 980 which satisfies needs for both performance and economic efficiency |
| CXL | • Development of the industry's first CXL-based DRAM memory technology |
| Multi-chip | • Mass production of uMCP5 multi-chip package—highest performance in the industry |
| Image sensor | • Release of 108MP premium image sensor ISOCELL HM3 • Rollout of image sensor ISOCELL GN2, which has become more similar to the human eye • Release of ISOCELL JN1 with 0.64um pixel—the industry's first |
| Exynos | • Rollout of 5G-integrated premium mobile AP Exynos 2100 |
| LSI | • Development of power management IC for DDR5 DRAM modules |
| Foundry | • Development of 2.5D semiconductor packaging technology I-Cube4 |
| | • Development of Radio Frequency (RF) process for 8-nano 5G communication |
| Low power consumption OLED | • Mass production of low power consumption, high-luminance innovation OLED Display for Galaxy S21 |

Please refer to 『Appendix-4. R&D results (detailed)』 for more details.

7. Other information

A. Intellectual property

Intellectual property activities are an integral part of our R&D strategies—SEC registered its first US patent in 1984 and currently holds 205,816 patents around the world. The Company holds the highest number of its patents (cumulative number) in the US and aims to address conflicts in the US more effectively.

<Number of patents registered in each country (cumulative as of June 30, 2021)>

(Unit: No. of patents)

| | Korea | US | Europe | China | Japan | Others | Total |
|--------|--------|--------|--------|--------|-------|--------|---------|
| Number | 44,271 | 80,633 | 39,288 | 18,879 | 9,584 | 13,161 | 205,816 |

In 1H21, the Company invested KRW 11.0 trillion in R&D and registered 3,961 domestic and 4,349 US patents.

<Number of patent registrations per year>

(Unit: No. of patents)

| | 1H21 | 2020 | 2019 |
|-------|-------|-------|-------|
| Korea | 3,961 | 6,648 | 5,075 |
| US | 4,349 | 8,520 | 8,729 |

These patents are mostly related to smartphones, smart TVs, memory, and system LSI products for the Company's strategic business products or for future use. These patents not only protect the Company's business but also play a role in keeping similar technology and patents, as well as competitors, in check. Additionally, the Company is focusing on securing early patents in new technologies ahead of others, in order to protect opportunities and have the freedom to operate when entering new businesses.

The Company has signed cross-licensing agreements with Cisco (signed in January 2014), Google (January 2014), Qualcomm (January 2018), Nokia (October 2018), Microsoft (February 2019), Sharp (July 2019), and Ericsson (May 2021) through which the Company has secured an extensive patent protection in mainstay businesses as well as in the fields of new business.

The Company has also been focusing on securing design patents to protect its original design applied to smartphones and smart TVs. In 1H21, the Company acquired 291 US patents, in part for the aforementioned purposes.

B. Environmental regulations

The Company strictly abides by environmental regulations on products and in the workplace, as prescribed by law. In addition, in accordance with “the low carbon green growth policy” of the Korean government, the Company reports “the amount of greenhouse gas emission and energy use” to the government and provides related information to stakeholders by providing various reports, including the Samsung Sustainability Report.

☞ See 『4-D. Green Management』 of 『XI. Other Information』 for more details about Green Technology Certification.

(Environmental regulation of products)

Environmental regulation of products are becoming stricter, reflecting the concerns of governments and regulators about potential direct and indirect impact of products to consumers' health and safety as consumers. Accordingly, the Company is working to minimize the environmental impact throughout the entire life cycle of products from the development stage of components and products to manufacturing, distribution, use, and disposal. The Company offers "Eco-Partner Certification" to suppliers for components free of harmful substances, and runs an "eco-design evaluation" system to reflect eco-friendly elements on products (reduced use of resources, energy and harmful substances, and the use of eco-friendly materials) at the development stage, and operates a "waste electronics collection recycle system" in Europe, North America, Korea, and India for collecting and recycling waste electronics. These activities are in line with domestic and foreign environmental laws on electronics and are a differentiation factor for the Company and its products.

Relevant laws are as follows:

1. law on collection and recycle of waste electronics (eg, EU WEEE Directive)
2. limit on the use of harmful substances (eg, EU RoHS Directive, REACH Regulation)
3. regulation on energy efficiency (eg, EU ErP Directive)

(Environmental Regulations in the Workplace)

The Company operates environmental pollution prevention facilities to reduce air pollution, water pollution, and waste disposal, and to minimize the discharge of pollutants, thereby minimizing impact on the surrounding environment.

Environmental management of workplace is supervised by the relevant government authorities. All production facilities, domestic and overseas, have acquired the International Occupational Health and Safety Management System Certification (ISO 14001, ISO 45001) to strengthen compliance.

Major Relevant Domestic and International Laws are as follows:

1. Regulations related to emission of pollutants: Water Quality and Ecosystem Conservation Act, Clean Air Conservation Act, Wastes Control Act, Noise and Vibration Control Act, Environmental Impact Assessment Act
2. Management of greenhouse gas emission: Act on Allocation and Trading of Greenhouse Gas Emission, Framework Act on Low Carbon, Green Growth
3. Others: Toxic Chemicals Control Act, Act on the Registration and Evaluation, etc. of Chemical Substances, Odor Control Law, Soil Environment Conservation Act

(Greenhouse gas emission and energy consumption management)

The Company is a “controlled entity” according to Article 42 (Coping with Climate Change and Management of Targets for Energy) Paragraph 6 of Korea’s “Framework Act on Low Carbon, Green Growth.” Thus, the Company has been reporting the amount of greenhouse gas emission and energy consumption, verified by a third-party, to the authorities and disclosing it to stakeholders according to Article 44 (Reporting on Quantity of Greenhouse Gases Emitted and Quantity of Energy Consumed) of the same Act since May 2011.

The reported amount of greenhouse gas emission and energy use are provided below:

(Unit: tCO₂-eq, TJ)

| | 2020 | 2019 | 2018 |
|---------------------------------------|------------|------------|------------|
| Greenhouse gas (tCO ₂ -eq) | 17,234,522 | 15,998,397 | 15,890,234 |
| Energy (TJ) | 255,990 | 242,345 | 237,762 |

On a consolidated basis. See 『4-D. Green Management』 of 『XI. Other Information』 for results on a separate basis.

Domestic manufacturing facilities, office buildings, buildings owned by the Company, leased buildings, etc.

Reported Greenhouse gas emission excludes ozone depletion substances (ODS).

Amounts may differ based on results of governmental evaluations on emissions.

From 2015, in accordance with the Article 8 (Designation of Business Entities Eligible for Allocation) of the Act on the Allocation and Trading of Greenhouse-Gas Emission Permits, the Company is an eligible business entity under the Act.

C. Current status of each division

[CE Division]

□ Industry overview

Since the first public demonstration of a true television system in 1926 and later mass production of color TVs, technological developments have led to the creation of products such as the Trinitron CRT (1967) and flat CRT (1996). As the penetration rate in major countries reached over 90%, the CRT TV business stagnated. The industry regained strong growth momentum following the launch of flat panel TVs (“FPTVs”) like LCDs and PDPs, especially with the expansion of digital broadcasting. FPTVs replaced CRT sets on the back of their enhanced design, picture quality, etc., combined with a sharp decline in prices.

The year 2010 saw the launch of 3D TVs, and the rise of internet video services along with increased consumer interest in smart devices from 2011 to 2012 led to the birth of the smart TV market. The evolution continued with the launches of Quantum Dot QLED TVs in 2017, boasting significantly enhanced resolution and picture quality, and with commercialization of 8K and MicroLED TVs.

□ Market condition

In 2020, market players continued to strive for innovations in picture quality, sound, and form factor to create demand for premium TVs. In addition, TV demand in 2020 increased slightly to 225.47 million, despite the global spread of COVID-19, due to the stay-at-home trend and 2H release of pent-up demand. In 2021, TV demand is projected at approximately 223.05 million units (Source: *Omdia*; 2Q21 data).

< Market share of the CE Division’s key product >

| Product | 1H21 | 2020 | 2019 |
|---------|-------|-------|-------|
| TV | 32.7% | 31.9% | 30.9% |

Global market share in revenue; data from research firm *Omdia*. (1H21 market share is Company estimate.)

□ Business condition

We have maintained the top position in the overall TV market for fifteen straight years since claiming the number one spot in 2006.

In 2019, we released world's first 8K TV in the global market, once again leading the premium segment in the TV industry. Our QLED lineup includes sizes ranging from mid-sized to ultra-large screens, giving customers a variety of choices. In addition, the significantly improved picture quality was well received by consumers and experts alike. We achieved solid results by introducing ultra-large screens in the UHD lineup as well as in the QLED lineup.

In 2020, we enhanced our leadership and dominance in the market with 4K and 8K QLED TVs and new Lifestyle TVs such as The Terrace, The Premier and The Sero despite a global economic crisis due to COVID-19.

In 2021, we will enhance our premium product lineup by launching 80"–110" Neo QLED TVs featuring significantly enhanced contrast and picture quality as well MicroLED TVs for homes. Moreover, we will increase the portion of Lifestyle products and sound bars, diversify smart functions—including TV plus, home training, and games—and expand partnership with various companies. We will also strengthen our efforts toward becoming an eco-friendly business, from raw materials to packaging, and we will enhance accessibility to support the use of our products by the visually impaired and hearing impaired.

[IM Division]

□ Industry overview

Mobile phones are the key product of the IM Division, and the mobile phone industry started with first generation analogue devices in the early 1980s and evolved to second generation digital ones, using technology such as CDMA and GSM, where users could send voice and text messages. Third generation mobile communication standards such as WCDMA allowed users to send photos and videos. Today, fourth generation LTE mobile communication technology with ultra-high-speed data transmission is becoming commonplace and was used in 59% of phones sold in 2020 (*Strategy Analytics*, June 2021). Fifth generation mobile communication services, which will lead innovation alongside the fourth industrial revolution, were successfully commercialized in Korea and the US and are expanding to Europe and Australia. As a result, sales of 5G smart phones are projected to increase sharply to 620 million units in 2021 from 270 million units in 2020 (*Strategy Analytics*, June 2021).

The smartphone industry has grown significantly since 2007. In 2021, the smartphone portion of total HHPs is projected to be approximately 77%, and the feature phone portion of the total is expected to be approximately 23%, with the latter related to demand in developing nations (*Strategy Analytics*, July 2021). In 2021, the penetration rate of smartphones will reach 52%, slightly increasing from 50% in 2020 (*Strategy Analytics*, July 2021).

Also, as the smartphone market shows high saturation, the importance of competitive software—such as applications, UX, games, media, advertisements, mobile payments, AI, and AR—is rising alongside that of competitive hardware, which includes high-performance APs, AMOLED displays, foldable form factors, multiple cameras, sensors, waterproof & dustproof features, biometric recognition, and more.

□ Market Condition

With the acceleration of 5G expansion, the smartphone market is projected to grow from 1.30 billion units in 2020 to 1.38 billion units in 2021 (*Strategy Analytics*; July 2021). Meanwhile, the tablet market that experienced a contraction due to weak replacement demand, increased from 160 million units in 2019 to 190 million in 2020 due to an increase of contactless demand triggered by COVID-19, and it is expected to be approximately 200 million units in 2021 (*Strategy Analytics*; June 2021).

< Market share of the IM Division's key product >

| Product | 1H21 | 2020 | 2019 |
|------------|-------|-------|-------|
| Smartphone | 20.1% | 19.6% | 20.9% |

Global market share in sales volume; data from research firm *Strategy Analytics*.

Market share for 2019 and 2020 changed as key product of the IM Division changed from HHP to smartphone in 2021.

□ Business condition

SEC has always been at forefront of the HHP market, and for smartphones in particular, we have maintained leadership in the global market for ten consecutive years since 2011. To solidify our status in the overall mobile market, we are striving to improve our current products—including tablets, wearables, and accessories—while growing businesses in areas with high potential, such as the service, online, and B2B sectors.

For smartphones, we are establishing optimal portfolios for each region, accounting for varying market conditions and the competitive environment, offering a wide smartphone lineup ranging from mass-market to premium devices. We have been providing premium smartphones and delivering differentiated user experiences that can meet customer needs via our cutting-edge technology, which includes Dynamic AMOLED 2X (120Hz) displays and innovative Contour Cut designs as well as large-screen Infinity Displays, digital key and content sharing using UWB, water- and dust-proofing, high-speed cable and wireless charging, ultrasonic fingerprint-on-display (FoD), high-resolution and optical zoom camera with AI technology, 8k video recording, among others. In 2019, we secured early leadership in the 5G market with the release of the world's first 5G smartphone while also creating a new market with Galaxy Fold, enabled by foldable displays. In 2020, we continued to lead the mainstreaming of foldable phones with the launch of Galaxy Z Flip, a new form factor that folds from top down, and a further evolved edition Galaxy Z Fold 2.

To respond to an ever-changing market as well as customer needs, we are strengthening product competitiveness by introducing innovative features such as 5G, quad cameras, large infinity displays, and high-capacity batteries even to mid-range-and-below products.

We provide our smartphone users with a wider and more convenient experience via our other products, which include premium tablets (Galaxy Tab S), wearable devices (smart watch, Bluetooth earphone), and other Device Eco products, including wireless quick charging stands.

Not content to dwell on our achievements in hardware, we have been focusing on delivering new and helpful services like Samsung Pay, Samsung Health, and SmartThings. To deliver a consistent and high-quality Multi-Device Experience, we are adding Bixby features to a suite of products in addition to smartphones, including TVs, refrigerators, air conditioners, etc.

Moreover, we are strengthening strategic partnerships to expand our ecosystem. As always, we will continue to invest in any field that has growth potential, with current targets including but not limited to 5G, AI, IoT, cloud, AR, blockchain, and mobile B2B, while also leveraging our superior R&D capabilities to keep delivering new value to customers.

[DS Division]

- Semiconductor

□ Industry overview

In general, our Semiconductor business is divided into Memory (storage) and System LSI (logical processing). Memory semiconductor is divided into RAM products (random access memory, ones that can be both written on and read) and ROM products (read only memory).

RAM is called volatile memory as the information is deleted when the power is turned off. It is used for temporary loading and storage of application programs. ROM is nonvolatile and holds memory even when power is removed; it is used in input/output system, IC cards, and more. For System LSI products, there are many categories for various applications, with SoCs for mobile devices forming the largest market. It includes CPUs, GPUs, ISPs (image signal processors), and modems. The Company manufactures mobile SoCs products for smartphones and tablets, image sensors, and display driver ICs for OLED.

The Foundry Business makes customized semiconductors for other companies based on customer designs. The business resembles OEMs in the traditional manufacturing industry in the sense that companies consign the manufacturing of their products to fabrication plants, also called foundries or fabs. Due to increasing difficulty in semiconductor process and growing investment cost, the number of fabless semiconductor companies is growing, and the Foundry Business is in charge of consignment semiconductor production for such fabless companies.

□ Market condition

The memory market is showing solid demand in overall application areas, including PC demand mainly for Chromebook and gaming laptops amid an accelerating digital transformation due to the prolonged pandemic, demand for advanced purchasing in preparation for the launch of new CPUs, and mobile demand due to a higher portion of 5G products.

In 1Q21, overall memory demand was strong, with solid mobile demand driven by product launches of our major customers along with an increase in PC demand connected to the growing '1 person 1 PC trend'. In 2Q21, strong server demand due to new CPU launches and solid PC demand, backed by strong seasonality for educational products including Chromebook, is expected to continue.

< Market share of the Semiconductor Business's key product >

| Product | 1H21 | 2020 | 2019 |
|---------|-------|-------|-------|
| DRAM | 42.9% | 42.7% | 43.7% |

Global market share in revenue; data from research firm *DRAMeXchange*.

□ Business condition

In the memory business, we continue to maintain cost competitiveness via our leadership in technology and strengthen product competitiveness and our capabilities to supply products that customers want in a timely manner. Furthermore, the Company is focusing on preemptively sensing changes in the market by analyzing big data and it is actively addressing demand for both IT infrastructure companies, including data centers, and consumers, including mobile and PC products. We are pursuing a strategy to secure a core position in promising growth sectors, such as 5G and AI, by preemptively establishing the mass-production system for next-generation DRAM featuring full-fledged application of multi-step EUV for the first time in the world. We plan to secure product and cost competitiveness by establishing a lineup of advanced products—including SSDs with 7th-generation V-NAND—that will fully enter the solution market in 2H21, preemptively offering such products to the IT industry. We will expand our differentiated product line featuring technology from our advanced nodes and utilize a wide range of products to optimize responses for each application area and lead the market as the top memory company.

System LSI is seeing solid demand from the recovery of consumer sentiment, strong sales of new products at major customers, and intense competition to secure components to gain early dominance in the market. The Company, amid rising demand, is working to ensure a stable supply of products by strengthening the supply chain and diversifying suppliers to minimize chances of production disruptions, such as the one in 1Q caused by a power outage. Furthermore, we are working on strengthening our lineup of flagship products, ramping up the production capabilities and production diversity of our fabs, and developing new technologies to expand markets and customers.

In the Foundry business, we expect growth to stay solid as 5G smartphones increase penetration and demand recovers. Also, demand for GPUs, data center controllers, and PCs for education, remote working, and gaming continues to be strong amid persisting effects of COVID-19. Meanwhile, leading, global automotive manufacturers temporarily suspended production due to a shortage of automobile-use semiconductors, while Foundry's supply of relevant parts continues to rise. As a result, the Company is focusing on optimizing all aspects of our business—including production, production capacity, yield, and operations—to increase supply. We are also concentrating on improving our competitiveness to address market changes based on technology leadership for future growth and applications centered on emerging growth businesses, such as 5G, HPC, AI, automotives, and data centers. For advanced nodes, as we continue to compete with TSMC as the two strongest players in the industry, 1st generation 5-nano products were in mass production as of the end of 1H21, and we plan to produce prototypes of 2nd-generation 5-nano and 4-nano products and commence their mass production in 2H21. Furthermore, we are developing gate all around (GAA), a next-generation process, aiming for the world's first mass production using the process by the end of 2022; and we are steadily working on diversifying applications by utilizing our leadership in future technology and advanced processes. We are also increasing our supply capacity in earnest to address a continuation of strong mid-to-long-term demand for legacy processes and working to improve our business structure in terms of customers and application areas, expanding from a focus on mobile to HPC, finished products, networks, and automotives. We strive to create added value for technologies to secure sustained sales growth by enhancing technologies by developing derivative processes and securing price competitiveness. The 8-inch foundry will secure stable revenue and maximize profitability by operating an optimal product mix that accounts for internal resources and focuses on high-margin products.

□ Industry overview

Display refers to screens in electronic devices. Active matrix technology is most commonly used in displays, including OLED (organic light emitting diode) panels and TFT-LCD (thin film transistor liquid crystal display).

OLED panels use organic materials, which offer sharp contrast and color, high color gamut, and fast response rates. Such differentiating features provide advantages for use in smartphones where display features (multimedia contents, online experience, etc.) are important, and as a result, OLED adoption in the smartphone market is growing rapidly.

The market had raised concerns over the production of high-resolution, durable panels, but we overcame various technological challenges and advanced the business. OLED panels make up for the shortcomings of LCD panels, and they can be adopted in other applications such as foldable, rollable, and automotive. Growth of the OLED market is widely expected to keep accelerating.

A TFT-LCD panel is a liquid crystal based display that features a thinner and lighter profile while offering high resolution. It has a wide range of potential applications in devices of all sizes and functionality, from portable mobile devices to large-size TVs featuring bright, high-resolution images. The market for large-panel TFT-LCD grew rapidly as their use moved from laptops initially to monitors and then to TVs. Recently however, high saturation has caused growth to slow.

□ Market condition

In 2021, the smartphone display panel market is expected to be approximately 1.60 billion units (1.04 billion LCD and 0.56 OLED), an increase year-on-year from the base effect of weak demand in 2020 caused by COVID-19 as well as rising replacement demand induced by 5G models. The OLED portion of smartphone panels is expected to increase from 30% in 2020 to 35% in 2021. (*Omdia*, July 2021).

In the large display market, demand for IT products is projected to increase sharply year-on-year due to growing demand for ultra-large, ultra-high resolution TVs, as contactless services expand due to COVID-19.

< Market share of the DP Business's key product >

| Product | 1H21 | 2020 | 2019 |
|-------------------|-------|-------|-------|
| Smartphone panels | 43.9% | 44.8% | 43.6% |

Global market share in revenue; data from research firm *Omdia* (data for 1H21 is an estimate).

□ Business condition

The Company has continued to stay atop the mobile OLED market in terms of market share since it successfully commercialized OLED products in 2007, marking a world's first. We diversified our product group to include displays for foldable products, tablets, watches, laptops, and automotive applications, solidifying our position as the top player in the OLED display market.

With both flexible and rigid OLED, our optimal smartphone product portfolio ranges from mass-market to premium devices as we proactively address customers' specific needs; and we are recognized as having best-in-class technology through our introduction of foldable and OLED IT products with differentiated technologies and designs.

In 2021, smartphone demand, which had been weakened by the pandemic, is expected to recover gradually due to an acceleration of 5G services. However, we expect uncertainties to linger due to shifting dynamics among players in the finished smartphone market, changes in competition between panel manufacturers, and component supply issues in the IT industry. We will apply new technologies, such as under panel cameras, high refresh rate, and tech related to energy efficiency and performance, in line with the needs of our customers while also enhancing cost competitiveness to increase adoption of OLED panels. In addition, we will fortify our leadership by diversifying our product portfolio in the mobile panel business, which is currently concentrates on smartphones, by including foldables and IT devices.

In the large panel business, we will ensure a timely transition to QD display with differentiated technology and secure a strong foothold in the premium product group.

[Harman Division]

□ Industry overview

The Harman Division competes in the automotive and lifestyle audio industries.

As consumers want cutting-edge technologies for automotive components (digital cockpit, telematics, car audio, etc.), car makers demand latest technologies in areas such as car sharing and autonomous driving. As a result, competition is particularly fierce in the connectivity and entertainment solution markets between dominant players (eg, Alpine, Aptiv, Continental, Mitsubishi, and Panasonic).

The car audio business provides not only system solutions but also audio components (including speakers and amplifiers), and it is another segment where fierce competition between several major players (eg, Bose, Pioneer, and Panasonic) is expected to drive technological advances as each firm introduces unique sound-management solutions. Competition is expected to remain intense.

Lifestyle audio business has two segments: consumer audio and professional audio solutions. Consumer audio (portable speakers, headphones, connected audio solutions, etc.) is fragmented and a handful of companies (Amazon, Beats, Bose, Ultimate Ears, etc.) are showing early signs of dominance. We expect competition to remain intense as new players try to make inroads, given the saturated market for connected homes and smart speakers. In particular, for Bluetooth headsets, for which smartphone manufacturers dominate market share, is expected to grow explosively.

The professional audio solution industry (commercial audio, audio for large venues, etc., special lighting, video control solutions, etc.), led by QSC and Yamaha, is segmented by product and has seen the entrance of numerous companies offering a wide range of products and applications.

□ Market condition

In 2020, global automobile production, which directly influences the automotive component business, decreased by 16% compared to 2019. Although production volume in 1H20 declined due to the pandemic, it rebounded slightly in 2H20 and is expected to normalize in 2021 and result in 14% year-on-year growth. (*LMC Global Production Forecast*, June 2021). However, semiconductor shortages for automobiles pose an additional risk factor to car production in 2H21.

< Market share of Harman Business's key product >

| Product | 1H21 | 2020 | 2019 |
|------------------|-------|-------|-------|
| Digital cockpits | 24.6% | 27.5% | 24.8% |

Digital cockpits refer to the digital automotive component which enables safe driving environment via infotainment system, etc.
Company estimates based on *Omdia* and LMC data (by unit).

□ Business condition

Harman is positioned to stay atop the automotive market and plans to continue to leverage its wide variety of brands to outfit vehicles ranging from mass-market thorough to luxury models, while also maintaining the quality that is synonymous with Harman brands. Additionally, Harman's relentless pursuit of innovation in the audio and connectivity spaces will help ensure the development of thriving relationships with automakers.

Additionally, Harman has continued to develop its Connected Services business with industry leading OTA (Over the Air) and software servicing products.

The same factors that Harman relies on within the automotive market will also be used in the consumer audio and professional audio solution market. Having won three Grammy Awards and two Academy Awards, Harman's brands have earned a strong reputation amongst everyday consumers and audiophiles alike. New offerings in up-and-coming segments such as connected wireless and smart audio continue to help bring in new consumers and further enhance brand reputation.

In 2020, the COVID-19 pandemic created a challenging business environment, marked by halt in automobile production, a decline in daily travel and thus potential consumers, the closing of retailers, etc. The professional audio solution business, in particular, has felt adverse impacts of a reduction in the number of large-scale gatherings and events. We have adopted various ways to reduce costs from the onset of the COVID-19 pandemic, and we will redirect savings to other investments to compete more effectively in the market.

D. Financial Summary, by Division

In 1H21 by Division, CE reported net sales of KRW 26,383.2 billion (20.4% of total net sales) and IM reported net sales of KRW 51,880.0 billion (40.2%). DS contributed approximately 42.8% of net sales: KRW 41,746.3 billion (32.3%) by the semiconductor sub-division and KRW 13,790.9 billion (10.7%) by the DP Business Unit. The Harman Division reported net sales of KRW 4,786.7 billion (3.7%).

In 1H21, the CE Division accounted for 9.9% of total operating profit with an operating profit of KRW 2,178.5 billion; the IM Division accounted for 34.8% with KRW 7,627.6 billion; and the DS Division accounted for 54.6% with KRW 11,978.6 billion. The Harman Division posted an operating profit of KRW 219.9 billion.

(KRW 100 mil)

| Division | Classification | 1H21 | | 2020 | | 2019 | | |
|----------|------------------|------------------|--------------------------------|-----------|--------------------------------|-----------|--------------------------------|-------|
| | | Amount | Portion of corresponding total | Amount | Portion of corresponding total | Amount | Portion of corresponding total | |
| CE | Sales | 263,832 | 20.4% | 481,733 | 20.3% | 453,228 | 19.7% | |
| | Operating profit | 21,785 | 9.9% | 35,615 | 9.9% | 25,090 | 9.0% | |
| | Total asset | 723,771 | 13.5% | 602,487 | 11.4% | 680,244 | 13.5% | |
| IM | Sales | 518,800 | 40.2% | 995,875 | 42.1% | 1,072,662 | 46.6% | |
| | Operating profit | 76,276 | 34.8% | 114,727 | 31.9% | 92,725 | 33.4% | |
| | Total asset | 1,481,275 | 27.7% | 1,682,692 | 31.8% | 1,432,804 | 28.5% | |
| DS | Semi-conductor | Sales | 417,463 | 32.3% | 728,578 | 30.8% | 649,391 | 28.2% |
| | | Operating profit | 102,938 | 46.9% | 188,050 | 52.2% | 140,163 | 50.5% |
| | | Total asset | 2,010,855 | 37.6% | 1,863,977 | 35.3% | 1,791,177 | 35.6% |
| | DP | Sales | 137,909 | 10.7% | 305,857 | 12.9% | 310,539 | 13.5% |
| | | Operating profit | 16,463 | 7.5% | 22,369 | 6.2% | 15,813 | 5.7% |
| | | Total asset | 631,170 | 11.8% | 661,929 | 12.5% | 642,264 | 12.8% |
| | Total | Sales | 552,799 | 42.8% | 1,030,361 | 43.5% | 955,180 | 41.5% |
| | | Operating profit | 119,786 | 54.6% | 211,202 | 58.7% | 155,817 | 56.1% |
| | | Total asset | 2,870,240 | 53.7% | 2,741,270 | 51.9% | 2,451,438 | 48.8% |
| Harman | Sales | 47,867 | 3.7% | 91,837 | 3.9% | 100,771 | 4.4% | |
| | Operating profit | 2,199 | 1.0% | 555 | 0.2% | 3,223 | 1.2% | |
| | Total asset | 150,184 | 2.8% | 147,020 | 2.8% | 156,091 | 3.1% | |

Sales for each business unit includes intersegment sales.

□ Reasonable allocation of common SG&A (selling general & administrative) expenses and assets

(1) For common SG&A expenses, specific expenses that are allocable to a specific product/model are allocated to such product/model. However, common expenses that cannot be attributed to a specific product/model category are reasonably allocated throughout the Company based on an allocation standard (expense-to-sales ratio, number of personnel, etc.).

(2) For common assets, assets that can be directly allocated (inventory assets, fixed assets, investment assets, etc.) are allocated to the corresponding organizational unit. Assets that are commonly managed and cannot be directly allocated are allocated to each Division based on an allocation standard (expense-to-sales ratio, pre-tax profit, etc.).

III. Financial Affairs

1. Financial statements

A. Consolidated financial statements

(KRW mil)

| Classification | Half-year of the 53rd | 52nd | 51st |
|--|-----------------------|-------------------|-------------------|
| | June 30, 2021 | December 31, 2020 | December 31, 2019 |
| Current assets | 191,118,524 | 198,215,579 | 181,385,260 |
| - Cash and cash equivalents | 30,683,788 | 29,382,578 | 26,885,999 |
| - Short-term financial instruments | 77,777,032 | 92,441,703 | 76,252,052 |
| - Other current financial assets | 2,400,119 | 2,828,562 | 5,641,652 |
| - Trade receivables | 35,624,916 | 30,965,058 | 35,131,343 |
| - Inventories | 33,592,385 | 32,043,145 | 26,766,464 |
| - Others | 11,040,284 | 10,554,533 | 10,707,750 |
| Non-current assets | 193,659,145 | 180,020,139 | 171,179,237 |
| - Other non-current financial assets | 13,999,320 | 13,778,185 | 9,969,716 |
| - Investment in associates and joint ventures | 8,485,894 | 8,076,779 | 7,591,612 |
| - Property, plant, and equipment | 139,389,862 | 128,952,892 | 119,825,474 |
| - Intangible assets | 20,747,013 | 18,468,502 | 20,703,504 |
| - Others | 11,037,056 | 10,743,781 | 13,088,931 |
| Total assets | 384,777,669 | 378,235,718 | 352,564,497 |
| Current liabilities | 72,461,451 | 75,604,351 | 63,782,764 |
| Non-current liabilities | 29,991,952 | 26,683,351 | 25,901,312 |
| Total liabilities | 102,453,403 | 102,287,702 | 89,684,076 |
| Equity attributable to owners of the parent company | 274,160,526 | 267,670,331 | 254,915,472 |
| - Capital stock | 897,514 | 897,514 | 897,514 |
| - Share premium | 4,403,893 | 4,403,893 | 4,403,893 |
| - Retained earnings | 275,085,185 | 271,068,211 | 254,582,894 |
| - Others | -6,226,066 | -8,699,287 | -4,968,829 |
| Non-controlling interests | 8,163,740 | 8,277,685 | 7,964,949 |
| Total Equity | 282,324,266 | 275,948,016 | 262,880,421 |
| | Jan-Jun 2021 | Jan-Dec 2020 | Jan-Dec 2019 |
| Revenue | 129,060,088 | 236,806,988 | 230,400,881 |
| Operating profit | 21,949,613 | 35,993,876 | 27,768,509 |
| Profit for the period | 16,776,171 | 26,407,832 | 21,738,865 |
| - Owners of the parent company | 16,543,462 | 26,090,846 | 21,505,054 |
| - Non-controlling interests | 232,709 | 316,986 | 233,811 |
| Basic earnings per share (KRW) | 2,435 | 3,841 | 3,166 |
| Diluted earnings per share (KRW) | 2,435 | 3,841 | 3,166 |
| Number of companies subject to consolidation accounting | 238 | 242 | 241 |

Data shown in conformity with K-IFRS.

Please refer to the footnotes of the 51st-52nd Consolidated Audit Report and the 53rd Half-year Consolidated Review Report for the calculation of basic earnings per share (ordinary shares).

B. Separate financial statements

(KRW mil)

| Classification | Half-year of the 53rd June 30, 2021 | 52nd December 31, 2020 | 51st December 31, 2019 |
|---|--|---------------------------|---------------------------|
| Current assets | 62,447,619 | 73,798,549 | 72,659,080 |
| - Cash and cash equivalents | 4,881,542 | 989,045 | 2,081,917 |
| - Short-term financial instruments | 12,203,285 | 29,101,284 | 26,501,392 |
| - Trade receivables | 27,703,643 | 24,736,740 | 26,255,438 |
| - Inventories | 12,794,771 | 13,831,372 | 12,201,712 |
| - Others | 4,864,378 | 5,140,108 | 5,618,621 |
| Non-current assets | 165,379,969 | 155,865,878 | 143,521,840 |
| - Other non-current financial assets | 1,575,185 | 1,542,766 | 1,209,261 |
| - Subsidiary, associate, and joint venture investments | 56,341,888 | 56,587,548 | 56,571,252 |
| - Property, plant and equipment | 93,677,031 | 86,166,924 | 74,090,275 |
| - Intangible assets | 9,218,016 | 7,002,648 | 8,008,653 |
| - Others | 4,567,849 | 4,565,992 | 3,642,399 |
| Total assets | 227,827,588 | 229,664,427 | 216,180,920 |
| Current liabilities | 42,753,766 | 44,412,904 | 36,237,164 |
| Non-current liabilities | 3,720,941 | 1,934,799 | 2,073,509 |
| Total liabilities | 46,474,707 | 46,347,703 | 38,310,673 |
| - Capital stock | 897,514 | 897,514 | 897,514 |
| - Share premium | 4,403,893 | 4,403,893 | 4,403,893 |
| - Retained earnings | 176,384,482 | 178,284,102 | 172,288,326 |
| - Others | -333,008 | -268,785 | 280,514 |
| Total Equity | 181,352,881 | 183,316,724 | 177,870,247 |
| Evaluation method of subsidiary, associate, and joint venture investment securities | Cost methods | Cost methods | Cost methods |
| | Jan–Jun 2021 | Jan–Dec 2020 | Jan–Dec 2019 |
| Revenue | 90,811,024 | 166,311,191 | 154,772,859 |
| Operating profit | 12,164,230 | 20,518,974 | 14,115,067 |
| Profit for the period | 13,676,794 | 15,615,018 | 15,353,323 |
| Basic earnings per share (KRW) | 2,013 | 2,299 | 2,260 |
| Diluted earnings per share (KRW) | 2,013 | 2,299 | 2,260 |

Data shown in conformity with K-IFRS.

Please refer to the footnotes of the 51st–52nd Consolidated Audit Report and the 53rd Half-year Consolidated Review Report for the calculation of basic earnings per share (ordinary shares).

2. Consolidated financial statements

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | June 30, 2021 KRW | December 31, 2020 KRW | June 30, 2021 USD | December 31, 2020 USD |
|---|----------|-------------------------|-----------------------------|-------------------------|-----------------------------|
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 3, 25 | 30,683,788 | 29,382,578 | 27,459,551 | 26,295,072 |
| Short-term financial instruments | 3, 25 | 77,777,032 | 92,441,703 | 69,604,262 | 82,727,977 |
| Short-term financial assets at amortized cost | 3, 25 | 2,350,399 | 2,757,111 | 2,103,420 | 2,467,395 |
| Short-term financial assets at fair value through profit or loss | 3, 4, 25 | 49,720 | 71,451 | 44,495 | 63,943 |
| Trade receivables | 3, 25 | 35,624,916 | 30,965,058 | 31,881,468 | 27,711,266 |
| Non-trade receivables | 3, 25 | 4,312,276 | 3,604,539 | 3,859,144 | 3,225,776 |
| Prepaid expenses | | 2,595,336 | 2,266,100 | 2,322,619 | 2,027,979 |
| Inventories | 5 | 33,592,385 | 32,043,145 | 30,062,515 | 28,676,068 |
| Other current assets | 3, 25 | 4,132,672 | 3,754,462 | 3,698,413 | 3,359,945 |
| Assets held-for-sale | 28 | - | 929,432 | - | 831,768 |
| | | 191,118,524 | 198,215,579 | 171,035,887 | 177,387,189 |
| Non-current assets | | | | | |
| Financial assets at fair value through other comprehensive income | 3, 4, 25 | 12,783,735 | 12,575,216 | 11,440,427 | 11,253,819 |
| Financial assets at fair value through profit or loss | 3, 4, 25 | 1,215,585 | 1,202,969 | 1,087,852 | 1,076,562 |
| Investment in associates and joint ventures | 6 | 8,485,894 | 8,076,779 | 7,594,201 | 7,228,075 |
| Property, plant and equipment | 7 | 139,389,862 | 128,952,892 | 124,742,847 | 115,402,589 |
| Intangible assets | 8 | 20,747,013 | 18,468,502 | 18,566,928 | 16,527,841 |
| Net defined benefit assets | 11 | 753,317 | 1,355,502 | 674,159 | 1,213,067 |
| Deferred income tax assets | | 4,128,472 | 4,275,000 | 3,694,654 | 3,825,785 |
| Other non-current assets | 3, 25 | 6,155,267 | 5,113,279 | 5,508,475 | 4,575,978 |
| | | 193,659,145 | 180,020,139 | 173,309,543 | 161,103,716 |
| Total assets | | 384,777,669 | 378,235,718 | 344,345,430 | 338,490,905 |

The above interim consolidated statements of financial position should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | June 30, 2021 KRW | December 31, 2020 KRW | June 30, 2021 USD | December 31, 2020 USD |
|--|--------------|-------------------------|-----------------------------|-------------------------|-----------------------------|
| Liabilities and Equity | | | | | |
| Current liabilities | | | | | |
| Trade payables | 3, 25 | 11,052,623 | 9,739,222 | 9,891,219 | 8,715,830 |
| Short-term borrowings | 3, 9, 25 | 12,887,851 | 16,553,429 | 11,533,602 | 14,814,003 |
| Other payables | 3, 25 | 12,274,487 | 11,899,022 | 10,984,690 | 10,648,679 |
| Advances received | 14 | 1,048,581 | 1,145,423 | 938,397 | 1,025,063 |
| Withholdings | 3, 25 | 904,348 | 974,521 | 809,320 | 872,119 |
| Accrued expenses | 3, 14, 25 | 23,018,504 | 24,330,339 | 20,599,732 | 21,773,720 |
| Current income tax liabilities | | 4,230,979 | 4,430,272 | 3,786,390 | 3,964,741 |
| Current portion of long-term liabilities | 3, 9, 10, 25 | 1,204,289 | 716,099 | 1,077,743 | 640,852 |
| Provisions | 12 | 4,618,478 | 4,349,563 | 4,133,171 | 3,892,513 |
| Other current liabilities | 3, 14, 25 | 1,221,311 | 1,127,719 | 1,092,975 | 1,009,219 |
| Liabilities held-for-sale | 28 | - | 338,742 | - | 303,147 |
| | | 72,461,451 | 75,604,351 | 64,847,239 | 67,659,886 |
| Non-current liabilities | | | | | |
| Debentures | 3, 10, 25 | 490,459 | 948,137 | 438,922 | 848,507 |
| Long-term borrowings | 3, 9, 25 | 2,152,273 | 1,999,716 | 1,926,113 | 1,789,587 |
| Long-term other payables | 3, 25 | 3,221,026 | 1,682,910 | 2,882,562 | 1,506,071 |
| Net defined benefit liabilities | 11 | 516,297 | 464,458 | 462,045 | 415,653 |
| Deferred income tax liabilities | | 20,561,350 | 18,810,845 | 18,400,774 | 16,834,211 |
| Long-term provisions | 12 | 1,179,298 | 1,051,428 | 1,055,378 | 940,944 |
| Other non-current liabilities | 3, 14, 25 | 1,871,249 | 1,725,857 | 1,674,619 | 1,544,505 |
| | | 29,991,952 | 26,683,351 | 26,840,413 | 23,879,478 |
| Total liabilities | | 102,453,403 | 102,287,702 | 91,687,652 | 91,539,364 |

The above interim consolidated statements of financial position should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | June 30, 2021 KRW | December 31, 2020 KRW | June 30, 2021 USD | December 31, 2020 USD |
|---|-------|-------------------------|-----------------------------|-------------------------|-----------------------------|
| Equity attributable to owners of the Company | | | | | |
| Preference shares | 15 | 119,467 | 119,467 | 106,913 | 106,913 |
| Ordinary shares | 15 | 778,047 | 778,047 | 696,290 | 696,290 |
| Share premium | | 4,403,893 | 4,403,893 | 3,941,134 | 3,941,134 |
| Retained earnings | 16 | 275,085,185 | 271,068,211 | 246,179,377 | 242,584,504 |
| Other components of equity | 17 | (6,226,066) | (8,687,155) | (5,571,834) | (7,774,313) |
| Accumulated other comprehensive income attributable to assets held-for-sale | 28 | - | (12,132) | - | (10,857) |
| | | 274,160,526 | 267,670,331 | 245,351,880 | 239,543,671 |
| Non-controlling interests | | 8,163,740 | 8,277,685 | 7,305,898 | 7,407,870 |
| Total equity | | 282,324,266 | 275,948,016 | 252,657,778 | 246,951,541 |
| Total liabilities and equity | | 384,777,669 | 378,235,718 | 344,345,430 | 338,490,905 |

The above interim consolidated statements of financial position should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | For the three-month periods ended June 30, | | | | For the six-month periods ended June 30, | | | |
|--|-----------|--|-------------------|-------------------|-------------------|--|-------------------|-------------------|-------------------|
| | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | | KRW | KRW | USD | USD | KRW | KRW | USD | USD |
| Revenue | 26 | 63,671,585 | 52,966,142 | 56,981,008 | 47,400,487 | 129,060,088 | 108,291,320 | 115,498,521 | 96,912,124 |
| Cost of sales | 18 | 37,065,931 | 31,906,198 | 33,171,062 | 28,553,511 | 78,565,916 | 66,712,892 | 70,310,250 | 59,702,736 |
| Gross profit | | 26,605,654 | 21,059,944 | 23,809,946 | 18,846,976 | 50,494,172 | 41,578,428 | 45,188,271 | 37,209,388 |
| Selling and administrative expenses | 18, 19 | 14,038,909 | 12,913,652 | 12,563,708 | 11,556,692 | 28,544,559 | 26,984,791 | 25,545,112 | 24,149,243 |
| Operating profit | 26 | 12,566,745 | 8,146,292 | 11,246,238 | 7,290,284 | 21,949,613 | 14,593,637 | 19,643,159 | 13,060,145 |
| Other non-operating income | 20 | 740,668 | 290,279 | 662,839 | 259,777 | 1,040,410 | 605,785 | 931,084 | 542,129 |
| Other non-operating expense | 20 | 876,896 | 1,060,839 | 784,752 | 949,367 | 1,201,136 | 1,424,894 | 1,074,921 | 1,275,167 |
| Share of net profit of associates and joint ventures | 6 | 187,487 | 86,222 | 167,786 | 77,162 | 335,006 | 146,866 | 299,804 | 131,433 |
| Financial income | 21 | 1,787,143 | 1,769,583 | 1,599,351 | 1,583,636 | 4,025,781 | 5,560,961 | 3,602,754 | 4,976,618 |
| Financial expense | 21 | 1,522,717 | 1,461,840 | 1,362,711 | 1,308,231 | 3,516,599 | 4,955,806 | 3,147,077 | 4,435,052 |
| Profit before income tax | | 12,882,430 | 7,769,697 | 11,528,751 | 6,953,261 | 22,633,075 | 14,526,549 | 20,254,803 | 13,000,106 |
| Income tax expense | 22 | 3,247,944 | 2,214,614 | 2,906,652 | 1,981,903 | 5,856,904 | 4,086,540 | 5,241,463 | 3,657,128 |
| Profit for the period | | 9,634,486 | 5,555,083 | 8,622,099 | 4,971,358 | 16,776,171 | 10,440,009 | 15,013,340 | 9,342,978 |
| Profit attributable to: | | | | | | | | | |
| Owners of the parent company | | 9,450,676 | 5,488,964 | 8,457,604 | 4,912,187 | 16,543,462 | 10,378,563 | 14,805,084 | 9,287,989 |
| Non-controlling interests | | 183,810 | 66,119 | 164,495 | 59,171 | 232,709 | 61,446 | 208,256 | 54,989 |
| Earnings per share (in Korean won, in US dollars) | 23 | | | | | | | | |
| - Basic | | 1,391 | 808 | 1.24 | 0.72 | 2,435 | 1,528 | 2.18 | 1.37 |
| - Diluted | | 1,391 | 808 | 1.24 | 0.72 | 2,435 | 1,528 | 2.18 | 1.37 |

The above interim consolidated statements of profit or loss should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Note s | For the three-month periods ended June 30, | | | | For the six-month periods ended June 30, | | | |
|--|-----------|--|------------------|------------------|------------------|--|-------------------|-------------------|-------------------|
| | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | | KRW | KRW | USD | USD | KRW | KRW | USD | USD |
| Profit for the period | | 9,634,486 | 5,555,083 | 8,622,099 | 4,971,358 | 16,776,171 | 10,440,009 | 15,013,340 | 9,342,978 |
| Other comprehensive income (loss) | | | | | | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | | | | | | |
| Gain on valuation of financial assets at fair value through other comprehensive income, net of tax | 17 | 214,593 | 1,498,950 | 192,044 | 1,341,441 | 2,099,604 | 389,339 | 1,878,978 | 348,427 |
| Share of other comprehensive income (loss) of associates and joint ventures, net of tax | 17 | 51,206 | 21,823 | 45,825 | 19,530 | 65,631 | (25,151) | 58,735 | (22,508) |
| Remeasurement of net defined benefit liabilities (assets), net of tax | 17 | (21,191) | (4,756) | (18,964) | (4,256) | (53,930) | (37,452) | (48,263) | (33,516) |
| Items that may be reclassified subsequently to profit or loss: | | | | | | | | | |
| Share of other comprehensive income (loss) of associates and joint ventures, net of tax | 17 | 95,580 | (4,661) | 85,537 | (4,171) | 41,659 | 24,283 | 37,281 | 21,731 |
| Foreign currency translation, net of tax | 17 | 1,012,987 | (1,259,232) | 906,543 | (1,126,913) | 3,470,252 | 969,311 | 3,105,600 | 867,457 |
| Gain (loss) on valuation of cash flow hedge derivatives | 17 | (1,609) | 3,910 | (1,440) | 3,499 | 27,476 | (25,128) | 24,589 | (22,488) |
| Other comprehensive income (loss) for the period, net of tax | | 1,351,566 | 256,034 | 1,209,545 | 229,130 | 5,650,692 | 1,295,202 | 5,056,920 | 1,159,103 |
| Total comprehensive income for the period | | 10,986,052 | 5,811,117 | 9,831,644 | 5,200,488 | 22,426,863 | 11,735,211 | 20,070,260 | 10,502,081 |
| Comprehensive income attributable to: | | | | | | | | | |
| Owners of the parent company | | 10,845,374 | 5,673,105 | 9,705,748 | 5,076,978 | 22,066,553 | 11,644,605 | 19,747,811 | 10,420,996 |
| Non-controlling interests | | 140,678 | 138,012 | 125,896 | 123,510 | 360,310 | 90,606 | 322,449 | 81,085 |

The above interim consolidated statements of comprehensive income should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In millions of Korean won)

| 2020 KRW | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Equity attributable to owners of the parent company | Non-controlling interests | Total |
|---|-------|-------------------|-----------------|------------------|--------------------|----------------------------|---|---------------------------|--------------------|
| Balance as of January 1, 2020 | | 119,467 | 778,047 | 4,403,893 | 254,582,894 | (4,968,829) | 254,915,472 | 7,964,949 | 262,880,421 |
| Profit for the period | | - | - | - | 10,378,563 | - | 10,378,563 | 61,446 | 10,440,009 |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax | | - | - | - | 13,629 | 391,139 | 404,768 | (15,429) | 389,339 |
| Share of other comprehensive income (loss) of associates and joint ventures, net of tax | | - | - | - | - | (1,116) | (1,116) | 248 | (868) |
| Gain on overseas business translation, net of tax | | - | - | - | - | 924,276 | 924,276 | 45,035 | 969,311 |
| Remeasurement of net defined benefit liabilities (assets), net of tax | | - | - | - | - | (36,758) | (36,758) | (694) | (37,452) |
| Loss on valuation of cash flow hedge derivatives | | - | - | - | - | (25,128) | (25,128) | - | (25,128) |
| Total comprehensive income for the period | | - | - | - | 10,392,192 | 1,252,413 | 11,644,605 | 90,606 | 11,735,211 |
| Dividends declared | | - | - | - | (4,810,033) | - | (4,810,033) | (7,074) | (4,817,107) |
| Capital transactions under common control | | - | - | - | - | (842) | (842) | (488) | (1,330) |
| Changes in consolidated entities | | - | - | - | - | - | - | 17,838 | 17,838 |
| Other | | - | - | - | - | (3,837) | (3,837) | (3,379) | (7,216) |
| Total transactions with owners | | - | - | - | (4,810,033) | (4,679) | (4,814,712) | 6,897 | (4,807,815) |
| Balance as of June 30, 2020 | | 119,467 | 778,047 | 4,403,893 | 260,165,053 | (3,721,095) | 261,745,365 | 8,062,452 | 269,807,817 |

The above interim consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands of US dollars (Note 2.3))

| 2020 USD | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Equity attributable to owners of the parent company | Non-controlling interests | Total |
|---|-------|-------------------|-----------------|------------------|--------------------|----------------------------|---|---------------------------|--------------------|
| Balance as of January 1, 2020 | | 106,913 | 696,290 | 3,941,134 | 227,831,455 | (4,446,707) | 228,129,085 | 7,127,996 | 235,257,081 |
| Profit for the period | | - | - | - | 9,287,989 | - | 9,287,989 | 54,989 | 9,342,978 |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax | | - | - | - | 12,197 | 350,038 | 362,235 | (13,808) | 348,427 |
| Share of other comprehensive income (loss) of associates and joint ventures, net of tax | | - | - | - | - | (999) | (999) | 222 | (777) |
| Gain on overseas business translation, net of tax | | - | - | - | - | 827,154 | 827,154 | 40,303 | 867,457 |
| Remeasurement of net defined benefit liabilities (assets), net of tax | | - | - | - | - | (32,895) | (32,895) | (621) | (33,516) |
| Loss on valuation of cash flow hedge derivatives | | - | - | - | - | (22,488) | (22,488) | - | (22,488) |
| Total comprehensive income for the period | | - | - | - | 9,300,186 | 1,120,810 | 10,420,996 | 81,085 | 10,502,081 |
| Dividends declared | | - | - | - | (4,304,596) | - | (4,304,596) | (6,331) | (4,310,927) |
| Capital transactions under common control | | - | - | - | - | (754) | (754) | (437) | (1,191) |
| Changes in consolidated entities | | - | - | - | - | - | - | 15,964 | 15,964 |
| Others | | - | - | - | - | (3,434) | (3,434) | (3,024) | (6,458) |
| Total transactions with owners | | - | - | - | (4,304,596) | (4,188) | (4,308,784) | 6,172 | (4,302,612) |
| Balance as of June 30, 2020 | | 106,913 | 696,290 | 3,941,134 | 232,827,045 | (3,330,085) | 234,241,297 | 7,215,253 | 241,456,550 |

The above interim consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In millions of Korean won)

| 2021 KRW | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Accumulated other comprehensive income attributable to assets held-for-sale | Equity attributable to owners of the parent company | Non-controlling interests | Total |
|---|-------|-------------------|-----------------|------------------|---------------------|----------------------------|---|---|---------------------------|---------------------|
| Balance as of January 1, 2021 | | 119,467 | 778,047 | 4,403,893 | 271,068,211 | (8,687,155) | (12,132) | 267,670,331 | 8,277,685 | 275,948,016 |
| Profit for the period | | - | - | - | 16,543,462 | - | - | 16,543,462 | 232,709 | 16,776,171 |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax | 17 | - | - | - | 3,049,926 | (1,043,480) | - | 2,006,446 | 93,158 | 2,099,604 |
| Share of other comprehensive income (loss) of associates and joint ventures, net of tax | 17 | - | - | - | - | 120,984 | - | 120,984 | (13,694) | 107,290 |
| Gain on overseas business translation, net of tax | 17 | - | - | - | - | 3,422,051 | - | 3,422,051 | 48,201 | 3,470,252 |
| Remeasurement of net defined benefit liabilities (assets), net of tax | 17 | - | - | - | - | (53,866) | - | (53,866) | (64) | (53,930) |
| Gain on valuation of cash flow hedge derivatives | 17 | - | - | - | - | 27,476 | - | 27,476 | - | 27,476 |
| Reclassification to assets held-for-sale | 28 | - | - | - | - | (12,132) | 12,132 | - | - | - |
| Total comprehensive income for the period | | - | - | - | 19,593,388 | 2,461,033 | 12,132 | 22,066,553 | 360,310 | 22,426,863 |
| Dividends declared | | - | - | - | (15,576,414) | - | - | (15,576,414) | (1,711) | (15,578,125) |
| Capital transactions under common control | | - | - | - | - | - | - | - | 59 | 59 |
| Changes in consolidated entities | | - | - | - | - | - | - | - | (477,307) | (477,307) |
| Others | | - | - | - | - | 56 | - | 56 | 4,704 | 4,760 |
| Total transactions with owners | | - | - | - | (15,576,414) | 56 | - | (15,576,358) | (474,255) | (16,050,613) |
| Balance as of June 30, 2021 | | 119,467 | 778,047 | 4,403,893 | 275,085,185 | (6,226,066) | - | 274,160,526 | 8,163,740 | 282,324,266 |

The above interim consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands of US dollars (Note 2.3))

| 2021 USD | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Accumulated other comprehensive income attributable to assets held-for-sale | Equity attributable to owners of the parent company | Non-controlling interests | Total |
|---|-------|-------------------|-----------------|------------------|---------------------|----------------------------|---|---|---------------------------|---------------------|
| Balance as of January 1, 2021 | | 106,913 | 696,290 | 3,941,134 | 242,584,504 | (7,774,313) | (10,857) | 239,543,671 | 7,407,870 | 246,951,541 |
| Profit for the period | | - | - | - | 14,805,084 | - | - | 14,805,084 | 208,256 | 15,013,340 |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax | 17 | - | - | - | 2,729,441 | (933,832) | - | 1,795,609 | 83,369 | 1,878,978 |
| Share of other comprehensive income (loss) of associates and joint ventures, net of tax | 17 | - | - | - | - | 108,271 | - | 108,271 | (12,255) | 96,016 |
| Gain on overseas business translation, net of tax | 17 | - | - | - | - | 3,062,464 | - | 3,062,464 | 43,136 | 3,105,600 |
| Remeasurement of net defined benefit liabilities (assets), net of tax | 17 | - | - | - | - | (48,206) | - | (48,206) | (57) | (48,263) |
| Gain on valuation of cash flow hedge derivatives | 17 | - | - | - | - | 24,589 | - | 24,589 | - | 24,589 |
| Reclassification to assets held-for-sale | 28 | - | - | - | - | (10,857) | 10,857 | - | - | - |
| Total comprehensive income for the period | | - | - | - | 17,534,525 | 2,202,429 | 10,857 | 19,747,811 | 322,449 | 20,070,260 |
| Dividends declared | | - | - | - | (13,939,652) | - | - | (13,939,652) | (1,532) | (13,941,184) |
| Capital transactions under common control | | - | - | - | - | - | - | - | 53 | 53 |
| Changes in consolidated entities | | - | - | - | - | - | - | - | (427,152) | (427,152) |
| Others | | - | - | - | - | 50 | - | 50 | 4,210 | 4,260 |
| Total transactions with owners | | - | - | - | (13,939,652) | 50 | - | (13,939,602) | (424,421) | (14,364,023) |
| Balance as of June 30, 2021 | | 106,913 | 696,290 | 3,941,134 | 246,179,377 | (5,571,834) | - | 245,351,880 | 7,305,898 | 252,657,778 |

The above interim consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | For the six-month period ended June 30, | | | |
|---|-------|---|---------------------|--------------------|--------------------|
| | | 2021 KRW | 2020 KRW | 2021 USD | 2020 USD |
| Operating activities | | | | | |
| Profit for the period | | 16,776,171 | 10,440,009 | 15,013,340 | 9,342,978 |
| Adjustments | 24 | 21,932,516 | 19,751,134 | 19,627,859 | 17,675,695 |
| Changes in assets and liabilities arising from operating activities | 24 | (7,907,113) | (2,462,019) | (7,076,238) | (2,203,311) |
| Cash generated from operations | | 30,801,574 | 27,729,124 | 27,564,961 | 24,815,362 |
| Interest received | | 686,093 | 1,078,065 | 613,999 | 964,782 |
| Interest paid | | (155,459) | (221,418) | (139,123) | (198,152) |
| Dividends received | | 202,632 | 173,027 | 181,340 | 154,845 |
| Income tax paid | | (5,645,305) | (2,130,766) | (5,052,099) | (1,906,866) |
| Net cash from operating activities | | 25,889,535 | 26,628,032 | 23,169,078 | 23,829,971 |
| Investing activities | | | | | |
| Net decrease (increase) in short-term financial instruments | | 15,611,924 | 1,551,368 | 13,971,431 | 1,388,351 |
| Net decrease (increase) in short-term financial assets at amortized cost | | 530,088 | 2,196,291 | 474,387 | 1,965,506 |
| Net decrease (increase) in short-term financial assets at fair value through profit or loss | | 21,731 | 1,196,698 | 19,448 | 1,070,950 |
| Disposal of long-term financial instruments | | 5,029,379 | 5,780,758 | 4,500,894 | 5,173,319 |
| Acquisition of long-term financial instruments | | (4,498,757) | (2,888,232) | (4,026,030) | (2,584,738) |
| Disposal of financial assets at amortized cost | | - | 871,380 | - | 779,816 |
| Disposal of financial assets at fair value through other comprehensive income | | 2,625,165 | 23,281 | 2,349,314 | 20,835 |
| Acquisition of financial assets at fair value through other comprehensive income | | (910,232) | (23,363) | (814,585) | (20,908) |
| Disposal of financial assets at fair value through profit or loss | | 88,110 | 16,266 | 78,851 | 14,557 |
| Acquisition of financial assets at fair value through profit or loss | | (46,178) | (59,850) | (41,326) | (53,561) |
| Disposal of investment in associates and joint ventures | | 916 | - | 820 | - |
| Acquisition of investment in associates and joint ventures | | (28,600) | (19,424) | (25,595) | (17,383) |
| Disposal of property, plant and equipment | | 261,152 | 134,814 | 233,710 | 120,648 |
| Acquisition of property, plant and equipment | | (23,528,054) | (18,442,051) | (21,055,738) | (16,504,170) |
| Disposal of intangible assets | | 1,215 | 2,304 | 1,087 | 2,062 |
| Acquisition of intangible assets | | (1,586,894) | (1,379,268) | (1,420,144) | (1,234,335) |
| Cash outflow from business combinations | | (5,926) | (27,412) | (5,303) | (24,532) |
| Cash inflow from sale of assets-held-for-sale | | 661,168 | - | 591,693 | - |
| Cash inflow (outflow) from other investing activities | | 26,841 | 125,780 | 24,021 | 112,563 |
| Net cash used in investing activities | | (5,746,952) | (10,940,660) | (5,143,065) | (9,791,020) |

The above interim consolidated statements of cash flows should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd. and its subsidiaries

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | For the six-month period ended June 30, | | | |
|--|-------|---|--------------------|---------------------|--------------------|
| | | 2021 | 2020 | 2021 | 2020 |
| | | KRW | KRW | USD | USD |
| Financing activities | | | | | |
| Net decrease in short-term borrowings | | (3,676,341) | (1,600,261) | (3,290,033) | (1,432,106) |
| Repayment of debentures and long-term borrowings | | (390,466) | (423,961) | (349,436) | (379,411) |
| Dividends paid | | (15,576,303) | (4,816,847) | (13,939,553) | (4,310,695) |
| Net increase in non-controlling interests | | 173 | 8,390 | 155 | 7,508 |
| Net cash used in financing activities | | (19,642,937) | (6,832,679) | (17,578,867) | (6,114,704) |
| Reclassification to assets held-for-sale | 28 | 139 | - | 124 | - |
| Effect of foreign exchange rate changes | | 801,425 | 368,921 | 717,209 | 330,155 |
| Net increase in cash and cash equivalents | | 1,301,210 | 9,223,614 | 1,164,479 | 8,254,402 |
| Cash and cash equivalents | | | | | |
| Beginning of the period | | 29,382,578 | 26,885,999 | 26,295,072 | 24,060,832 |
| End of the period | | 30,683,788 | 36,109,613 | 27,459,551 | 32,315,234 |

The above interim consolidated statements of cash flows should be read in conjunction with the accompanying notes.

3. Notes to Consolidated Financial Statements

1. General Information

1.1 Company Overview

Samsung Electronics Co., Ltd. (“SEC”) was incorporated under the laws of the Republic of Korea in 1969 and listed its shares on the Korea Stock Exchange in 1975. SEC and its subsidiaries (collectively referred to as the “Company”) operate four business divisions: Consumer Electronics (“CE”), Information technology & Mobile communications (“IM”), Device Solutions (“DS”) and Harman. CE division includes digital TVs, monitors, air conditioners and refrigerators and IM division includes mobile phones, communication systems, and computers. DS division includes semiconductor products such as memory, foundry, and system LSI (“Semiconductor”), and display products such as LCD and OLED panels (“DP”). Harman division includes connected car systems, audio and visual products, enterprise automation solutions and connected services. The Company is domiciled in the Republic of Korea and is located in Suwon, the Republic of Korea.

These consolidated financial statements have been prepared in accordance with Korean International Financial Reporting Standards (“Korean IFRS”) 1110, *Consolidated Financial Statements*. SEC, as the controlling Company, consolidates its 237 subsidiaries, including Samsung Display and Samsung Electronics America. The Company also applies the equity method of accounting for its 42 associates and joint ventures, including Samsung Electro-Mechanics Co., Ltd.

1.2 Consolidated Subsidiaries

The consolidated subsidiaries as of June 30, 2021 are as follows:

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|---------|---|--|--|
| | Samsung Electronics America, Inc. (SEA) | Sale of electronic devices | 100.0 |
| | Samsung International, Inc. (SII) | Manufacture of electronic devices | 100.0 |
| | Samsung Mexicana S.A. de C.V (SAMEX) | Manufacture of electronic devices | 100.0 |
| | Samsung Electronics Home Appliances America, LLC (SEHA) | Manufacture of home appliances | 100.0 |
| | Samsung Research America, Inc (SRA) | R&D | 100.0 |
| | Samsung Next LLC (SNX) | Management of overseas subsidiaries | 100.0 |
| | Samsung Next Fund LLC (SNXF) | Technology business, venture capital investments | 100.0 |
| | NeuroLogica Corp. | Manufacture and sale of medical equipment | 100.0 |
| | Samsung HVAC America, LLC | Sale of air conditioning products | 100.0 |
| America | Prismview, LLC | Manufacture and sale of LED displays | 100.0 |
| | Joyent, Inc. | Cloud services | 100.0 |
| | Dacor Holdings, Inc. | Management of overseas subsidiaries | 100.0 |
| | Dacor, Inc. | Manufacture and sale of home appliances | 100.0 |
| | Dacor Canada Co. | Sale of home appliances | 100.0 |
| | SmartThings, Inc. | Sale of smart home electronics | 100.0 |
| | TeleWorld Solutions, Inc. (TWS) | Installation of network devices | 100.0 |
| | TWS LATAM B, LLC | Management of overseas subsidiaries | 100.0 |
| | TWS LATAM S, LLC | Management of overseas subsidiaries | 100.0 |
| | SNB Technologies, Inc. Mexico, S.A. de C.V | Installation of network devices | 100.0 |
| | Zhilabs Inc. | Sale of network solutions | 100.0 |

¹ Ownership represents the Company’s ownership of the voting rights in each entity, including subsidiaries’ ownerships.

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|---------|--|---|--|
| America | Samsung Semiconductor, Inc. (SSI) | Sale of semiconductor and display panels | 100.0 |
| | Samsung Austin Semiconductor LLC. (SAS) | Manufacture of semiconductors | 100.0 |
| | Samsung Oak Holdings, Inc. (SHI) | Management of overseas subsidiaries | 100.0 |
| | SEMES America, Inc. | Semiconductor equipment services | 100.0 |
| | Samsung Electronics Canada, Inc. (SECA) | Sale of electronic devices | 100.0 |
| | AdGear Technologies Inc. | Digital advertising platforms | 100.0 |
| | Samsung Eletronica da Amazonia Ltda. (SEDA) | Manufacture and sale of electronic devices | 100.0 |
| | Samsung Electronics Mexico S.A. De C.V. (SEM) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Digital Appliance Mexico, SA de CV (SEDAM) | Manufacture of home appliances | 100.0 |
| | Samsung Electronics Latinoamerica (Zona Libre), S. A. (SELA) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Latinoamerica Miami, Inc. (SEMI) | Sale of electronic devices | 100.0 |
| | Samsung Electronica Colombia S.A. (SAMCOL) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Argentina S.A. (SEASA) | Marketing and services | 100.0 |
| | Samsung Electronics Chile Limitada (SECH) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Peru S.A.C. (SEPR) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Venezuela, C.A. (SEVEN) | Marketing and services | 100.0 |
| | Samsung Electronics Panama. S.A. (SEPA) | Consulting | 100.0 |
| | Harman International Industries, Inc. | Holding company | 100.0 |
| | Harman Becker Automotive Systems, Inc. | Manufacture and sale of audio products, R&D | 100.0 |
| | Harman Connected Services, Inc. | Connected service provider | 100.0 |
| | Harman Connected Services Engineering Corp. | Connected service provider | 100.0 |
| | Harman da Amazonia Industria Eletronica e Participacoes Ltda. | Manufacture and sale of audio products | 100.0 |
| | Harman de Mexico, S. de R.L. de C.V. | Manufacture of audio products | 100.0 |
| | Harman do Brasil Industria Eletronica e Participacoes Ltda. | Sale of audio products, R&D | 100.0 |
| | Harman Financial Group LLC | Management company | 100.0 |
| | Harman International Industries Canada Ltd. | Sale of audio products | 100.0 |
| | Harman International Mexico, S. de R.L. de C.V. | Sale of audio products | 100.0 |
| | Harman KG Holding, LLC | Management of overseas subsidiaries | 100.0 |
| | Harman Professional, Inc. | Sale of audio products, R&D | 100.0 |
| | RT SV CO-INVEST, LP | Venture capital investments | 99.9 |
| | Beijing Integrated Circuit Industry International Fund, L.P | Venture capital investments | 61.4 |
| | China Materialia New Materials 2016 Limited Partnership | Venture capital investments | 99.0 |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|--|--|--|--|
| Europe/CIS | Samsung Electronics (UK) Ltd. (SEUK) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Ltd. (SEL) | Management of overseas subsidiaries | 100.0 |
| | Samsung Semiconductor Europe Limited (SSEL) | Sale of semiconductor and display panels | 100.0 |
| | Samsung Electronics GmbH (SEG) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Holding GmbH (SEHG) | Management of overseas subsidiaries | 100.0 |
| | Samsung Semiconductor Europe GmbH (SSEG) | Sale of semiconductor and display panels | 100.0 |
| | Samsung Electronics France S.A.S (SEF) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Italia S.P.A. (SEI) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Iberia, S.A. (SESA) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Portuguesa, Unipessoal, Lda. (SEP) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Hungarian Private Co. Ltd. (SEH) | Manufacture and sale of electronic devices | 100.0 |
| | Samsung Electronics Europe Logistics B.V. (SELS) | Logistics | 100.0 |
| | Samsung Electronics Benelux B.V. (SEBN) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Europe Holding Cooperatief U.A. (SEEH) | Management of overseas subsidiaries | 100.0 |
| | Samsung Electronics Nordic Aktiebolag (SENA) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Slovakia s.r.o (SESK) | Manufacture of TV and monitors | 100.0 |
| | Samsung Display Slovakia s.r.o. (SDSK) | Toll processing of display panels | 100.0 |
| | Samsung Electronics Polska, SP.Zo.o (SEPOL) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Poland Manufacturing SP.Zo.o (SEPM) | Manufacture of home appliances | 100.0 |
| | Samsung Electronics Romania LLC (SEROM) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Austria GmbH (SEAG) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Switzerland GmbH (SESG) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Czech and Slovak s.r.o. (SECZ) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Baltics SIA (SEB) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Greece S.M.S.A (SEGR) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Air Conditioner Europe B.V. (SEACE) | Sale of air conditioning products | 100.0 |
| | Samsung Nanoradio Design Center (SNDC) | R&D | 100.0 |
| | Samsung Denmark Research Center ApS (SDRC) | R&D | 100.0 |
| | Samsung Cambridge Solution Centre Limited (SCSC) | R&D | 100.0 |
| | Zhilabs, S.L. | Development and sale of network solutions | 100.0 |
| | Foodient Ltd. | R&D | 100.0 |
| | Samsung Electronics Rus Company LLC (SERC) | Sale of electronic devices | 100.0 |
| Samsung Electronics Rus Kaluga LLC (SERK) | Manufacture of TV | 100.0 | |
| Samsung Electronics Ukraine Company LLC (SEUC) | Sale of electronic devices | 100.0 | |
| Samsung Electronics Central Eurasia LLP (SECE) | Sale of electronic devices | 100.0 | |
| Samsung Electronics Overseas B.V. (SEO) | Sale of electronic devices | 100.0 | |
| Samsung R&D Institute Rus LLC (SRR) | R&D | 100.0 | |
| Samsung Electronics Caucasus Co., Ltd. (SECC) | Marketing | 100.0 | |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|------------|--|---|--|
| | AKG Acoustics GmbH | Manufacture and sale of audio products | 100.0 |
| | AMX UK Limited | Sale of audio products | 100.0 |
| | A&R Cambridge Limited | Sale of audio products | 100.0 |
| | Harman Audio Iberia Espana Sociedad Limitada | Sale of audio products | 100.0 |
| | Harman Automotive UK Limited | Manufacture of audio products | 100.0 |
| | Harman Becker Automotive Systems GmbH | Manufacture and sale of audio products, R&D | 100.0 |
| | Harman Becker Automotive Systems Italy S.R.L. | Sale of audio products | 100.0 |
| | Harman Becker Automotive Systems Manufacturing Kft | Manufacture of audio products, R&D | 100.0 |
| | Harman Belgium SA | Sale of audio products | 100.0 |
| | Harman Connected Services AB. | Connected service provider | 100.0 |
| | Harman Finland Oy | Connected service provider | 100.0 |
| | Harman Connected Services GmbH | Connected service provider | 100.0 |
| | Harman Connected Services Limited | Connected service provider | 100.0 |
| | Harman Connected Services Poland Sp.zoo | Connected service provider | 100.0 |
| | Harman Connected Services UK Ltd. | Connected service provider | 100.0 |
| | Harman Consumer Nederland B.V. | Sale of audio products | 100.0 |
| | Harman Deutschland GmbH | Sale of audio products | 100.0 |
| Europe/CIS | Harman Finance International GP S.a.r.l | Management of overseas subsidiaries | 100.0 |
| | Harman France SNC | Sale of audio products | 100.0 |
| | Harman Holding GmbH & Co. KG | Management company | 100.0 |
| | Harman Hungary Financing Ltd. | Financing company | 100.0 |
| | Harman Inc. & Co. KG | Management of overseas subsidiaries | 100.0 |
| | Harman International Estonia OU | R&D | 100.0 |
| | Harman International Industries Limited | Sale of audio products, R&D | 100.0 |
| | Harman International Romania SRL | R&D | 100.0 |
| | Harman Finance International, SCA | Financing company | 100.0 |
| | Harman International s.r.o | Manufacture of audio products | 100.0 |
| | Harman Management GmbH | Management of overseas subsidiaries | 100.0 |
| | Harman Professional Kft | Manufacture of audio products, R&D | 100.0 |
| | Martin Manufacturing (UK) Ltd. | Manufacture of audio products | 100.0 |
| | Harman Professional Denmark ApS | Sale of audio products, R&D | 100.0 |
| | Red Bend Software Ltd. | Software design | 100.0 |
| | Red Bend Software SAS | Software design | 100.0 |
| | Studer Professional Audio GmbH | Sale of audio products, R&D | 100.0 |
| | Harman Connected Services OOO | Connected service provider | 100.0 |
| | Harman RUS CIS LLC | Sale of audio products | 100.0 |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|------------------------------|---|--|--|
| Middle East & Africa | Samsung Gulf Electronics Co., Ltd. (SGE) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Turkey (SETK) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Industry and Commerce Ltd. (SETK-P) | Manufacture of electronic devices | 100.0 |
| | Samsung Electronics Levant Co.,Ltd. (SELV) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Maghreb Arab (SEMAG) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Egypt S.A.E (SEEG) | Manufacture and sale of electronic devices | 100.0 |
| | Samsung Electronics Israel Ltd. (SEIL) | Marketing | 100.0 |
| | Samsung Electronics Tunisia S.A.R.L (SETN) | Marketing | 100.0 |
| | Samsung Electronics Pakistan(Private) Ltd. (SEPAK) | Marketing | 100.0 |
| | Samsung Electronics Saudi Arabia Ltd. (SESAR) | Sale of electronic devices | 100.0 |
| | Samsung Semiconductor Israel R&D Center, Ltd. (SIRC) | R&D | 100.0 |
| | Corephotonics Ltd. | R&D | 100.0 |
| | Samsung Electronics South Africa(Pty) Ltd. (SSA) | Sale of electronic devices | 100.0 |
| | Samsung Electronics South Africa Production (pty) Ltd. (SSAP) | Manufacture of TV and monitors | 100.0 |
| | Samsung Electronics West Africa Ltd. (SEWA) | Marketing | 100.0 |
| | Samsung Electronics East Africa Ltd. (SEEA) | Marketing | 100.0 |
| | Global Symphony Technology Group Private Ltd. | Management of overseas subsidiaries | 100.0 |
| | Harman Connected Services Morocco | Connected service provider | 100.0 |
| | Harman Industries Holdings Mauritius Ltd. | Management of overseas subsidiaries | 100.0 |
| | Red Bend Ltd. | Manufacture of audio products | 100.0 |
| Asia (Excluding China) | Samsung Asia Pte. Ltd. (SAPL) | Management of overseas subsidiaries | 100.0 |
| | Samsung Electronics Singapore Pte. Ltd. (SESP) | Sale of electronic devices | 100.0 |
| | Samsung Malaysia Electronics (SME) Sdn. Bhd. (SME) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Display (M) Sdn. Bhd. (SDMA) | Manufacture of electronic devices | 100.0 |
| | Samsung Electronics (M) Sdn. Bhd. (SEMA) | Manufacture of home appliances | 100.0 |
| | Samsung Vina Electronics Co., Ltd. (SAVINA) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Vietnam Co., Ltd. (SEV) | Manufacture of electronic devices | 100.0 |
| | Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT) | Manufacture of communication equipment | 100.0 |
| | Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC) | Manufacture and sale of electronic devices | 100.0 |
| | Samsung Display Vietnam Co., Ltd. (SDV) | Manufacture of display panels | 100.0 |
| | PT Samsung Electronics Indonesia (SEIN) | Manufacture and sale of electronic devices | 100.0 |
| | PT Samsung Telecommunications Indonesia (STIN) | Sale of electronic devices and services | 100.0 |
| | Thai Samsung Electronics Co., Ltd. (TSE) | Manufacture and sale of electronic devices | 91.8 |
| | Laos Samsung Electronics Sole Co., Ltd (LSE) | Marketing | 100.0 |
| | Samsung Electronics Philippines Corporation (SEPCO) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Australia Pty. Ltd. (SEAU) | Sale of electronic devices | 100.0 |
| | Samsung Electronics New Zealand Limited (SENZ) | Sale of electronic devices | 100.0 |
| | Samsung India Electronics Private Ltd. (SIEL) | Manufacture and sale of electronic devices | 100.0 |
| | Samsung Display Noida Private Limited (SDN) | Manufacture of display panels | 100.0 |
| | Samsung R&D Institute India-Bangalore Private Limited (SRI-B) | R&D | 100.0 |
| | Samsung R&D Institute BanglaDesh Limited (SRBD) | R&D | 100.0 |
| | Samsung Nepal Services Pvt, Ltd (SNSL) | Service | 100.0 |
| | Samsung Japan Corporation (SJC) | Sale of semiconductor and display panels | 100.0 |
| | Samsung R&D Institute Japan Co. Ltd. (SRJ) | R&D | 100.0 |
| | Samsung Electronics Japan Co., Ltd. (SEJ) | Sale of electronic devices | 100.0 |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|------------------------------|---|--|--|
| Asia (Excluding China) | Harman Connected Services Corp. India Pvt. Ltd. | Connected service provider | 100.0 |
| | Harman International (India) Private Limited | Sale of audio products, R&D | 100.0 |
| | Harman International Industries PTY Ltd. | Management of overseas subsidiaries | 100.0 |
| | Harman International Japan Co., Ltd. | Sale of audio products, R&D | 100.0 |
| | Harman Singapore Pte. Ltd. | Sale of audio products | 100.0 |
| China | Samsung (CHINA) Investment Co., Ltd. (SCIC) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Hong Kong Co., Ltd. (SEHK) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Taiwan Co., Ltd. (SET) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Huizhou Co., Ltd. (SEHZ) | Manufacture of electronic devices | 100.0 |
| | Tianjin Samsung Electronics Co., Ltd. (TSEC) | Manufacture of TV and monitors | 91.2 |
| | Suzhou Samsung Electronics Co., Ltd. (SSEC) | Manufacture of home appliances | 88.3 |
| | Samsung Suzhou Electronics Export Co., Ltd. (SSEC-E) | Manufacture of home appliances | 100.0 |
| | Samsung Electronics Suzhou Computer Co., Ltd. (SESC) | Manufacture of electronic devices, R&D | 100.0 |
| | Tianjin Samsung Telecom Technology Co., Ltd. (TSTC) | Manufacture of communication equipment | 90.0 |
| | Shenzhen Samsung Electronics Telecommunication Co., Ltd. (SSET) | Manufacture of communication equipment | 100.0 |
| | Beijing Samsung Telecom R&D Center (SRC-Beijing) | R&D | 100.0 |
| | Samsung Electronics China R&D Center (SRC-Nanjing) | R&D | 100.0 |
| | Samsung Mobile R&D Center China-Guangzhou (SRC-Guangzhou) | R&D | 100.0 |
| | Samsung R&D Institute China-Shenzhen (SRC-Shenzhen) | R&D | 100.0 |
| | Shanghai Samsung Semiconductor Co., Ltd. (SSS) | Sale of semiconductor and display panels | 100.0 |
| | Samsung (China) Semiconductor Co., Ltd. (SCS) | Manufacture of semiconductors | 100.0 |
| | Samsung Semiconductor Xian Co., Ltd. (SSCX) | Sale of semiconductor and display panels | 100.0 |
| | Samsung Electronics Suzhou Semiconductor Co., Ltd. (SESS) | Toll processing of semiconductors | 100.0 |
| | Tianjin Samsung LED Co., Ltd. (TSLED) | Manufacture of LED | 100.0 |
| | Samsung Semiconductor (China) R&D Co., Ltd. (SSCR) | R&D | 100.0 |
| | Samsung Display Dongguan Co., Ltd. (SDD) | Manufacture of display panels | 100.0 |
| | Samsung Display Tianjin Co., Ltd. (SDT) | Manufacture of display panels | 95.0 |
| | SEMES (XIAN) Co., Ltd. | Semiconductor equipment services | 100.0 |
| | Harman (China) Technologies Co., Ltd. | Manufacture of audio products | 100.0 |
| | Harman (Suzhou) Audio and Infotainment Systems Co., Ltd. | Sale of audio products | 100.0 |
| | Harman Automotive Electronic Systems (Suzhou) Co., Ltd. | Manufacture of audio products, R&D | 100.0 |
| | Harman Commercial (Shanghai) Co., Ltd. | Sale of audio products | 100.0 |
| | Harman Connected Services Solutions (Chengdu) Co., Ltd. | Connected service provider | 100.0 |
| | Harman Holding Limited | Sale of audio products | 100.0 |
| | Harman International (China) Holdings Co., Ltd. | Sale of audio products, R&D | 100.0 |
| | Harman Technology (Shenzhen) Co., Ltd. | Sale of audio products, R&D | 100.0 |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|----------|--|---|--|
| | Samsung Display Co., Ltd. | Manufacture and sale of display panels | 84.8 |
| | SU Materials | Manufacture of display components | 50.0 |
| | STECO Co., Ltd. | Manufacture of semiconductor components | 70.0 |
| | SEMES Co., Ltd. | Manufacture and sale of semiconductor/FPD | 91.5 |
| | Samsung Electronics Service Co., Ltd. | Repair services for electronic devices | 99.3 |
| | Samsung Electronics Service Customer Satisfaction Co., Ltd. | Call center for repair services for electronic devices | 100.0 |
| | Samsung Electronics Sales Co., Ltd. | Sale of electronic devices | 100.0 |
| | Samsung Electronics Logitech Co., Ltd. | General logistics agency | 100.0 |
| | Samsung Medison Co., Ltd. | Manufacture and sale of medical equipment | 68.5 |
| | Mirero System Co., Ltd. | Development and supply of semiconductor process defect and quality control software | 99.9 |
| | Dowooinsys Co., Ltd. | Manufacture of display components | 51.8 |
| | Gf-System Co., Ltd. | Manufacture of display components | 100.0 |
| | Harman International Korea | Software development and supply, etc. | 100.0 |
| Domestic | Samsung Venture Capital Union #21 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #22 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #26 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #27 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #28 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #29 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #32 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #33 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #37 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #40 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #42 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #43 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #45 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #48 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #52 | Technology business, Venture capital investments | 99.0 |
| | Growth type private equity trust specialized in semiconductors | Investment on semiconductor industry | 66.7 |
| | System LSI Mutual benefit private equity trust | Investment on semiconductor industry | 62.5 |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

1.3 Summary of Financial Data of Major Consolidated Subsidiaries

Summary of financial data of major consolidated subsidiaries is as follows:

(1) 2021

| <i>(In millions of Korean won)</i> | June 30, 2021 | | | | | |
|--|---------------------|-------------|--------------------------------------|---------------|------------------------------------|---------------|
| | As of June 30, 2021 | | For the three months period ended | | For the six months period ended | |
| Major subsidiaries ¹ | Assets | Liabilities | Sales | Profit (loss) | Sales | Profit (loss) |
| Samsung Display | 49,729,652 | 5,663,708 | 6,355,181 | 1,005,746 | 12,413,332 | 1,017,568 |
| Samsung Electronics America, Inc. (SEA) | 38,296,076 | 15,782,511 | 9,317,000 | 525,279 | 18,913,228 | 728,862 |
| Samsung (China) Semiconductor Co., Ltd. (SCS) | 18,101,750 | 5,976,611 | 1,659,215 | 384,457 | 3,144,758 | 766,651 |
| Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT) | 15,916,433 | 2,502,669 | 5,995,489 | 442,022 | 14,106,224 | 1,105,944 |
| Harman and its subsidiaries ² | 15,018,350 | 5,727,371 | 2,411,284 | 58,381 | 4,770,008 | 120,663 |
| Samsung Electronics Europe Holding Cooperatief U.A. (SEEH) | 12,578,516 | 7,633,356 | - | 9,776 | - | 10,689 |
| Samsung (CHINA) Investment Co., Ltd. (SCIC) | 12,471,016 | 8,912,485 | 553,121 | 214,923 | 1,286,821 | 329,385 |
| Samsung Electronics Vietnam Co., Ltd. (SEV) | 12,446,903 | 1,452,833 | 4,091,453 | 385,054 | 9,447,735 | 877,440 |
| Samsung Asia Pte. Ltd. (SAPL) | 11,734,800 | 81,107 | - | 2,257,086 | - | 2,273,905 |
| Samsung Semiconductor, Inc. (SSI) | 11,440,849 | 5,958,870 | 7,782,566 | 14,051 | 13,615,982 | 37,493 |
| Samsung Austin Semiconductor LLC. (SAS) | 8,095,822 | 902,212 | 1,030,294 | 296,452 | 1,953,255 | 564,441 |
| Shanghai Samsung Semiconductor Co., Ltd. (SSS) | 7,748,630 | 6,055,667 | 8,094,226 | 100,836 | 15,108,630 | 175,073 |
| Samsung India Electronics Private Ltd. (SIEL) | 6,487,194 | 2,469,824 | 1,945,212 | 13,832 | 5,404,547 | 206,737 |
| Samsung Display Vietnam Co., Ltd. (SDV) | 6,054,008 | 2,464,427 | 3,617,308 | 229,569 | 8,053,609 | 420,324 |
| Samsung Eletronica da Amazonia Ltda. (SEDA) | 5,652,917 | 1,462,853 | 1,402,834 | 140,264 | 2,934,040 | 282,192 |
| Thai Samsung Electronics Co., Ltd. (TSE) | 2,881,053 | 535,992 | 1,100,874 | (23,233) | 2,180,560 | (30,596) |
| Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC) | 2,839,570 | 994,861 | 1,818,069 | 119,993 | 3,586,130 | 199,329 |
| Samsung Electronics (UK) Ltd. (SEUK) | 2,691,866 | 2,023,530 | 1,136,018 | 16,352 | 2,633,483 | 29 |
| Samsung Electronics Benelux B.V. (SEBN) | 2,288,470 | 650,727 | 538,948 | 131,394 | 1,268,273 | 136,646 |
| Samsung Electronics Hungarian Private Co. Ltd. (SEH) | 2,264,545 | 501,908 | 879,859 | (7,903) | 1,890,482 | (32,452) |
| Samsung Electronics Taiwan Co., Ltd. (SET) | 2,182,662 | 1,677,280 | 1,496,305 | 6,537 | 2,720,285 | 11,537 |
| SEMES Co., Ltd. | 2,181,140 | 982,947 | 1,002,264 | 100,330 | 1,871,551 | 185,905 |
| Samsung Electronics Europe Logistics B.V. (SELS) | 2,149,009 | 1,400,231 | 3,295,257 | 99,465 | 7,387,221 | 597,657 |
| Samsung International, Inc. (SII) | 2,066,495 | 1,028,137 | 1,765,245 | 59,685 | 3,033,326 | 110,307 |
| Samsung Display Dongguan Co., Ltd. (SDD) | 1,996,507 | 364,479 | 1,013,269 | 46,973 | 1,956,877 | 94,341 |

¹ Summary of financial information is based on separate financial statements of each subsidiary.

² Consolidated financial data of an intermediate company that includes Harman International Industries, Inc. and its subsidiaries.

(2) 2020

| <i>(In millions of Korean won)</i> | June 30, 2020 | | | | | |
|--|--------------------------------|--------------------|--|----------------------|--|----------------------|
| | As of December 31, 2020 | | For the three months period ended | | For the six months period ended | |
| | Assets | Liabilities | Sales | Profit (loss) | Sales | Profit (loss) |
| Major subsidiaries¹ | | | | | | |
| Samsung Display | 50,039,755 | 7,612,332 | 6,214,226 | 440,602 | 11,565,360 | 57,713 |
| Samsung Electronics America, Inc. (SEA) | 36,765,070 | 15,828,083 | 6,760,335 | 360,723 | 15,655,607 | 1,081,518 |
| Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT) | 15,500,024 | 2,574,442 | 5,814,871 | 495,558 | 14,003,848 | 1,242,120 |
| Samsung (CHINA) Investment Co., Ltd. (SCIC) | 15,438,819 | 12,358,881 | 596,478 | 55,331 | 1,204,910 | 108,341 |
| Harman and its subsidiaries ² | 14,702,005 | 5,776,884 | 1,535,867 | (714,152) | 3,626,104 | (933,998) |
| Samsung (China) Semiconductor Co., Ltd. (SCS) | 14,348,735 | 3,511,003 | 1,281,964 | 284,259 | 2,256,719 | 394,028 |
| Samsung Electronics Vietnam Co., Ltd. (SEV) | 12,623,956 | 1,805,326 | 3,440,659 | 222,612 | 8,900,646 | 652,240 |
| Samsung Electronics Europe Holding Cooperatief U.A. (SEEH) | 11,495,430 | 7,641,709 | - | 9,737 | - | 9,543 |
| Samsung Semiconductor, Inc. (SSI) | 9,669,349 | 4,427,701 | 6,476,342 | 25,357 | 11,065,791 | 90,508 |
| Samsung Asia Private Ltd. (SAPL) | 9,552,755 | 523,402 | 311,003 | 47,795 | 793,407 | 114,647 |
| Shanghai Samsung Semiconductor Co., Ltd. (SSS) | 7,678,989 | 5,010,041 | 6,861,036 | 74,816 | 13,083,415 | 146,967 |
| Samsung Display Vietnam Co., Ltd. (SDV) | 7,400,563 | 4,354,887 | 2,821,711 | (134,723) | 6,993,387 | (5,704) |
| Samsung Austin Semiconductor LLC. (SAS) | 6,912,610 | 538,288 | 1,039,689 | 276,618 | 2,141,866 | 584,880 |
| Samsung Eletronica da Amazonia Ltda. (SEDA) | 6,280,131 | 1,556,057 | 1,128,098 | 126,322 | 2,816,760 | 350,439 |
| Samsung India Electronics Private Ltd. (SIEL) | 6,250,492 | 2,523,027 | 1,875,006 | 68,846 | 4,435,830 | 237,059 |
| Thai Samsung Electronics Co., Ltd. (TSE) | 2,920,299 | 451,055 | 834,100 | 46,361 | 1,739,850 | 64,975 |
| Samsung Electronics (UK) Ltd. (SEUK) | 2,767,563 | 1,886,447 | 992,475 | 75,525 | 2,107,633 | 45,421 |
| Samsung Electronics GmbH (SEG) | 2,687,535 | 2,626,979 | 1,218,621 | 10,896 | 2,724,199 | 52,585 |
| Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC) | 2,609,150 | 1,026,901 | 1,373,288 | 69,809 | 2,638,510 | 204,871 |
| Samsung Electronics Hungarian Private Co. Ltd. (SEH) | 2,230,457 | 504,952 | 724,045 | 44,401 | 1,463,398 | 89,082 |
| Samsung Electronics Benelux B.V. (SEBN) | 2,145,488 | 736,480 | 469,697 | 7,353 | 1,100,566 | 33,728 |
| Samsung Display Dongguan Co., Ltd. (SDD) | 1,767,663 | 300,080 | 986,129 | 56,570 | 1,576,835 | 84,383 |
| Samsung Electronics Europe Logistics B.V. (SELS) | 1,700,033 | 1,550,350 | 2,549,887 | 81,196 | 5,695,126 | 351,318 |
| Samsung Electronics France S.A.S (SEF) | 1,688,580 | 1,207,359 | 642,920 | 19,309 | 1,461,119 | 21,963 |
| Samsung Japan Corporation (SJC) | 1,668,902 | 1,381,443 | 749,085 | 976 | 1,316,812 | 2,915 |

¹ Summary of financial information is based on separate financial statements of each subsidiary.

² Consolidated financial data of an intermediate company that includes Harman International Industries, Inc. and its subsidiaries.

1.4 Changes in Consolidation Scope

Changes in consolidation scope during the six month period ended June 30, 2021 are as follows:

| Change | Area | Subsidiary | Description |
|----------|----------------------|---|------------------|
| Included | Middle East & Africa | Samsung Electronics Industry and Commerce Ltd. (SETK-P) | Establishment |
| | Domestic | Samsung Venture Capital Union #52 | Establishment |
| Excluded | | Viv Labs, Inc. | Merger |
| | America | Stellus Technologies, Inc. | Liquidation |
| | | SigMast Communications Inc. | Liquidation |
| | Europe / CIS | Arcam Limited | Liquidation |
| | China | Samsung Suzhou Module Co., Ltd. (SSM) | Sale of business |
| | | Samsung Suzhou LCD Co., Ltd. (SSL) | Sale of business |

2. Significant Accounting Policies

2.1 Basis of Presentation

The Company maintains its accounting records in Korean won and prepares statutory financial statements in the Korean language (Hangul) in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (“Korean IFRS”). The accompanying interim consolidated financial statements have been condensed, restructured and translated into English from the Korean language financial statements.

The interim consolidated financial statements for the six-month period ended June 30, 2021, have been prepared in accordance with *Korean IFRS 1034, Interim Financial Reporting*. These interim consolidated financial statements have been prepared in accordance with the Korean IFRS which is effective as of June 30, 2021.

(A) New and amended standards adopted by the Company

The Company applied the following amended and enacted standards for the first time for their annual reporting period commencing January 1, 2021:

Amendments to Korean IFRS 1116, Lease

The amendments introduce a practical expedient that simplifies how a lessee accounts for COVID-19 related rent concessions, and a lessee may elect not to assess whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. A lease that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this standard if the change were not a lease modification. The application of amendments does not have a significant impact on the Company’s interim consolidated financial statements.

(B) New and amended standards not yet adopted by the Company

The amended accounting standard issued that is not mandatory for the annual reporting period commencing January 1, 2021 and has not been early adopted by the Company is as follows:

Amendments to Korean IFRS 1016 Property, Plant and Equipment

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss. The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with early adoption permitted.

2.2 Accounting Policies

Significant accounting policies and method of computation used in the preparation of the interim consolidated financial statements are consistent with those of the annual financial statements for the year ended December 31, 2020, except for the changes due to the application of amendments and enactments of standards described in Note 2.1 and as described below.

(A) Income tax expense

Income tax expense for the interim period is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual effective income tax rate is applied to the pre-tax income of the interim period.

2.3 Convenience Translation into United States Dollar Amounts

The Company operates primarily in Korean won and its official accounting records are maintained in Korean won. The US dollar amounts provided in the consolidated financial statements represent supplementary information solely for the convenience of the reader. All Korean won amounts are expressed in US dollars at the rate of ₩ 1,117.4 to \$1, the average exchange rate for the six-month periods ended June 30, 2021. Such presentation is not in accordance with generally accepted accounting principles, and should not be construed as a representation that the Korean won amounts shown could be readily converted, realized or settled in US dollars at this or at any other rate.

2.4 Critical Accounting Estimates and Assumptions

In preparing the interim consolidated financial statements, the management of the Company makes judgements, estimates and assumptions on matters which affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates, by definition, seldom equal the related actual results. Recent spread of COVID-19 may result in changes to the Company's assumptions and estimates, but its potential financial impact cannot be reasonably estimated as of the reporting date.

Critical accounting estimates and assumptions made in the preparation of the interim consolidated financial statements are consistent with those applied in the preparation of the annual consolidated financial statements for the year ended December 31, 2020, except for the estimates used to determine the income tax expense.

3. Financial Instruments by Category

(A) Categorizations of financial assets and liabilities as of June 30, 2021 and December 31, 2020 are as follows:

(1) As of June 30, 2021

| <i>(In millions of Korean won)</i> | Financial assets measured at amortized cost | Financial assets measured at fair value through other comprehensive income | Financial assets measured at fair value through profit or loss | Other financial assets ¹ | Total |
|--|---|---|---|--|-------------|
| Financial assets | | | | | |
| Cash and cash equivalents | 30,683,788 | - | - | - | 30,683,788 |
| Short-term financial instruments | 77,777,032 | - | - | - | 77,777,032 |
| Short-term financial assets at amortized cost | 2,350,399 | - | - | - | 2,350,399 |
| Short-term financial assets at fair value through profit or loss | - | - | 49,720 | - | 49,720 |
| Trade receivables | 35,624,916 | - | - | - | 35,624,916 |
| Financial assets at fair value through other comprehensive income | - | 12,783,735 | - | - | 12,783,735 |
| Financial assets at fair value through profit or loss | - | - | 1,215,585 | - | 1,215,585 |
| Other | 7,974,985 | - | 269,529 | 29,788 | 8,274,302 |
| Total | 154,411,120 | 12,783,735 | 1,534,834 | 29,788 | 168,759,477 |

¹Other financial assets include derivatives designated as hedging instruments which are not subject to categorizations.

| <i>(In millions of Korean won)</i> | Financial liabilities measured at amortized cost | Financial liabilities measured at fair value through profit or loss | Other financial liabilities ¹ | Total |
|--|--|--|---|------------|
| Financial liabilities | | | | |
| Trade payables | 11,052,623 | - | - | 11,052,623 |
| Short-term borrowings | 2,059,442 | - | 10,828,409 | 12,887,851 |
| Other payables | 11,001,869 | - | - | 11,001,869 |
| Current portion of long-term liabilities | 493,487 | - | 710,802 | 1,204,289 |
| Debentures | 490,459 | - | - | 490,459 |
| Long-term borrowings | - | - | 2,152,273 | 2,152,273 |
| Long-term other payables | 2,812,201 | - | - | 2,812,201 |
| Other | 9,637,260 | 273,597 | 18,189 | 9,929,046 |
| Total | 37,547,341 | 273,597 | 13,709,673 | 51,530,611 |

¹Other financial liabilities include collateralized borrowings, lease liabilities and derivatives designated as hedging instruments which are not subject to categorizations.

(2) As of December 31, 2020

| <i>(In millions of Korean won)</i> | Financial assets measured at amortized cost | Financial assets measured at fair value through other comprehensive income | Financial assets measured at fair value through profit or loss | Other financial assets¹ | Total |
|---|--|---|---|---|--------------------|
| Financial assets | | | | | |
| Cash and cash equivalents | 29,382,578 | - | - | - | 29,382,578 |
| Short-term financial instruments | 92,441,703 | - | - | - | 92,441,703 |
| Short-term financial assets at amortized cost | 2,757,111 | - | - | - | 2,757,111 |
| Short-term financial assets at fair value through profit or loss | - | - | 71,451 | - | 71,451 |
| Trade receivables | 30,965,058 | - | - | - | 30,965,058 |
| Financial assets at fair value through other comprehensive income | - | 12,575,216 | - | - | 12,575,216 |
| Financial assets at fair value through profit or loss | - | - | 1,202,969 | - | 1,202,969 |
| Other | 6,395,766 | - | 215,797 | 23,310 | 6,634,873 |
| Total | 161,942,216 | 12,575,216 | 1,490,217 | 23,310 | 176,030,959 |

¹ Other financial assets include derivatives designated as hedging instruments which are not subject to categorizations.

| <i>(In millions of Korean won)</i> | Financial liabilities measured at amortized cost | Financial liabilities measured at fair value through profit or loss | Other financial liabilities¹ | Total |
|--|---|--|--|-------------------|
| Financial liabilities | | | | |
| Trade payables | 9,739,222 | - | - | 9,739,222 |
| Short-term borrowings | 2,278,386 | - | 14,275,043 | 16,553,429 |
| Other payables | 10,645,637 | - | - | 10,645,637 |
| Current portion of long-term liabilities | 5,318 | - | 710,781 | 716,099 |
| Debentures | 948,137 | - | - | 948,137 |
| Long-term borrowings | - | - | 1,999,716 | 1,999,716 |
| Long-term other payables | 1,272,128 | 2,176 | - | 1,274,304 |
| Others | 9,354,624 | 242,698 | 41,930 | 9,639,252 |
| Total | 34,243,452 | 244,874 | 17,027,470 | 51,515,796 |

¹ Other financial liabilities include collateralized borrowings, lease liabilities, and derivatives designated as hedging instruments which are not subject to categorizations.

4. Financial Assets at Fair Value

(A) Details of financial assets at fair value as of June 30, 2021 and December 31, 2020 are as follows:

(1) Financial assets at fair value through other comprehensive income

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|------------------------------------|----------------------|--------------------------|
| Non-current portion | | |
| Equity instruments | 12,783,735 | 12,575,216 |

(2) Financial assets at fair value through profit or loss

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|------------------------------------|----------------------|--------------------------|
| Current portion | | |
| Debt instruments | 49,720 | 71,451 |
| Non-current portion | | |
| Equity instruments | 818,323 | 819,144 |
| Debt instruments | 397,262 | 383,825 |
| Subtotal | 1,215,585 | 1,202,969 |
| Total | 1,265,305 | 1,274,420 |

(B) Details of listed equity securities of financial assets at fair value as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won, number of shares and percentage)</i> | June 30, 2021 | | | December 31, 2020 | |
|---|-----------------------------------|--|-------------------------|---|---|
| | Number of shares owned | Percentage of ownership¹ (%) | Acquisition cost | Carrying amount (Market value) | Carrying amount (Market value) |
| Samsung Heavy Industries | 100,693,398 | 16.0 | 735,488 | 675,653 | 708,882 |
| Hotel Shilla | 2,004,717 | 5.1 | 13,957 | 194,458 | 164,988 |
| iMarket Korea | 647,320 | 1.9 | 324 | 7,347 | 5,658 |
| SFA | 3,644,000 | 10.2 | 38,262 | 157,785 | 140,658 |
| Wonik Holdings | 3,518,342 | 4.6 | 30,821 | 23,784 | 22,306 |
| Wonik IPS | 3,701,872 | 7.5 | 32,428 | 183,613 | 163,808 |
| ASML Holding N.V | 6,297,787 | 1.5 | 363,012 | 4,905,705 | 3,350,532 |
| Wacom Co., Ltd | 8,398,400 | 5.0 | 62,013 | 60,636 | 76,589 |
| BYD Company Limited | 7,814,919 | 0.3 | 79,049 | 342,518 | 1,695,488 |
| Corning Incorporated | 80,000,000 | 9.4 | 3,980,636 | 3,697,360 | - |
| Other | | | 504,802 | 908,730 | 1,012,825 |
| Total | | | 5,840,792 | 11,157,589 | 7,341,734 |

¹ Ownership represents the Company's ownership of the total ordinary shares issued by each entity.

5. Inventories

Inventories as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | | | December 31, 2020 | | |
|------------------------------------|-------------------|---------------------|-------------------|-------------------|---------------------|-------------------|
| | Gross amount | Valuation allowance | Carrying amount | Gross amount | Valuation allowance | Carrying amount |
| Finished goods | 8,712,655 | (363,544) | 8,349,111 | 9,711,668 | (323,782) | 9,387,886 |
| Work in process | 11,512,333 | (385,308) | 11,127,025 | 12,144,887 | (326,797) | 11,818,090 |
| Raw materials and supplies | 13,613,917 | (666,506) | 12,947,411 | 10,464,679 | (673,913) | 9,790,766 |
| Materials in transit | 1,168,838 | - | 1,168,838 | 1,046,403 | - | 1,046,403 |
| Total | 35,007,743 | (1,415,358) | 33,592,385 | 33,367,637 | (1,324,492) | 32,043,145 |

6. Investments in Associates and Joint Ventures

(A) Changes in investments in associates and joint ventures for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|------------------------------------|------------------|------------------|
| Balance as of January 1 | 8,076,779 | 7,591,612 |
| Acquisition | 28,600 | 19,424 |
| Disposal | (4,519) | - |
| Share of profit | 335,006 | 146,866 |
| Other ¹ | 50,028 | (64,024) |
| Balance as of June 30 | 8,485,894 | 7,693,878 |

¹ Other consists of dividends, impairment, and reclassification.

(B) Major investments in associates and joint ventures as of June 30, 2021 are as follows:

(1) Investments in associates

| Investee | Nature of relationship with associate | Percentage of ownership (%) ¹ | Principal business location | Fiscal period-end |
|---------------------------|---|--|-----------------------------|-------------------|
| Samsung Electro-Mechanics | Manufacture and supply electronic components including passive components, circuit boards, and modules | 23.7 | Korea | December |
| Samsung SDS | Provide IT services including computer programming, system integration and management and logistical services | 22.6 | Korea | December |
| Samsung Biologics | New business investment | 31.5 | Korea | December |
| Samsung SDI ² | Manufacture and supply electronics including secondary cell batteries | 19.6 | Korea | December |
| Cheil Worldwide | Advertising agency | 25.2 | Korea | December |

¹ Ownership represents the Company's ownership of the total ordinary shares issued by each entity.

² The Company's ownership of ordinary shares outstanding is 20.6%.

(2) Investments in joint ventures

| Investee | Nature of relationship with joint venture | Percentage of ownership (%) ¹ | Principal business location | Fiscal period-end |
|--------------------------------|---|--|-----------------------------|-------------------|
| Samsung Corning Advanced Glass | Manufacture and supply industrial glass devices | 50.0 | Korea | December |

¹ Ownership represents the Company's ownership of the total ordinary shares issued by each entity.

(C) Details of investments in associates and joint ventures as of June 30, 2021 and December 31, 2020 are as follows:

(1) Investments in associates

| <i>(In millions of Korean won)</i> | | | | |
|------------------------------------|------------------|---|------------------|--|
| Investee | Acquisition cost | June 30, 2021 | | |
| | | Net asset value of equity shares ¹ | Carrying amount | |
| Samsung Electro-Mechanics | 359,237 | 1,462,671 | 1,456,111 | |
| Samsung SDS | 147,963 | 1,555,669 | 1,579,186 | |
| Samsung Biologics | 443,193 | 1,505,653 | 1,511,931 | |
| Samsung SDI | 1,242,605 | 2,773,562 | 2,461,851 | |
| Cheil Worldwide | 506,162 | 293,055 | 591,470 | |
| Other | 637,161 | 497,640 | 693,817 | |
| Total | 3,336,321 | 8,088,250 | 8,294,366 | |

¹ The Company's portion of net asset value of associates is based on the Company's percentage of ownership.

(In millions of Korean won)

December 31, 2020

| Investee | Acquisition cost | Net asset value of equity shares ¹ | Carrying amount |
|---------------------------|------------------|---|------------------|
| Samsung Electro-Mechanics | 359,237 | 1,351,864 | 1,333,819 |
| Samsung SDS | 147,963 | 1,506,421 | 1,525,857 |
| Samsung Biologics | 443,193 | 1,448,259 | 1,453,012 |
| Samsung SDI | 1,242,605 | 2,612,629 | 2,326,037 |
| Cheil Worldwide | 506,162 | 288,877 | 586,057 |
| Other | 620,233 | 458,182 | 666,506 |
| Total | 3,319,393 | 7,666,232 | 7,891,288 |

¹ The Company's portion of net asset value of associates is based on the Company's percentage of ownership.

(2) Investments in joint ventures

(In millions of Korean won)

June 30, 2021

| Investee | Acquisition cost | Net asset value of equity shares ¹ | Carrying amount |
|--------------------------------|------------------|---|-----------------|
| Samsung Corning Advanced Glass | 215,000 | 129,465 | 130,454 |
| Other | 259,994 | 68,938 | 61,074 |
| Total | 474,994 | 198,403 | 191,528 |

¹ The Company's portion of net asset value of joint ventures is based on the Company's percentage of ownership.

(In millions of Korean won)

December 31, 2020

| Investee | Acquisition cost | Net asset value of equity shares ¹ | Carrying amount |
|--------------------------------|------------------|---|-----------------|
| Samsung Corning Advanced Glass | 215,000 | 123,360 | 123,356 |
| Other | 259,994 | 68,875 | 62,135 |
| Total | 474,994 | 192,235 | 185,491 |

¹ The Company's portion of net asset value of joint ventures is based on the Company's percentage of ownership.

(D) Details of the valuation of investments in associates and joint ventures using the equity method are as follows:

(1) For the six-month period ended June 30, 2021

| <i>(In millions of Korean won)</i> | Balance as of January 1 | Share of profit | Share of other comprehensive income | Other¹ | Balance as of June 30 |
|------------------------------------|------------------------------------|----------------------------|--|--------------------------|----------------------------------|
| Samsung Electro-Mechanics | 1,333,819 | 117,610 | 29,452 | (24,770) | 1,456,111 |
| Samsung SDS | 1,525,857 | 71,137 | 24,125 | (41,933) | 1,579,186 |
| Samsung Biologics | 1,453,012 | 59,036 | (117) | - | 1,511,931 |
| Samsung SDI | 2,326,037 | 37,529 | 111,749 | (13,464) | 2,461,851 |
| Cheil Worldwide | 586,057 | 24,908 | 4,898 | (24,393) | 591,470 |
| Samsung Corning Advanced Glass | 123,356 | 7,098 | - | - | 130,454 |
| Other | 728,641 | 17,688 | (62,817) | 71,379 | 754,891 |
| Total | 8,076,779 | 335,006 | 107,290 | (33,181) | 8,485,894 |

¹ Other consists of acquisitions, disposals, dividends, impairment and reclassification.

(2) For the six-month period ended June 30, 2020

| <i>(In millions of Korean won)</i> | Balance as of January 1 | Share of profit | Share of other comprehensive income | Other¹ | Balance as of June 30 |
|------------------------------------|------------------------------------|----------------------------|--|--------------------------|----------------------------------|
| Samsung Electro-Mechanics | 1,152,734 | 50,038 | 8,745 | (19,462) | 1,192,055 |
| Samsung SDS | 1,499,571 | 25,862 | 6,520 | (37,888) | 1,494,065 |
| Samsung Biologics | 1,377,043 | 26,712 | 366 | - | 1,404,121 |
| Samsung SDI | 2,233,516 | 7,044 | (9,928) | (13,463) | 2,217,169 |
| Cheil Worldwide | 570,215 | 16,485 | 972 | (23,811) | 563,861 |
| Samsung Corning Advanced Glass | 173,742 | 1,278 | - | - | 175,020 |
| Other | 584,791 | 19,447 | (7,543) | 50,892 | 647,587 |
| Total | 7,591,612 | 146,866 | (868) | (43,732) | 7,693,878 |

¹ Other consists of acquisitions, disposals, dividends, impairment, and reclassification.

(E) Summary of the financial information of major associates and joint ventures

- (1) Summary of financial information of major associates and dividends received from associates as of June 30, 2021 and December 31, 2020, and for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | | | | |
|--|----------------------------------|----------------|----------------------|----------------|--------------------|
| | Samsung Electro- Mechanics | Samsung SDS | Samsung Biologics | Samsung SDI | Cheil Worldwide |
| 1. Condensed financial information | | | | | |
| Condensed statements of financial position : | | | | | |
| Current assets | 4,557,179 | 7,161,410 | 1,780,216 | 6,440,592 | 1,774,167 |
| Non-current assets | 5,202,983 | 2,756,881 | 4,830,804 | 16,774,789 | 493,330 |
| Current liabilities | 2,028,260 | 2,167,424 | 532,714 | 4,971,128 | 1,071,648 |
| Non-current liabilities | 1,324,196 | 666,801 | 1,297,274 | 4,059,542 | 164,403 |
| Non-controlling interests | 162,286 | 197,015 | - | 407,699 | 9,333 |
| Condensed statements of comprehensive income: | | | | | |
| Revenue | 4,847,454 | 6,312,184 | 672,960 | 6,297,481 | 1,486,797 |
| Profit from continuing operations, net of tax ¹ | 488,235 | 315,218 | 182,498 | 438,333 | 87,048 |
| Loss from discontinued operation, net of tax ¹ | (10,937) | - | - | - | - |
| Other comprehensive income (loss) ¹ | 125,914 | 88,446 | (250) | 459,243 | 13,430 |
| Total comprehensive income ¹ | 603,212 | 403,664 | 182,248 | 897,576 | 100,478 |
| 2. Dividends from associates | | | | | |
| Dividends | 24,770 | 41,933 | - | 13,463 | 24,392 |

¹ Profit attributable to owners of the investee

2020

(In millions of Korean won)

| | Samsung Electro- Mechanics | Samsung SDS | Samsung Biologics | Samsung SDI | Cheil Worldwide |
|---|----------------------------------|-------------|----------------------|-------------|--------------------|
| 1. Condensed financial information | | | | | |
| Condensed statements of financial position: | | | | | |
| Current assets | 4,150,303 | 6,581,153 | 1,751,347 | 5,657,405 | 1,742,270 |
| Non-current assets | 5,075,196 | 2,573,766 | 4,672,854 | 15,876,827 | 500,194 |
| Current liabilities | 1,914,880 | 1,720,757 | 589,301 | 4,983,633 | 1,046,224 |
| Non-current liabilities | 1,400,223 | 575,054 | 1,236,117 | 3,191,672 | 180,710 |
| Non-controlling interests | 138,107 | 190,081 | - | 381,311 | 7,988 |
| Condensed statements of comprehensive income: | | | | | |
| Revenue | 4,036,677 | 5,002,685 | 514,888 | 4,956,144 | 1,324,015 |
| Profit from continuing operations, net of tax ¹ | 165,393 | 114,354 | 88,672 | 33,790 | 57,495 |
| Profit from discontinued operation, net of tax ¹ | 5,833 | - | - | - | - |
| Other comprehensive income ¹ | 31,497 | 8,926 | 73 | 7,202 | 1,441 |
| Total comprehensive income ¹ | 202,723 | 123,280 | 88,745 | 40,992 | 58,936 |
| 2. Dividends from associates | | | | | |
| Dividends | 19,462 | 41,933 | - | 13,463 | 23,811 |

¹ Profit attributable to owners of the investee.

- (2) Summary of financial information of major joint ventures and dividends received from joint ventures as of June 30, 2021 and December 31, 2020, and for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | Samsung Corning Advanced Glass | |
|--|---------------------------------------|-------------|
| | 2021 | 2020 |
| Condensed financial information | | |
| Condensed statements of financial position: | | |
| Current assets | 142,838 | 133,896 |
| Non-current assets | 149,569 | 153,792 |
| Current liabilities | 31,489 | 39,151 |
| Non-current liabilities | 1,988 | 1,817 |
| Condensed statements of comprehensive income¹: | | |
| Revenue | 99,420 | 60,106 |
| Profit from continuing operations, net of tax ¹ | 12,210 | 1,993 |
| Profit from discontinued operations, net of tax ¹ | - | 562 |
| Other comprehensive income ¹ | - | - |
| Total comprehensive income ¹ | 12,210 | 2,555 |
| Dividends from joint ventures | | |
| Dividends | - | - |

¹ Profit for the six-month periods ended June 30, 2021 and 2020.

- (3) Profit (loss) attributable to owners of the parent company from associates and joint ventures which are not individually material for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | | 2020 | |
|--|-------------------|-----------------------|-------------------|-----------------------|
| | Associates | Joint ventures | Associates | Joint ventures |
| Profit from continuing operations | 17,998 | (310) | 18,950 | 497 |
| Other comprehensive income (loss) | (61,644) | (1,173) | (10,390) | 2,847 |
| Total comprehensive income (loss) | (43,646) | (1,483) | 8,560 | 3,344 |

- (F) Details of marketable investments in associates as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won and number of shares)</i> | June 30, 2021 | | December 31, 2020 |
|---|------------------------------|---------------------|--------------------------|
| | Number of shares held | Market value | Market value |
| Samsung Electro-Mechanics | 17,693,084 | 3,131,676 | 3,149,369 |
| Samsung SDS | 17,472,110 | 3,232,340 | 3,118,772 |
| Samsung Biologics | 20,836,832 | 17,523,776 | 17,211,223 |
| Samsung SDI | 13,462,673 | 9,396,946 | 8,454,559 |
| Cheil Worldwide | 29,038,075 | 730,308 | 598,184 |

(G) Other matters

On July 12, 2018, the Korea Securities and Futures Commission determined an initial measure following an investigation relating to Samsung Biologics Co., Ltd., an associate of the Company, and its accounting for its investment in Samsung Bioepis Co., Ltd., a joint venture between Biogen Therapeutics Inc. and Samsung Biologics Co., Ltd. This measure included a recommendation to dismiss the director in charge, prosecution charges, and external auditor designation by the regulator, on the basis that the Joint Venture Agreement was not disclosed in the notes to the financial statements. On November 14, 2018, the Korea Securities and Futures Commission determined a second measure which included a penalty of ₩ 8,000 million, a recommendation to dismiss the CEO, a requirement to restate its financial statements, and further prosecution charges.

To prove justification of its accounting treatment, Samsung Biologics Co., Ltd. filed a suit for cancellation of the aforementioned measures to the Seoul Administrative Court, which is currently in progress. On September 24, 2020, the Seoul Administrative Court announced a decision to cancel the first measure charged by the Korea Securities and Futures Commission, and suspended its execution until the final rulings of the appeal. On October 16, 2020, the Korea Securities and Futures Commission appealed and the litigation is in progress at Seoul High Court. Samsung Biologics Co., Ltd. also filed for suspending the execution of the initial and second measures. On January 22, 2019 and February 19, 2019, the Seoul Administrative Court pronounced decisions to suspend the second and initial measure, respectively, until the final rulings. The Korea Securities and Futures Commission immediately appealed against the decisions but the appeals were dismissed by the Seoul High Court on May 13, 2019 and May 24, 2019, in relation to the second and first measures, respectively. On May 23, 2019 and June 10, 2019, the Korea Securities and Futures Commission re-appealed against the dismissals relating to the second and first measures, respectively. On September 6, 2019 and October 11, 2019, the Supreme Court of Korea dismissed the Korea Securities and Futures Commission's re-appeal relating to the second and first measures, respectively, and confirmed the decision to suspend execution of these measures.

Although the future outcome of the administrative litigation cannot be estimated, should Samsung Biologics Co., Ltd. be required to restate its financial statements to amend its historical accounting treatment relating to its investment in Samsung Bioepis Co., Ltd., the Company's share of profit or loss relating to its equity method investment, the amount of investment in associates, and retained earnings, for the years ended December 31, 2015 and onwards, and the profit on disposal of investment for the year ended December 31, 2016, may be impacted. Given the timing of completion and the final result of the administrative litigation between Samsung Biologics Co., Ltd. and the Korea Securities and Futures Commission is uncertain and cannot currently be estimated, it is not possible for the Company to recognize the effects of these proceedings in the current period consolidated financial statements.

7. Property, Plant and Equipment

(A) Changes in property, plant and equipment for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|--------------------------------------|--------------------|--------------------|
| Balance as of January 1 | 128,952,892 | 119,825,474 |
| Acquisition and capital expenditures | 24,055,907 | 17,457,097 |
| Depreciation | (14,360,825) | (13,199,555) |
| Disposals/scrap/impairment | (287,768) | (267,125) |
| Other ¹ | 1,029,656 | 478,687 |
| Balance as of June 30 | 139,389,862 | 124,294,578 |

¹ Other includes effects of changes in foreign currency exchange rates and effects of the offset of government grants.

(B) Details of depreciation of property, plant and equipment for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|---|-------------------|-------------------|
| Cost of sales | 12,672,651 | 11,570,719 |
| Selling and administrative expenses and other | 1,688,174 | 1,628,836 |
| Total | 14,360,825 | 13,199,555 |

(C) Right-of-use assets as of June 30, 2021 amount to ₩ 3,162,093 million (December 31, 2020: ₩ 2,969,873 million). During the six-month periods ended June 30, 2021 and 2020, newly recognized right-of-use assets amount to ₩ 749,906 million and ₩ 379,297 million, respectively, with relevant depreciation of ₩ 432,080 million and ₩ 403,627 million, respectively.

8. Intangible Assets

(A) Changes in intangible assets for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|--|-------------------|-------------------|
| Balance as of January 1 | 18,468,502 | 20,703,504 |
| External acquisitions | 3,259,677 | 748,823 |
| Internally generated (development costs) | 170,677 | - |
| Amortization | (1,471,855) | (1,624,379) |
| Disposals/scrap/impairment | (12,296) | (700,543) |
| Other ¹ | 332,308 | 480,849 |
| Balance as of June 30 | 20,747,013 | 19,608,254 |

¹ Other includes the cumulative effect of changes in foreign currency exchange rates and business combinations.

(B) Details of amortization of intangible assets for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|---|------------------|------------------|
| Cost of sales | 1,060,884 | 1,155,778 |
| Selling and administrative expenses and other | 410,971 | 468,601 |
| Total | 1,471,855 | 1,624,379 |

9. Borrowings

Details of the carrying amounts of borrowings as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | Financial institutions | Interest rates (%) as of June 30, 2021 | June 30, 2021 | December 31, 2020 |
|--|------------------------|---|-------------------|-------------------|
| Short-term borrowings | | | | |
| Collateralized borrowings ¹ | Woori Bank and others | 0.0~13.3 | 10,828,409 | 14,275,043 |
| Non-collateralized borrowings | Citibank and others | 0.0~19.6 | 2,059,442 | 2,278,386 |
| Total | | | 12,887,851 | 16,553,429 |
| Current portion of long-term borrowings | | | | |
| Bank borrowings | BNP Paribas | 14.8 | 12,944 | - |
| Lease liabilities ² | CSSD and others | 3.7 | 710,802 | 710,781 |
| Total | | | 723,746 | 710,781 |
| Long-term borrowings | | | | |
| Lease liabilities ² | CSSD and others | 3.7 | 2,152,273 | 1,999,716 |

¹ Collateralized borrowings are secured by trade receivables.

² Interest expenses arising from the lease liabilities for the six-month periods ended June 30, 2021 and 2020 amounted to ₩ 51,611 million and ₩ 56,477 million, respectively, which were determined using the weighted average incremental borrowing rate. The right-of-use assets are pledged as collateral to the lessor in the event of default.

10. Debentures

Details of the carrying amounts of debentures as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | Issue date | Due date | Interest rates (%) as of June 30, 2021 | June 30, 2021 | December 31, 2020 |
|--|------------|-----------|---|------------------------------|------------------------------|
| US dollar denominated straight bonds ¹ | 1997.10.2 | 2027.10.1 | 7.7 | 39,550 (USD 35 million) | 38,080 (USD 35 million) |
| US dollar denominated debenture bonds ² | 2015.5.11 | 2025.5.15 | 4.2 | 452,000 (USD 400 million) | 435,200 (USD 400 million) |
| EURO denominated debenture bonds ³ | 2015.5.27 | 2022.5.27 | 2.0 | 470,548 (EUR 350 million) | 468,383 (EUR 350 million) |
| Less: Discounts | | | | (778) | (853) |
| Add: Premium | | | | 9,682 | 12,645 |
| Less: Current portion | | | | (480,543) | (5,318) |
| Total | | | | 490,459 | 948,137 |

¹ US dollar denominated straight bonds are repaid annually for twenty years after a ten-year grace period from the date of issuance. Interest is paid semi-annually.

² Harman International Industries, Inc. issued US dollar denominated debenture bonds. These debentures are repaid on the date of 10 years maturity and interest is paid semi-annually.

³ Harman Finance International, SCA issued Euro denominated debenture bonds. These debentures are repaid on the date of 7 years maturity and interest is paid annually.

11. Net Defined Benefit Liabilities (Assets)

(A) Details of net defined benefit liabilities (assets) recognized in the statements of financial position as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|---|------------------|-------------------|
| Present value of funded defined benefit obligations | 13,291,431 | 12,400,964 |
| Present value of unfunded defined benefit obligations | 399,548 | 548,035 |
| Subtotal | 13,690,979 | 12,948,999 |
| Fair value of plan assets | (13,927,999) | (13,840,043) |
| Total | (237,020) | (891,044) |

(B) The components of defined benefit costs recognized in profit or loss for the six-month periods ended June 30, 2021 and 2020 relating to defined benefit plans are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|------------------------------------|----------------|----------------|
| Current service cost | 624,240 | 570,235 |
| Net interest income | (19,249) | (4,694) |
| Past service cost | 664 | 488 |
| Other | 2,379 | (6,608) |
| Total | 608,034 | 559,421 |

- (C) The expenses related to defined benefit plans recognized in the statements of profit or loss for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|---|----------------|----------------|
| Cost of sales | 254,759 | 251,493 |
| Selling and administrative expenses and other | 353,275 | 307,928 |
| Total | 608,034 | 559,421 |

12. Provisions

Changes in the provisions for the six-month period ended June 30, 2021 are as follows:

| <i>(In millions of Korean won)</i> | Warranty (A) | Royalty expenses (B) | Long-term incentives (C) | Other (D, E) | Total |
|------------------------------------|---------------------|-----------------------------|---------------------------------|---------------------|------------------|
| Balance as of January 1 | 1,765,882 | 1,304,091 | 651,298 | 1,679,720 | 5,400,991 |
| Charged to profit or loss | 716,555 | 987,586 | 130,490 | 979,995 | 2,814,626 |
| Payment | (675,496) | (1,127,058) | (208,317) | (572,753) | (2,583,624) |
| Other ¹ | 29,993 | 64,017 | 735 | 71,038 | 165,783 |
| Balance as of June 30 | 1,836,934 | 1,228,636 | 574,206 | 2,158,000 | 5,797,776 |

¹ Other includes effects of changes in foreign currency exchange rates.

- (A) The Company accrues warranty reserves for estimated costs of quality assurance, exchanges, repairs, recalls, and future services based on historical experience and terms of warranty programs.
- (B) The Company recognizes provisions for the estimated royalty expenses that are under negotiation with counterparties. The timing and amount of payment depend on the settlement of the negotiation.
- (C) The Company has a long-term incentive plan for its executives based on three-year management performance criteria and recognizes a provision for the estimated incentive cost for the accrued period.
- (D) The Company records provisions for future expenses expected to be incurred for products that have been discontinued from manufacturing and sales.
- (E) The Company makes provisions for the carrying amounts of emission rights held by the Company and the emission in excess of the emission rights for the applicable years. Details of emission rights and liabilities as of June 30, 2021 are as follows:

- (1) The amount of emission rights allocated free of charge in the current commitment period and the estimated amount of emission as of June 30, 2021 are as follows:

| <i>(In ten thousand metric tons)</i> | June 30, 2021 |
|--------------------------------------|----------------------|
| Allocated emission permits | 1,689 |
| Estimated volume of emission | 1,962 |

- (2) Changes in the emission rights for the six-month period ended June 30, 2021 are as follows:

| <i>(In millions of Korean won)</i> | 2021 |
|------------------------------------|---------------|
| Balance as of January 1 | 44,865 |
| Increase | 109 |
| Decrease | (213) |
| Balance as of June 30 | 44,761 |

- (3) Changes in emissions liabilities for the six-month period ended June 30, 2021 are as follows:

| <i>(In millions of Korean won)</i> | 2021 |
|--|---------------|
| Balance as of January 1 | 31,876 |
| Charged to the statement of profit or loss | (15,920) |
| Submission | (201) |
| Balance as of June 30 | 15,755 |

13. Commitments and Contingencies

(A) Litigation

The Company is involved in various claims, disputes, and investigations conducted by regulatory bodies, which arose during the normal course of business with numerous entities. Although the outflow of resources and timing of these matters are uncertain, as of the reporting date, the Company believes the outcome will not have a material impact on the financial position of the Company.

14. Contract Liabilities

The Company has recognized contract liabilities related to contracts with customers as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|------------------------------------|----------------------|--------------------------|
| Contract liabilities ¹ | 11,243,832 | 11,902,130 |

¹ Contract liabilities include advances received, accrued expenses, other current liabilities and others.

15. Share Capital

As of June 30, 2021, the Company's total number of authorized shares is 25,000,000,000 shares (₩ 100 per share). The Company has issued 5,969,782,550 shares of ordinary shares and 822,886,700 shares of preference shares as of June 30, 2021, excluding retired shares. As of June 30, 2021, the number of shares outstanding is the same as the number of shares issued above, and no changes were made to the number of shares outstanding during the six-month period ended June 30, 2021 and the year ended December 31, 2020. Due to the retirement of shares, the total par value of the shares issued is ₩ 679,267 million (ordinary shares of ₩ 596,978 million and preference shares of ₩ 82,289 million), which does not agree with paid-in capital of ₩ 897,514 million.

16. Retained Earnings

(A) Retained earnings as of June 30, 2021 and December 31, 2020 consist of the following:

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|------------------------------------|--------------------|--------------------|
| Discretionary reserve, etc. | 170,178,470 | 174,739,565 |
| Unappropriated retained earnings | 104,906,715 | 96,328,646 |
| Total | 275,085,185 | 271,068,211 |

(B) Details of interim dividends are as follows:

(1) Interim dividends (Record date: March 31 and June 30, 2021 and 2020)

| <i>(In millions of Korean won and number of shares)</i> | | 2021 | 2020 |
|---|---|-------------------|------------------|
| 1 st Quarter | Number of shares eligible for dividends | Ordinary shares | 5,969,782,550 |
| | | Preference shares | 822,886,700 |
| | Dividend rate (based on par value) | 361% | 354% |
| | Dividend amount | Ordinary shares | 2,155,092 |
| Preference shares | | 297,062 | |
| | | Total | 2,452,154 |
| 2 nd Quarter | Number of shares eligible for dividends | Ordinary shares | 5,969,782,550 |
| | | Preference shares | 822,886,700 |
| | Dividend rate (based on par value) | 361% | 354% |
| | Dividend amount | Ordinary shares | 2,155,092 |
| Preference shares | | 297,062 | |
| | | Total | 2,452,154 |

17. Other Components of Equity

Other components of equity as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|--|----------------------|--------------------------|
| Gain on valuation of financial assets at fair value through other comprehensive income | 3,932,276 | 4,975,756 |
| Share of other comprehensive income of associates and joint ventures | 62,355 | (58,629) |
| Loss on foreign currency translation | (7,567,664) | (10,977,583) |
| Remeasurement of net defined benefit liabilities (assets) | (2,707,291) | (2,653,425) |
| Other | 54,258 | 26,726 |
| Total | (6,226,066) | (8,687,155) |

18. Expenses by Nature

Expenses by nature for the three and six-month periods ended June 30, 2021 and 2020 consist of the following:

| <i>(In millions of Korean won)</i> | June 30, 2021 | | June 30, 2020 | |
|---|----------------------|--------------------|----------------------|-------------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Changes in finished goods and work in process | 20,649 | 1,760,501 | (40,147) | 605,592 |
| Raw materials used and merchandise purchased | 19,633,598 | 42,218,021 | 16,090,402 | 34,501,494 |
| Wages and salaries | 6,598,439 | 13,301,170 | 6,069,128 | 12,156,419 |
| Post-employment benefit | 336,872 | 676,056 | 309,438 | 614,901 |
| Depreciation | 7,213,089 | 14,360,825 | 6,608,388 | 13,199,555 |
| Amortization | 776,313 | 1,471,855 | 809,941 | 1,624,379 |
| Welfare | 1,355,793 | 2,558,370 | 1,170,925 | 2,312,483 |
| Utilities | 1,142,455 | 2,342,866 | 1,105,055 | 2,259,758 |
| Outsourcing | 1,376,724 | 2,783,173 | 1,346,967 | 2,696,137 |
| Advertising | 1,118,991 | 2,229,360 | 634,452 | 1,594,080 |
| Sales promotion expenses | 1,241,802 | 2,866,329 | 1,085,484 | 2,697,575 |
| Other | 10,290,115 | 20,541,949 | 9,629,817 | 19,435,310 |
| Total¹ | 51,104,840 | 107,110,475 | 44,819,850 | 93,697,683 |

¹ Equal to the sum of cost of sales and selling and administrative expenses in the consolidated statements of profit or loss.

19. Selling and Administrative Expenses

Selling and administrative expenses for the three and six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | | June 30, 2020 | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Selling and administrative expenses | | | | |
| Wages and salaries | 1,647,928 | 3,444,562 | 1,721,686 | 3,355,339 |
| Post-employment benefit | 77,660 | 155,394 | 65,197 | 122,521 |
| Commissions and service charges | 1,468,637 | 2,929,630 | 1,430,844 | 2,811,119 |
| Depreciation | 378,537 | 760,611 | 406,159 | 815,723 |
| Amortization | 134,888 | 270,471 | 148,681 | 293,392 |
| Advertising | 1,118,991 | 2,229,360 | 634,452 | 1,594,080 |
| Sales promotion expenses | 1,241,802 | 2,866,329 | 1,085,484 | 2,697,575 |
| Transportation | 710,587 | 1,319,349 | 503,393 | 955,634 |
| Warranty | 693,446 | 1,514,103 | 634,611 | 1,367,139 |
| Other | 1,183,917 | 2,231,690 | 1,065,503 | 2,394,633 |
| Subtotal | 8,656,393 | 17,721,499 | 7,696,010 | 16,407,155 |
| Research and development expenses | | | | |
| Total expenses | 5,451,616 | 10,993,737 | 5,217,642 | 10,577,636 |
| Capitalized expenses | (69,100) | (170,677) | - | - |
| Subtotal | 5,382,516 | 10,823,060 | 5,217,642 | 10,577,636 |
| Total | 14,038,909 | 28,544,559 | 12,913,652 | 26,984,791 |

20. Other Non-Operating Income and Expenses

Details of other non-operating income and expenses for the three and six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | | June 30, 2020 | |
|---|----------------|------------------|----------------|----------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Other non-operating income | | | | |
| Dividend income | 68,335 | 77,069 | 45,609 | 81,638 |
| Rental income | 32,967 | 66,785 | 36,045 | 72,330 |
| Gain on disposal of property, plant and equipment | 130,550 | 206,021 | 26,394 | 61,779 |
| Other ¹ | 508,816 | 690,535 | 182,231 | 390,038 |
| Total | 740,668 | 1,040,410 | 290,279 | 605,785 |

| <i>(In millions of Korean won)</i> | June 30, 2021 | | June 30, 2020 | |
|---|----------------|------------------|------------------|------------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Other non-operating expenses | | | | |
| Loss on disposal of property, plant and equipment | 40,627 | 50,469 | 39,871 | 49,037 |
| Donations | 95,431 | 134,638 | 83,252 | 160,696 |
| Other | 740,838 | 1,016,029 | 937,716 | 1,215,161 |
| Total | 876,896 | 1,201,136 | 1,060,839 | 1,424,894 |

¹ Other includes gain from sale of assets held-for-sale.

21. Financial Income and Expenses

Details of financial income and expenses for the three and six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | | June 30, 2020 | |
|---|------------------|------------------|------------------|------------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Financial income | | | | |
| Interest income: | 254,133 | 586,681 | 463,098 | 1,049,931 |
| Interest income from financial assets measured at amortized cost | 254,078 | 586,551 | 462,986 | 1,049,736 |
| Interest income from financial assets measured at fair value through profit or loss | 55 | 130 | 112 | 195 |
| Foreign exchange differences | 1,409,002 | 3,117,039 | 1,125,062 | 3,887,564 |
| Gains from derivatives | 124,008 | 322,061 | 181,423 | 623,466 |
| Total | 1,787,143 | 4,025,781 | 1,769,583 | 5,560,961 |

| <i>(In millions of Korean won)</i> | June 30, 2021 | | June 30, 2020 | |
|--|------------------|------------------|------------------|------------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Financial expenses | | | | |
| Interest expenses: | 74,232 | 170,674 | 100,356 | 240,529 |
| Interest expense from financial liabilities measured at amortized cost | 24,956 | 68,223 | 33,982 | 81,102 |
| Other financial liabilities | 49,276 | 102,451 | 66,374 | 159,427 |
| Foreign exchange differences | 1,186,226 | 2,921,078 | 1,207,404 | 4,276,575 |
| Losses from derivatives | 262,259 | 424,847 | 154,080 | 438,702 |
| Total | 1,522,717 | 3,516,599 | 1,461,840 | 4,955,806 |

The Company recognizes foreign exchange gains and losses arising from foreign currency transactions and translation as financial income and expenses.

22. Income Tax Expense

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The average annual tax rate expected as of June 30, 2021 to be effective for the year ended December 31, 2021 is 25.9%.

23. Earnings per Share

(A) Basic earnings per share

Basic earnings per share for the three and six-month periods ended June 30, 2021 and 2020 are calculated as follows:

(1) Ordinary shares

| <i>(In millions of Korean won, thousands of number of shares)</i> | June 30, 2021 | | June 30, 2020 | |
|--|---------------|------------|---------------|------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Profit for the period attributable to owners of the parent company | 9,450,676 | 16,543,462 | 5,488,964 | 10,378,563 |
| Profit for the period available for ordinary shares | 8,305,789 | 14,539,332 | 4,824,012 | 9,121,269 |
| Weighted-average number of ordinary shares outstanding | 5,969,783 | 5,969,783 | 5,969,783 | 5,969,783 |
| Basic earnings per ordinary share (in Korean won) | 1,391 | 2,435 | 808 | 1,528 |

(2) Preference shares

| <i>(In millions of Korean won, thousands of number of shares)</i> | June 30, 2021 | | June 30, 2020 | |
|--|---------------|------------|---------------|------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Profit for the period attributable to owners of the parent company | 9,450,676 | 16,543,462 | 5,488,964 | 10,378,563 |
| Profit for the period available for preference shares | 1,144,887 | 2,004,130 | 664,952 | 1,257,294 |
| Weighted-average number of preference shares outstanding | 822,887 | 822,887 | 822,887 | 822,887 |
| Basic earnings per preference share (in Korean won) | 1,391 | 2,435 | 808 | 1,528 |

(B) Diluted earnings per share

The Company does not have dilutive potential ordinary shares and as a result, basic earnings per share and diluted earnings per share are the same for the three and six-month periods ended June 30, 2021 and 2020.

24. Statements of Cash Flows

The Company used the indirect method to present cash flows from operating activities. Adjustments and changes in assets and liabilities arising from operating activities for the six-month periods ended June 30, 2021 and 2020 are as follows:

- Adjustments

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|---|-------------------|-------------------|
| Adjustments: | | |
| Income tax expense | 5,856,904 | 4,086,540 |
| Financial income | (1,341,113) | (2,121,411) |
| Financial expenses | 1,040,969 | 1,452,492 |
| Post-employment benefits | 676,056 | 614,901 |
| Depreciation | 14,360,825 | 13,199,555 |
| Amortization | 1,471,855 | 1,624,379 |
| Bad debt expenses (reversal) | 2,568 | 44,885 |
| Dividend income | (77,069) | (81,638) |
| Share of profit of associates and joint ventures | (335,006) | (146,866) |
| Gain on disposal of property, plant and equipment | (206,021) | (61,779) |
| Loss on disposal of property, plant and equipment | 50,469 | 49,037 |
| Loss on valuation of inventories | 591,381 | 1,100,034 |
| Others | (159,302) | (8,995) |
| Total | 21,932,516 | 19,751,134 |

- Changes in assets and liabilities arising from operating activities

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|--|--------------------|--------------------|
| Changes in assets and liabilities: | | |
| Decrease (increase) in trade receivables | (3,806,471) | 2,303,513 |
| Decrease (increase) in other receivables | (55,161) | 543,346 |
| Decrease (increase) in prepaid expenses | (202,122) | (101,621) |
| Decrease (increase) in inventories | (1,594,374) | (3,879,017) |
| Increase (decrease) in trade payables | 299,667 | 417,181 |
| Increase (decrease) in other payables | 15,150 | (324,107) |
| Increase (decrease) in advances received | (113,667) | (127,585) |
| Increase (decrease) in withholdings | (90,346) | (72,804) |
| Increase (decrease) in accrued expenses | (1,643,233) | (1,518,453) |
| Increase (decrease) in provisions | 231,002 | 887,549 |
| Payment of post-employment benefits | (232,658) | (339,398) |
| Other | (714,900) | (250,623) |
| Total | (7,907,113) | (2,462,019) |

For the six-month periods ended June 30, 2021 and 2020, cash outflows from principal repayment (financial activities) amount to ₩ 390,466 million and ₩ 418,931 million, respectively, and cash outflows due to interest expenses (operating activities) in relation to the lease liabilities amount to ₩ 51,611 million and ₩ 56,477 million, respectively.

25. Financial Risk Management

The Company's financial risk management focuses on minimizing market risk, credit risk, and liquidity risk arising from operating activities. To mitigate these risks, the Company implements and operates a financial risk policy and program that closely monitors and manages such risks. In addition, the Company uses derivatives to hedge certain risk exposure.

The finance team mainly carries out the Company's financial risk management. After implementing the global financial risk management policies, the finance team periodically measures, evaluates, and hedges financial risk and also establishes and implements the global financial risk management policy.

The Company also manages foreign exchange risk by monitoring foreign exchange rate fluctuations at local finance centers across major regions (United States, United Kingdom, Singapore, China, Brazil, and Russia) and acting as an agent of foreign exchange transactions. In addition, the Company manages liquidity risk by utilizing a globally integrated finance structure.

The Company's financial assets that are under financial risk management are comprised of cash and cash equivalents, short-term financial instruments, financial assets at amortized cost, trade receivables and others. The Company's financial liabilities under financial risk management are comprised of trade payables, borrowings, and others.

(A) Market risk

(1) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from its global operations performed in currencies other than its functional currency. The major currencies that are exposed to foreign exchange risk are the US dollar, Euro, and Indian Rupee.

The Company focuses on minimizing the impact of foreign exchange fluctuation by maintaining the equal amount of assets and liabilities denominated in each foreign currency, irrespective of foreign exchange fluctuation considerations. To prevent exchange position, the Company's foreign exchange management policy requires normal business transactions, including import and export, as well as financing transactions such as depositing and borrowing, to be in local currency or for the cash-in currency to be matched up with the cash-out currency. Moreover, the Company periodically evaluates and monitors the foreign exchange risk to efficiently mitigate such risk, and the speculative foreign exchange transactions are strictly prohibited.

(2) Interest rate risk

Risk of changes in interest rates for floating interest rate financial instruments is defined as the risk that the fair value of components of the statements of financial position, and future cash flows of interest income (expenses) of a financial instrument, will fluctuate because of changes in market interest rates. The Company's position with regard to interest rate risk exposure is mainly driven by its floating interest rate debt obligations and interest-bearing deposits. The Company implemented policies and operates to minimize uncertainty arising from changes in interest rates and financial expenses.

(3) Price risk

The Company's investment portfolio consists of direct and indirect investments in equity instruments classified as financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss, which is in line with the Company's strategy.

As of June 30, 2021 and 2020, price fluctuation of marketable equity securities (listed stocks) by 1% would result in changes in other comprehensive income (before income tax) of ₩ 107,635 million and ₩ 47,701 million, respectively, and changes in profit before tax of ₩ 3,941 million and ₩ 2,216 million, respectively.

(B) Credit risk

Credit risk arises during the normal course of transactions and investing activities where clients or other parties fail to discharge an obligation. The Company monitors and sets the client's and counterparty's credit limit on a periodic basis based on the client's and counterparty's financial conditions, default history and other important factors. Adequate insurance coverage is maintained for trade receivables related to trading partners situated in higher risk countries.

Credit risk can arise from transactions with financial institutions which include financial instrument transactions such as cash and cash equivalents, deposits, and derivative instruments. To minimize such risk, the Company transacts only with banks which have a strong international credit rating (S&P A and above), and all new transactions with financial institutions with no prior transaction history are approved, managed and monitored by the Company's finance team and the local finance center. The Company generally enters into a financial agreement with no restrictions, such as debt ratio covenants, provision of collateral and/or repayment of loans/ borrowings. The Company requires separate approvals for contracts with restrictions.

As of the reporting date, the Company estimates that its maximum exposure to credit risk is the carrying amount of its financial assets, net of impairment losses.

(C) Liquidity risk

Due to large investments made by the Company, maintaining adequate levels of liquidity risk is critical. The Company strives to achieve this goal by periodically forecasting its capital balance, estimating required cash levels, and managing income and expenses.

The Company manages its liquidity risk by periodically forecasting projected cash flows. If abnormal signs are identified, the Company works with the local finance center and provides liquidity support by utilizing a globally integrated finance structure, such as Cash Pooling. In addition, the Company maintains a liquidity management process which provides additional financial support from the local finance center and the Company. The Cash Pooling program allows the sharing of surplus funds among entities and contributes to minimizing liquidity risk and strengthening the Company's competitive position by reducing capital operation expenses and financial expenses.

For the need of large scale of liquidity, the Company secures credit limit for the overseas subsidiaries through payment guarantees.

(D) Capital risk management

The purpose of capital management is to maintain a sound capital structure. The Company monitors capital on the basis of credit ratings and debt ratio. Debt ratio is calculated by dividing total liabilities by total equity in the financial statements.

The Company has maintained an AA- and Aa3 credit rating from S&P and Moody's, respectively.

The total liabilities to equity ratios as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|------------------------------------|----------------------|--------------------------|
| Total liabilities | 102,453,403 | 102,287,702 |
| Total equity | 282,324,266 | 275,948,016 |
| Debt ratio | 36.3% | 37.1% |

(E) Fair value estimation

(1) Carrying amounts and fair values of financial instruments by category as of June 30, 2021 and December 31, 2020 are as follows:

| (In millions of Korean won) | June 30, 2021 | | December 31, 2020 | |
|---|--------------------|------------|--------------------|------------|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets | | | | |
| Cash and cash equivalents | 30,683,788 | (*) | 29,382,578 | (*) |
| Short-term financial instruments | 77,777,032 | (*) | 92,441,703 | (*) |
| Short-term financial assets at amortized cost | 2,350,399 | (*) | 2,757,111 | (*) |
| Short-term financial assets at fair value through profit or loss | 49,720 | 49,720 | 71,451 | 71,451 |
| Trade receivables | 35,624,916 | (*) | 30,965,058 | (*) |
| Financial assets at fair value through other comprehensive income | 12,783,735 | 12,783,735 | 12,575,216 | 12,575,216 |
| Financial assets at fair value through profit or loss | 1,215,585 | 1,215,585 | 1,202,969 | 1,202,969 |
| Other ² | 8,274,302 | 299,317 | 6,634,873 | 239,107 |
| Total financial assets | 168,759,477 | | 176,030,959 | |
| Financial liabilities | | | | |
| Trade payables | 11,052,623 | (*) | 9,739,222 | (*) |
| Short-term borrowings | 12,887,851 | (*) | 16,553,429 | (*) |
| Other payables | 11,001,869 | (*) | 10,645,637 | (*) |
| Current portion of long-term liabilities | 1,204,289 | 563,699 | 716,099 | 5,318 |
| - Current portion of long-term borrowing | 723,746 | (*) (*3) | 710,781 | (*) |
| - Current portion of debentures | 480,543 | 563,699 | 5,318 | 5,318 |
| Debentures | 490,459 | 537,254 | 948,137 | 997,101 |
| Long-term borrowings | 2,152,273 | (*) | 1,999,716 | (*) |
| Long-term other payables ² | 2,812,201 | (*) | 1,274,304 | 2,176 |
| Other ² | 9,929,046 | 291,786 | 9,639,252 | 284,628 |
| Total financial liabilities | 51,530,611 | | 51,515,796 | |

(*) Assets and liabilities whose carrying amount is a reasonable approximation of fair value are excluded from the fair value disclosures.

(*) Assets measured at the cost of ₩ 7,974,985 million (December 31, 2020: ₩ 6,395,766 million) and liabilities measured at the cost of ₩ 12,449,461 million (December 31, 2020: ₩ 10,626,752 million) are excluded as the carrying amount is a reasonable estimation of fair value.

(*) Lease liabilities, classified under the current portion of long-term liabilities and long-term borrowings, are excluded from the fair value disclosures in accordance with *Korean IFRS 1107*.

(2) Fair value hierarchy classifications of the financial instruments that are measured or disclosed at fair value as of June 30, 2021 and December 31, 2020 are as follows:

| June 30, 2021 | | | | |
|---|----------------|----------------|----------------|----------------------|
| <i>(In millions of Korean won)</i> | Level 1 | Level 2 | Level 3 | Total balance |
| 1) Assets | | | | |
| Short-term financial assets at fair value through profit or loss | - | 31,122 | 18,598 | 49,720 |
| Financial assets at fair value through other comprehensive income | 10,763,489 | - | 2,020,246 | 12,783,735 |
| Financial assets at fair value through profit or loss | 394,100 | - | 821,485 | 1,215,585 |
| Other | - | 273,104 | 26,213 | 299,317 |
| 2) Liabilities | | | | |
| Current portion of debentures | - | 563,699 | - | 563,699 |
| Debentures | - | 537,254 | - | 537,254 |
| Other | - | 284,714 | 7,072 | 291,786 |

| December 31, 2020 | | | | |
|---|----------------|----------------|----------------|----------------------|
| <i>(In millions of Korean won)</i> | Level 1 | Level 2 | Level 3 | Total balance |
| 1) Assets | | | | |
| Short-term financial assets at fair value through profit or loss | - | 58,763 | 12,688 | 71,451 |
| Financial assets at fair value through other comprehensive income | 6,910,108 | - | 5,665,108 | 12,575,216 |
| Financial assets at fair value through profit or loss | 431,626 | - | 771,343 | 1,202,969 |
| Other | - | 239,107 | - | 239,107 |
| 2) Liabilities | | | | |
| Current portion of debentures | - | 5,318 | - | 5,318 |
| Debentures | - | 997,101 | - | 997,101 |
| Long-term other payables | - | - | 2,176 | 2,176 |
| Other | - | 277,556 | 7,072 | 284,628 |

The levels of the fair value hierarchy and its application to financial assets and liabilities are described below.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1. The instruments included in Level 1 are listed equity investments, most of which are classified as financial assets at fair value through other comprehensive income.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in Level 3.

The Company performs the fair value measurements required for financial reporting purposes, including Level 3 fair values and discusses valuation processes and results at least once every quarter in line with the Company's quarterly reporting dates. The Company's policy is to recognize transfers between levels at the end of the reporting period, if corresponding events or changes in circumstances have occurred.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the statement of financial position date, with the resulting value discounted back to present value

Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments. For trade and other receivables that are classified as current assets, the book value approximates a reasonable estimate of fair value.

(3) Valuation technique and the inputs

The Company utilizes a present value technique to discount future cash flows using a proper interest rate for corporate bonds, government and public bonds, and bank debentures that are classified as Level 2 in the fair value hierarchy.

The following table presents the valuation technique and the inputs used for major financial instruments classified as Level 3 as of June 30, 2021.

(In millions of Korean won and percentage)

| Classification | Fair value | Valuation technique | Level 3 inputs | Input range (Weighted average) |
|---|------------|----------------------|----------------------------------|---|
| Financial assets at fair value through other comprehensive income | | | | |
| Samsung Venture Investment | 22,305 | Discounted cash flow | Permanent growth rate | -1.0%~1.0%(0.0%) |
| | | | Weighted average cost of capital | 19.3%~21.3%(20.3%) |
| MiCo Ceramics Co., Ltd. | 22,190 | Discounted cash flow | Permanent growth rate | -1.0%~1.0%(0.0%) |
| | | | Weighted average cost of capital | 13.9%~15.9%(14.9%) |
| TCL China Star Optoelectronics Technology Co., Ltd. (CSOT) | 949,377 | Discounted cash flow | Permanent growth rate | -1.0%~1.0%(0.0%) |
| | | | Weighted average cost of capital | 10.5%~12.5%(11.5%) |
| China Star Optoelectronics Semiconductor Display Technology Ltd. (CSOSDT) | 450,884 | Discounted cash flow | Permanent growth rate | -1.0%~1.0%(0.0%) |
| | | | Weighted average cost of capital | 10.5%~12.5%(11.5%) |
| Others | | | | |
| Put option on equity instruments | 26,213 | Binomial model | Risk-free interest rate | 0.5%~1.2%, 2.9% |
| | | | Price volatility | 14.5%~24.5%(19.5%), 23.6%~33.6%(28.6%) |

(4) Changes in Level 3 instruments for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|---|-------------|-------------|
| Financial assets | | |
| Balance as of January 1 | 6,449,139 | 7,407,684 |
| Acquisitions | 919,311 | 594,430 |
| Disposals | (110,865) | (1,836,610) |
| Amount recognized in profit or loss | 127,238 | (17,065) |
| Amount recognized in other comprehensive income | 1,194,086 | (87,117) |
| Others | (5,692,367) | 109,850 |
| Balance as of June 30 | 2,886,542 | 6,171,172 |

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|------------------------------------|-------------|-------------|
| Financial liabilities | | |
| Balance as of January 1 | 9,248 | 2,316 |
| Others | (2,176) | 85 |
| Balance as of June 30 | 7,072 | 2,401 |

(5) Sensitivity analysis for recurring fair value measurements categorized within Level 3

Sensitivity analysis of financial instruments is performed to measure favorable and unfavorable changes in the fair value of financial instruments which are affected by the unobservable parameters, using a statistical technique. When the fair value is affected by more than two input parameters, the amounts represent the most favorable or unfavorable.

The results of the sensitivity analysis for effect on profit or loss (before tax amount for other comprehensive income or loss) from changes in inputs for major financial instruments which are categorized within Level 3 and subject to sensitivity analysis are as follows:

| <i>(In millions of Korean won)</i> | Favorable changes | | Unfavorable changes | |
|--|--------------------------|---------------|----------------------------|---------------|
| | Profit or loss | Equity | Profit or loss | Equity |
| Financial assets at fair value through other comprehensive income ¹ | - | 139,208 | - | (100,109) |
| Others ² | 4,767 | - | (4,545) | - |

¹ For equity securities, changes in fair value are calculated with the correlation between growth rate (-1%~1%) and discount rate, which are significant unobservable inputs.

² Changes were calculated based on correlation between fair value and price volatility (-5%~5%), a significant unobservable input.

26. Segment Information

(A) Operating segment information

The chief operating decision-maker has been identified as the Management Committee. The Company determines operating segments based on the units reported to the Management Committee. The Management Committee reviews the operating profits of each operating segment in order to assess performance and to make strategic decisions regarding the allocation of resources to the segment.

Sales revenue consists mostly of product sales. The operating segments are product-based and are identified based on the internal organization and revenue streams. As of the reporting date, the operating segments are comprised of CE, IM, DS (Semiconductor and DP), Harman, and others.

The segment information for each reporting period is prepared after allocating intercompany reconciliations to depreciation, amortization of intangible assets and operating profits. Total assets and liabilities of each operating segment are excluded from the disclosure as these have not been provided regularly to the Management Committee.

(1) For the six-month period ended June 30, 2021

| <i>(In millions of Korean won)</i> | CE | IM | Total ¹ | DS | | | Total ¹ |
|------------------------------------|------------|------------|--------------------|----------------|------------|-----------|--------------------|
| | | | | Semi-conductor | DP | Harman | |
| Net revenue | 26,383,172 | 51,879,952 | 55,279,860 | 41,746,339 | 13,790,917 | 4,786,673 | 129,060,088 |
| Depreciation | 325,157 | 363,376 | 12,954,823 | 10,149,165 | 2,794,527 | 153,138 | 14,360,825 |
| Amortization | 38,397 | 565,371 | 650,041 | 525,463 | 119,585 | 112,780 | 1,471,855 |
| Operating profit | 2,178,454 | 7,627,582 | 11,978,551 | 10,293,814 | 1,646,292 | 219,858 | 21,949,613 |

¹ Other operating segments are not separately disclosed.

(2) For the three-month period ended June 30, 2021

| <i>(In millions of Korean won)</i> | CE | IM | Total ¹ | DS | | | Total ¹ |
|------------------------------------|------------|------------|--------------------|----------------|-----------|-----------|--------------------|
| | | | | Semi-conductor | DP | Harman | |
| Net revenue | 13,395,828 | 22,673,986 | 29,456,101 | 22,740,133 | 6,867,870 | 2,419,406 | 63,671,585 |
| Depreciation | 164,833 | 181,723 | 6,506,162 | 5,152,089 | 1,348,389 | 76,676 | 7,213,089 |
| Amortization | 18,170 | 315,050 | 333,022 | 270,404 | 60,122 | 56,758 | 776,313 |
| Operating profit | 1,063,018 | 3,234,992 | 8,229,698 | 6,927,787 | 1,281,864 | 106,733 | 12,566,745 |

¹ Other operating segments are not separately disclosed.

(3) For the six-month period ended June 30, 2020

| <i>(In millions of Korean won)</i> | CE | IM | DS | | | | Total ¹ |
|------------------------------------|------------|------------|--------------------|----------------|------------|-----------|--------------------|
| | | | Total ¹ | Semi-conductor | DP | Harman | |
| Net revenue | 20,470,386 | 46,756,794 | 49,181,515 | 35,875,257 | 13,310,326 | 3,643,792 | 108,291,320 |
| Depreciation | 287,534 | 482,635 | 11,742,538 | 8,578,701 | 3,151,791 | 173,622 | 13,199,555 |
| Amortization | 37,019 | 700,982 | 673,151 | 536,814 | 131,374 | 118,807 | 1,624,379 |
| Operating profit | 1,184,645 | 4,599,623 | 9,455,711 | 9,419,763 | 11,502 | (280,998) | 14,593,637 |

¹ Other operating segments are not separately disclosed.

(4) For the three-month period ended June 30, 2020

| <i>(In millions of Korean won)</i> | CE | IM | DS | | | | Total ¹ |
|------------------------------------|------------|------------|--------------------|----------------|-----------|-----------|--------------------|
| | | | Total ¹ | Semi-conductor | DP | Harman | |
| Net revenue | 10,315,367 | 20,752,712 | 25,049,670 | 18,230,979 | 6,722,194 | 1,542,509 | 52,966,142 |
| Depreciation | 150,848 | 215,899 | 5,910,642 | 4,346,064 | 1,558,741 | 83,189 | 6,608,388 |
| Amortization | 22,898 | 348,143 | 292,069 | 268,339 | 21,240 | 59,917 | 809,941 |
| Operating profit | 719,347 | 1,950,062 | 5,735,893 | 5,427,077 | 298,368 | (93,383) | 8,146,292 |

¹ Other operating segments are not separately disclosed.

(B) Regional information

The regional segment information provided to the Management Committee for the reportable segments as of and for the six-month periods ended June 30, 2021 and 2020 are as follows:

(1) As of and for the six-month period ended June 30, 2021

| <i>(In millions of Korean won)</i> | Korea | America | Europe | Asia and Africa | China | Intercompany elimination | Total |
|------------------------------------|--------------|----------------|---------------|----------------------------|--------------|-------------------------------------|--------------|
| Net segment revenue | 20,363,266 | 42,680,194 | 24,077,485 | 19,755,166 | 22,183,977 | - | 129,060,088 |
| Non-current assets ¹ | 118,732,676 | 9,916,326 | 6,052,990 | 9,251,297 | 17,221,059 | (1,037,473) | 160,136,875 |

¹ Financial instruments, deferred tax assets, and investments in associates and joint ventures are excluded from non-current assets.

(2) As of and for the three-month period ended June 30, 2021

| <i>(In millions of Korean won)</i> | Korea | America | Europe | Asia and Africa | China | Intercompany elimination | Total |
|------------------------------------|--------------|----------------|---------------|----------------------------|--------------|-------------------------------------|--------------|
| Net segment revenue | 10,329,787 | 21,993,772 | 10,868,102 | 8,927,787 | 11,552,137 | - | 63,671,585 |
| Non-current assets ¹ | 118,732,676 | 9,916,326 | 6,052,990 | 9,251,297 | 17,221,059 | (1,037,473) | 160,136,875 |

¹ Financial instruments, deferred tax assets, and investments in associates and joint ventures are excluded from non-current assets.

(3) As of and for the six-month period ended June 30, 2020

| <i>(In millions of Korean won)</i> | Korea | America | Europe | Asia and Africa | China | Intercompany elimination | Total |
|------------------------------------|--------------|----------------|---------------|----------------------------|--------------|-------------------------------------|--------------|
| Net segment revenue | 17,281,474 | 34,756,685 | 19,528,403 | 17,282,110 | 19,442,648 | - | 108,291,320 |
| Non-current assets ¹ | 102,733,180 | 9,710,747 | 6,717,757 | 10,714,989 | 14,738,071 | (711,912) | 143,902,832 |

¹ Financial instruments, deferred tax assets, and investments in associates and joint ventures are excluded from non-current assets.

(4) As of and for the three-month period ended June 30, 2020

| <i>(In millions of Korean won)</i> | Korea | America | Europe | Asia and Africa | China | Intercompany elimination | Total |
|------------------------------------|--------------|----------------|---------------|----------------------------|--------------|-------------------------------------|--------------|
| Net segment revenue | 9,393,870 | 16,496,213 | 8,589,578 | 8,250,211 | 10,236,270 | - | 52,966,142 |
| Non-current assets ¹ | 102,733,180 | 9,710,747 | 6,717,757 | 10,714,989 | 14,738,071 | (711,912) | 143,902,832 |

¹ Financial instruments, deferred tax assets, and investments in associates and joint ventures are excluded from non-current assets.

27. Related Party Transactions

(A) Sale and purchase transactions

Sale and purchase transactions with related parties for the six-month periods ended June 30, 2021 and 2020 are as follows:

| | | 2021 | | | |
|----------------------------------|------------------------------|---------|-----------------------------------|-----------|-----------------------------------|
| (In millions of Korean won) | Name of company ¹ | Sales | Disposal of non-current assets | Purchases | Purchase of non-current assets |
| Associates and joint ventures | Samsung SDS | 84,835 | - | 829,849 | 253,116 |
| | Samsung Electro-Mechanics | 33,736 | - | 717,016 | - |
| | Samsung SDI | 37,164 | 269 | 291,022 | 16,832 |
| | Cheil Worldwide | 25,839 | - | 357,625 | 17 |
| | Other | 561,509 | 68 | 5,475,204 | 63,979 |
| | Total | | 743,083 | 337 | 7,670,716 |
| Other related parties | Samsung C&T | 48,584 | 12,134 | 153,854 | 1,834,247 |
| | Other | 200,925 | - | 888,236 | 318,677 |
| | Total | 249,509 | 12,134 | 1,042,090 | 2,152,924 |
| Other ² | Samsung Engineering | 223 | - | 17,218 | 654,863 |
| | S-1 | 5,864 | - | 229,878 | 22,979 |
| | Other | 61,198 | 2,371 | 98,463 | 53,255 |
| | Total | 67,285 | 2,371 | 345,559 | 731,097 |

¹ Transactions with separate entities that are related parties of the Company.

² Although these entities are not related parties of the Company in accordance with *Korean IFRS 1024*, they belong to the same large enterprise group in accordance with the Monopoly Regulation and Fair Trade Act.

| | | 2020 | | | |
|----------------------------------|------------------------------|---------|-----------------------------------|-----------|-----------------------------------|
| (In millions of Korean won) | Name of company ¹ | Sales | Disposal of non-current assets | Purchases | Purchase of non-current assets |
| Associates and joint ventures | Samsung SDS | 63,803 | - | 845,359 | 225,949 |
| | Samsung Electro-Mechanics | 27,832 | - | 891,727 | - |
| | Samsung SDI | 40,484 | 272 | 294,295 | 32,768 |
| | Cheil Worldwide | 25,364 | - | 342,756 | - |
| | Other | 547,827 | 29 | 4,481,425 | 55,722 |
| | Total | | 705,310 | 301 | 6,855,562 |
| Other related parties | Samsung C&T | 44,168 | 2,492 | 174,588 | 1,222,976 |
| | Other | 150,467 | - | 539,999 | 187,040 |
| | Total | 194,635 | 2,492 | 714,587 | 1,410,016 |
| Other ² | Samsung Engineering | 3,157 | - | 35,340 | 473,740 |
| | S-1 | 12,082 | - | 215,993 | 15,404 |
| | Other | 43,085 | - | 131,880 | 37,532 |
| | Total | 58,324 | - | 383,213 | 526,676 |

¹ Transactions with separate entities that are related parties of the Company.

² Although these entities are not related parties of the Company in accordance with *Korean IFRS 1024*, they belong to the same large enterprise group in accordance with the Monopoly Regulation and Fair Trade Act.

(B) Balances of receivables and payables

Balances of receivables and payables arising from sales and purchases of goods and services as of June 30, 2021 and December 31, 2020 are as follows:

| (In millions of Korean won) | Name of company ¹ | June 30, 2021 | |
|-------------------------------|------------------------------|----------------|-----------------------|
| | | Receivables | Payables ² |
| Associates and joint ventures | Samsung SDS | 9,653 | 542,389 |
| | Samsung Electro-Mechanics | 154 | 150,200 |
| | Samsung SDI | 102,386 | 94,366 |
| | Cheil Worldwide | 127 | 403,564 |
| | Other | 241,250 | 1,036,314 |
| | Total | 353,570 | 2,226,833 |
| Other related parties | Samsung C&T | 230,779 | 1,385,048 |
| | Other | 31,480 | 216,208 |
| | Total | 262,259 | 1,601,256 |
| Other ³ | Samsung Engineering | 146 | 337,410 |
| | S-1 | 2,559 | 41,631 |
| | Other | 8,212 | 28,695 |
| | Total | 10,917 | 407,736 |

¹ Balances due from and to separate entities that are related parties of the Company.

² Payables and others include lease liabilities.

³ Although these entities are not related parties of the Company in accordance with *Korean IFRS 1024*, they belong to the same large enterprise group in accordance with the Monopoly Regulation and Fair Trade Act.

| (In millions of Korean won) | Name of company ¹ | December 31, 2020 | |
|-------------------------------|------------------------------|-------------------|-----------------------|
| | | Receivables | Payables ² |
| Associates and joint ventures | Samsung SDS | 36,905 | 543,388 |
| | Samsung Electro-Mechanics | 379 | 120,407 |
| | Samsung SDI | 108,561 | 89,178 |
| | Cheil Worldwide | 195 | 398,836 |
| | Other | 253,921 | 1,154,549 |
| | Total | 399,961 | 2,306,358 |
| Other related parties | Samsung C&T | 245,138 | 2,327,126 |
| | Other | 20,484 | 172,726 |
| | Total | 265,622 | 2,499,852 |
| Other ³ | Samsung Engineering | 492 | 538,853 |
| | S-1 | 2,091 | 45,257 |
| | Other | 11,344 | 55,053 |
| | Total | 13,927 | 639,163 |

¹ Balances due from and to separate entities that are related parties of the Company.

² Payables and others include lease liabilities.

³ Although these entities are not related parties of the Company in accordance with *Korean IFRS 1024*, they belong to the same large enterprise group in accordance with the Monopoly Regulation and Fair Trade Act.

- (C) For the six-month periods ended June 30, 2021 and 2020, the Company invested ₩ 28,600 million and ₩ 19,424 million, respectively, in associates and joint ventures. In addition, the Company recovered ₩ 916 million of investments in associates and joint ventures during the six-month period ended June 30, 2021, and there was no return of investments in associates and joint ventures during the six-month period ended June 30, 2020.
- (D) For the six-month period ended June 30, 2021, the Company declared ₩ 2,683,584 million of dividends (₩ 830,406 million for the six-month period ended June 30, 2020) to related parties. In addition, for the six-month period ended June 30, 2021, the Company declared ₩ 203,623 million (₩ 62,872 million for the six-month period ended June 30, 2020) of dividends to the entities that are not related parties of the Company in accordance with *Korean IFRS 1024*, but belong to the same conglomerate according to the Monopoly Regulation and Fair Trade Act. As of June 30, 2021 and December 31, 2020, there is no dividend payables to the entities that are not in scope of Korean IFRS 1024.
- (E) For the six-month period ended June 30, 2021, the Company entered into lease agreements of ₩ 12,602 million with its related parties, while the Company did not enter into any lease agreement during the six-month period ended June 30, 2020. Lease payments made to the related parties for the six-month periods ended June 30, 2021 and 2020 amounted to ₩ 17,940 million and ₩ 27,759 million, respectively.
- (F) Key management compensation

The compensation paid or payable to key management (executive directors) for their services for the six-month periods ended June 30, 2021 and 2020 consists of:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|------------------------------------|-------------|-------------|
| Short-term employee benefits | 4,550 | 3,743 |
| Post-employment benefits | 443 | 482 |
| Other long-term employee benefits | 4,046 | 3,573 |

28. Assets and Liabilities Held-for-Sale (Disposal Groups)

(A) Sales of ownership interest in SSM and SSL

For the year ended December 31, 2020, the Company decided to sell its 100% ownership in Samsung Suzhou Module Co., Ltd. (“SSM”) and 60% ownership in Samsung Suzhou LCD Co., Ltd. (“SSL”) to TCL China Star Opto-electronics Technologies Co., Ltd. (“CSOT”). The Company entered into the sales agreement on August 28, 2020, and the sales were completed on April 1, 2021.

(B) Details of assets and liabilities classified as held-for-sale as of December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | December 31, 2020 |
|------------------------------------|--------------------------|
| Assets held-for-sale | |
| Cash and cash equivalents | 139 |
| Inventories | 53,157 |
| Other current assets | 26,474 |
| Property, plant and equipment | 766,614 |
| Intangible assets | 1,421 |
| Other non-current assets | 81,627 |
| Total | 929,432 |
| Liabilities held-for-sale | |
| Current liabilities | 337,032 |
| Non-current liabilities | 1,710 |
| Total | 338,742 |

(C) Details of accumulated other comprehensive income attributable to assets held-for-sale are as follows:

| <i>(In millions of Korean won)</i> | December 31, 2020 |
|--|--------------------------|
| Foreign currency translation, net of tax | (12,132) |

4. Non-Consolidated financial statements

Samsung Electronics Co., Ltd.

INTERIM SEPARATE STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | June 30, 2021 KRW | December 31, 2020 KRW | June 30, 2021 USD | December 31, 2020 USD |
|---|----------|-------------------------|-----------------------------|-------------------------|-----------------------------|
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 3, 25 | 4,881,542 | 989,045 | 4,368,592 | 885,117 |
| Short-term financial instruments | 3, 25 | 12,203,285 | 29,101,284 | 10,920,970 | 26,043,336 |
| Trade receivables | 3, 25 | 27,703,643 | 24,736,740 | 24,792,559 | 22,137,416 |
| Non-trade receivables | 3, 25 | 1,543,252 | 1,898,583 | 1,381,088 | 1,699,081 |
| Prepaid expenses | | 1,023,836 | 890,680 | 916,252 | 797,088 |
| Inventories | 5 | 12,794,771 | 13,831,372 | 11,450,303 | 12,377,979 |
| Other current assets | 3, 25 | 2,297,290 | 2,350,845 | 2,055,892 | 2,103,819 |
| | | 62,447,619 | 73,798,549 | 55,885,656 | 66,043,836 |
| Non-current assets | | | | | |
| Financial assets at fair value through other comprehensive income | 3, 4, 25 | 1,572,228 | 1,539,659 | 1,407,019 | 1,377,872 |
| Financial assets at fair value through profit or loss | 3, 4, 25 | 2,957 | 3,107 | 2,646 | 2,781 |
| Investments in subsidiaries, associates and joint ventures | 6 | 56,341,888 | 56,587,548 | 50,421,512 | 50,641,358 |
| Property, plant and equipment | 7 | 93,677,031 | 86,166,924 | 83,833,497 | 77,112,548 |
| Intangible assets | 8 | 9,218,016 | 7,002,648 | 8,249,392 | 6,266,813 |
| Net defined benefit assets | 11 | 657,012 | 1,162,456 | 587,974 | 1,040,306 |
| Deferred income tax assets | | 890,345 | 992,385 | 796,788 | 888,106 |
| Other non-current assets | 3, 25 | 3,020,492 | 2,411,151 | 2,703,099 | 2,157,788 |
| | | 165,379,969 | 155,865,878 | 148,001,927 | 139,487,572 |
| Total assets | | 227,827,588 | 229,664,427 | 203,887,583 | 205,531,408 |

The above interim separate statements of financial position should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd.

INTERIM SEPARATE STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | June 30, 2021 KRW | December 31, 2020 KRW | June 30, 2021 USD | December 31, 2020 USD |
|--|--------------|-------------------------|-----------------------------|-------------------------|-----------------------------|
| Liabilities and Equity | | | | | |
| Current liabilities | | | | | |
| Trade payables | 3, 25 | 8,791,780 | 6,599,025 | 7,867,944 | 5,905,603 |
| Short-term borrowings | 3, 9, 25 | 9,267,615 | 12,520,367 | 8,293,779 | 11,204,733 |
| Other payables | 3, 25 | 9,764,170 | 9,829,541 | 8,738,156 | 8,796,658 |
| Advances received | 14 | 391,415 | 424,368 | 350,285 | 379,776 |
| Withholdings | 3, 25 | 381,479 | 432,714 | 341,393 | 387,245 |
| Accrued expenses | 3, 14, 25 | 7,243,098 | 7,927,017 | 6,481,997 | 7,094,050 |
| Current income tax liabilities | | 3,463,195 | 3,556,146 | 3,099,284 | 3,182,468 |
| Current portion of long-term liabilities | 3, 9, 10, 25 | 102,650 | 87,571 | 91,864 | 78,369 |
| Provisions | 12 | 3,153,534 | 2,932,468 | 2,822,162 | 2,624,326 |
| Other current liabilities | 14 | 194,830 | 103,687 | 174,358 | 92,791 |
| | | 42,753,766 | 44,412,904 | 38,261,222 | 39,746,019 |
| Non-current liabilities | | | | | |
| Debentures | 3, 10, 25 | 33,233 | 31,909 | 29,741 | 28,556 |
| Long-term borrowings | 3, 9, 25 | 146,413 | 150,397 | 131,028 | 134,593 |
| Long-term other payables | 3, 25 | 2,842,143 | 1,247,752 | 2,543,492 | 1,116,639 |
| Long-term provisions | 12 | 599,661 | 503,035 | 536,649 | 450,176 |
| Other non-current liabilities | | 99,491 | 1,706 | 89,037 | 1,528 |
| | | 3,720,941 | 1,934,799 | 3,329,947 | 1,731,492 |
| Total liabilities | | 46,474,707 | 46,347,703 | 41,591,169 | 41,477,511 |

The above interim separate statements of financial position should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd.

INTERIM SEPARATE STATEMENTS OF FINANCIAL POSITION

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | June 30, 2021 KRW | December 31, 2020 KRW | June 30, 2021 USD | December 31, 2020 USD |
|-------------------------------------|-------|-------------------------|-----------------------------|-------------------------|-----------------------------|
| Equity | | | | | |
| Preference shares | 15 | 119,467 | 119,467 | 106,913 | 106,913 |
| Ordinary shares | 15 | 778,047 | 778,047 | 696,290 | 696,290 |
| Share premium | | 4,403,893 | 4,403,893 | 3,941,134 | 3,941,134 |
| Retained earnings | 16 | 176,384,482 | 178,284,102 | 157,850,092 | 159,550,101 |
| Other components of equity | 17 | (333,008) | (268,785) | (298,015) | (240,541) |
| Total equity | | 181,352,881 | 183,316,724 | 162,296,414 | 164,053,897 |
| Total liabilities and equity | | 227,827,588 | 229,664,427 | 203,887,583 | 205,531,408 |

The above interim separate statements of financial position should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd.

INTERIM SEPARATE STATEMENTS OF PROFIT OR LOSS

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | For the three-month period ended June 30, | | | | For the six-month period ended June 30, | | | |
|--|--------|---|-------------------|-------------------|-------------------|---|-------------------|-------------------|-------------------|
| | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | | KRW | KRW | USD | USD | KRW | KRW | USD | USD |
| Revenue | 26 | 45,768,634 | 37,904,100 | 40,959,290 | 33,921,157 | 90,811,024 | 77,992,039 | 81,268,648 | 69,796,676 |
| Cost of sales | 18 | 31,002,588 | 26,252,598 | 27,744,852 | 23,493,989 | 64,140,150 | 55,973,547 | 57,400,336 | 50,091,876 |
| Gross profit | | 14,766,046 | 11,651,502 | 13,214,438 | 10,427,168 | 26,670,874 | 22,018,492 | 23,868,312 | 19,704,800 |
| Selling and administrative expenses | 18, 19 | 7,047,292 | 7,003,528 | 6,306,766 | 6,267,601 | 14,506,644 | 14,338,175 | 12,982,293 | 12,831,527 |
| Operating profit | 26 | 7,718,754 | 4,647,974 | 6,907,672 | 4,159,567 | 12,164,230 | 7,680,317 | 10,886,019 | 6,873,273 |
| Other non-operating income | 20 | 4,281,927 | 220,194 | 3,831,984 | 197,056 | 5,639,174 | 466,563 | 5,046,613 | 417,537 |
| Other non-operating expense | 20 | 549,017 | 238,071 | 491,327 | 213,055 | 597,997 | 400,991 | 535,160 | 358,855 |
| Financial income | 21 | 757,914 | 800,092 | 678,273 | 716,019 | 1,678,678 | 2,419,361 | 1,502,283 | 2,165,136 |
| Financial expense | 21 | 703,711 | 746,609 | 629,765 | 668,156 | 1,560,862 | 2,394,042 | 1,396,847 | 2,142,477 |
| Profit before income tax | | 11,505,867 | 4,683,580 | 10,296,837 | 4,191,431 | 17,323,223 | 7,771,208 | 15,502,908 | 6,954,614 |
| Income tax expense | 22 | 2,376,677 | 1,161,339 | 2,126,938 | 1,039,305 | 3,646,429 | 1,943,036 | 3,263,264 | 1,738,863 |
| Profit for the period | | 9,129,190 | 3,522,241 | 8,169,899 | 3,152,126 | 13,676,794 | 5,828,172 | 12,239,644 | 5,215,751 |
| Earnings per share (in Korean won, in US dollars) | 23 | | | | | | | | |
| - Basic | | 1,344 | 519 | 1.20 | 0.46 | 2,013 | 858 | 1.80 | 0.77 |
| - Diluted | | 1,344 | 519 | 1.20 | 0.46 | 2,013 | 858 | 1.80 | 0.77 |

The above interim separate statements of profit or loss should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd.

INTERIM SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Note s | For the three-month period ended June 30, | | | | For the six-month period ended June 30, | | | |
|---|-----------|---|------------------|------------------|------------------|---|------------------|-------------------|------------------|
| | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | | KRW | KRW | USD | USD | KRW | KRW | USD | USD |
| Profit for the period | | 9,129,190 | 3,522,241 | 8,169,899 | 3,152,126 | 13,676,794 | 5,828,172 | 12,239,644 | 5,215,751 |
| Other comprehensive income (loss) | | | | | | | | | |
| Items that will not be reclassified subsequently to profit or loss : | | | | | | | | | |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income, net of tax | 17 | (61,578) | 214,544 | (55,107) | 192,000 | (7,602) | (101,373) | (6,803) | (90,721) |
| Remeasurement of net defined benefit assets, net of tax | 17 | (18,651) | (10,488) | (16,691) | (9,386) | (56,621) | (36,568) | (50,671) | (32,725) |
| Items that may be reclassified subsequently to profit or loss: | | - | - | - | - | - | - | - | - |
| Other comprehensive income(loss) for the period, net of tax | | (80,229) | 204,056 | (71,798) | 182,614 | (64,223) | (137,941) | (57,474) | (123,446) |
| Total comprehensive income for the period | | 9,048,961 | 3,726,297 | 8,098,101 | 3,334,740 | 13,612,571 | 5,690,231 | 12,182,170 | 5,092,305 |

The above interim separate statements of comprehensive income should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd.

INTERIM SEPARATE STATEMENTS OF CHANGES IN EQUITY

(In millions of Korean won)

| 2020 KRW | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Total |
|---|-------|----------------------|--------------------|------------------|----------------------|----------------------------------|-------------|
| Balance as of January 1, 2020 | | 119,467 | 778,047 | 4,403,893 | 172,288,326 | 280,514 | 177,870,247 |
| Profit for the period | | - | - | - | 5,828,172 | - | 5,828,172 |
| Loss on valuation of financial assets at fair value through other comprehensive income, net of tax | | - | - | - | - | (101,373) | (101,373) |
| Remeasurement of net defined benefit assets, net of tax | | - | - | - | - | (36,568) | (36,568) |
| Total comprehensive income (loss) for the period | | - | - | - | 5,828,172 | (137,941) | 5,690,231 |
| Dividends declared | | - | - | - | (4,810,033) | - | (4,810,033) |
| Total transactions with owners | | - | - | - | (4,810,033) | - | (4,810,033) |
| Balance as of June 30, 2020 | | 119,467 | 778,047 | 4,403,893 | 173,306,465 | 142,573 | 178,750,445 |

The above interim separate statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd.

INTERIM SEPARATE STATEMENTS OF CHANGES IN EQUITY

(In thousands of US dollars (Note 2.3))

| 2020 USD | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Total |
|---|-------|----------------------|--------------------|------------------|----------------------|----------------------------------|--------------------|
| Balance as of January 1, 2020 | | 106,913 | 696,290 | 3,941,134 | 154,184,358 | 251,038 | 159,179,733 |
| Profit for the period | | - | - | - | 5,215,751 | - | 5,215,751 |
| Loss on valuation of financial assets at fair value through other comprehensive income, net of tax | | - | - | - | - | (90,721) | (90,721) |
| Remeasurement of net defined benefit assets, net of tax | | - | - | - | - | (32,725) | (32,725) |
| Total comprehensive income (loss) for the period | | - | - | - | 5,215,751 | (123,446) | 5,092,305 |
| Dividends declared | | - | - | - | (4,304,597) | - | (4,304,597) |
| Total transactions with owners | | - | - | - | (4,304,597) | - | (4,304,597) |
| Balance as of June 30, 2020 | | 106,913 | 696,290 | 3,941,134 | 155,095,512 | 127,592 | 159,967,441 |

The above interim separate statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd.

INTERIM SEPARATE STATEMENTS OF CHANGES IN EQUITY

(In millions of Korean won)

| 2021 KRW | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Total |
|---|-------|----------------------|--------------------|------------------|----------------------|----------------------------------|--------------|
| Balance as of January 1, 2021 | | 119,467 | 778,047 | 4,403,893 | 178,284,102 | (268,785) | 183,316,724 |
| Profit for the period | | - | - | - | 13,676,794 | - | 13,676,794 |
| Loss on valuation of financial assets at fair value through other comprehensive income, net of tax | 17 | - | - | - | - | (7,602) | (7,602) |
| Remeasurement of net defined benefit assets, net of tax | 17 | - | - | - | - | (56,621) | (56,621) |
| Total comprehensive income (loss) for the period | | - | - | - | 13,676,794 | (64,223) | 13,612,571 |
| Dividends declared | | - | - | - | (15,576,414) | - | (15,576,414) |
| Total transactions with owners | | - | - | - | (15,576,414) | - | (15,576,414) |
| Balance as of June 30, 2021 | | 119,467 | 778,047 | 4,403,893 | 176,384,482 | (333,008) | 181,352,881 |

The above interim separate statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd.

INTERIM SEPARATE STATEMENTS OF CHANGES IN EQUITY

(In thousands of US dollars (Note 2.3))

| 2021 USD | Notes | Preference shares | Ordinary shares | Share premium | Retained earnings | Other components of equity | Total |
|---|-------|----------------------|--------------------|------------------|----------------------|----------------------------------|---------------------|
| Balance as of January 1, 2021 | | 106,913 | 696,290 | 3,941,134 | 159,550,101 | (240,541) | 164,053,897 |
| Profit for the period | | - | - | - | 12,239,644 | - | 12,239,644 |
| Loss on valuation of financial assets at fair value through other comprehensive income, net of tax | 17 | - | - | - | - | (6,803) | (6,803) |
| Remeasurement of net defined benefit assets, net of tax | 17 | - | - | - | - | (50,671) | (50,671) |
| Total comprehensive income (loss) for the period | | - | - | - | 12,239,644 | (57,474) | 12,182,170 |
| Dividends declared | | - | - | - | (13,939,653) | - | (13,939,653) |
| Total transactions with owners | | - | - | - | (13,939,653) | - | (13,939,653) |
| Balance as of June 30, 2021 | | 106,913 | 696,290 | 3,941,134 | 157,850,092 | (298,015) | 162,296,414 |

The above interim separate statements of changes in equity should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd.

INTERIM SEPARATE STATEMENTS OF CASH FLOWS

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | For the six-month period ended June 30, | | | |
|--|-------|---|---------------------|--------------------|---------------------|
| | | 2021 | 2020 | 2021 | 2020 |
| | | KRW | KRW | USD | USD |
| Operating activities | | | | | |
| Profit for the period | | 13,676,794 | 5,828,172 | 12,239,644 | 5,215,751 |
| Adjustments | 24 | 9,127,825 | 11,507,434 | 8,168,678 | 10,298,239 |
| Changes in assets and liabilities arising from operating activities | 24 | 419,286 | 1,662,472 | 375,228 | 1,487,780 |
| Cash generated from operations | | 23,223,905 | 18,998,078 | 20,783,550 | 17,001,770 |
| Interest received | | 167,563 | 252,408 | 149,956 | 225,885 |
| Interest paid | | (45,404) | (87,943) | (40,633) | (78,702) |
| Dividends received | | 5,200,354 | 102,402 | 4,653,903 | 91,642 |
| Income tax paid | | (3,790,164) | (1,179,157) | (3,391,896) | (1,055,252) |
| Net cash from operating activities | | 24,756,254 | 18,085,788 | 22,154,880 | 16,185,343 |
| Investing activities | | | | | |
| Net decrease in short-term financial instruments | | 16,397,999 | 2,496,130 | 14,674,906 | 2,233,838 |
| Disposal of financial assets at fair value through other comprehensive income | | - | 503 | - | 450 |
| Acquisition of financial assets at fair value through other comprehensive income | | (43,009) | - | (38,490) | - |
| Disposal of financial assets at fair value through profit or loss | | 90 | - | 81 | - |
| Disposal of investments in subsidiaries, associates and joint ventures | | 310,538 | 22,058 | 277,907 | 19,740 |
| Acquisition of investments in subsidiaries, associates and joint ventures | | (41,640) | (87,761) | (37,264) | (78,539) |
| Disposal of property, plant and equipment | | 318,318 | 305,261 | 284,869 | 273,184 |
| Acquisition of property, plant and equipment | | (17,369,129) | (13,000,016) | (15,543,990) | (11,633,981) |
| Disposal of intangible assets | | 455 | 1,054 | 407 | 943 |
| Acquisition of intangible assets | | (1,454,242) | (1,237,786) | (1,301,431) | (1,107,720) |
| Cash inflow (outflow) from other investing activities | | (86,612) | 39,767 | (77,512) | 35,588 |
| Net cash used in investing activities | | (1,967,232) | (11,460,790) | (1,760,517) | (10,256,497) |

The above interim separate statements of cash flows should be read in conjunction with the accompanying notes.

Samsung Electronics Co., Ltd.

INTERIM SEPARATE STATEMENTS OF CASH FLOWS

(In millions of Korean won, in thousands of US dollars (Note 2.3))

| | Notes | For the six-month period ended June 30, | | | |
|--|-------|---|--------------------|---------------------|--------------------|
| | | 2021 | 2020 | 2021 | 2020 |
| | | KRW | KRW | USD | USD |
| Financing activities | | | | | |
| Net decrease in short-term borrowings | | (3,266,633) | (792,923) | (2,923,377) | (709,603) |
| Repayment of debentures and long-term borrowings | | (55,324) | (65,766) | (49,511) | (58,855) |
| Dividends paid | | (15,574,586) | (4,809,727) | (13,938,017) | (4,304,323) |
| Net cash used in financing activities | | (18,896,543) | (5,668,416) | (16,910,905) | (5,072,781) |
| Effect of foreign exchange rate changes | | 18 | 696 | 17 | 623 |
| Net increase in cash and cash equivalents | | 3,892,497 | 957,278 | 3,483,475 | 856,688 |
| Cash and cash equivalents | | | | | |
| Beginning of the period | | 989,045 | 2,081,917 | 885,117 | 1,863,150 |
| End of the period | | 4,881,542 | 3,039,195 | 4,368,592 | 2,719,838 |

The above interim separate statements of cash flows should be read in conjunction with the accompanying notes.

5. Notes to Non-Consolidated Financial Statements

1. General Information

Samsung Electronics Co., Ltd. (the “Company”) was incorporated under the laws of the Republic of Korea in 1969 and listed its shares on the Korea Stock Exchange in 1975. The Company operates three business divisions: Consumer Electronics (“CE”), Information technology & Mobile communications (“IM”), and Device Solutions (“DS”). CE division includes digital TVs, monitors, air conditioners and refrigerators and IM division includes mobile phones, communication systems, and computers. DS division includes semiconductor products such as memory, foundry and system LSI. The Company is domiciled in the Republic of Korea and is located in Suwon, the Republic of Korea.

These financial statements have been prepared in accordance with *Korean IFRS 1027, Separate Financial Statements*.

2. Significant Accounting Policies

2.1 Basis of Presentation

The Company maintains its accounting records in Korean won and prepares statutory financial statements in the Korean language (Hangul) in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (“Korean IFRS”). The accompanying interim separate financial statements have been condensed, restructured and translated into English from the Korean language financial statements.

The interim financial statements for the six-month period ended June 30, 2021, have been prepared in accordance with *Korean IFRS 1034, Interim Financial Reporting*. These interim financial statements have been prepared in accordance with the Korean IFRS which is effective as of June 30, 2021.

(A) New and amended standards adopted by the Company

The Company applied the following amended and enacted standards for the first time for their annual reporting period commencing January 1, 2021:

Amendments to Korean IFRS 1116, Lease

The amendments introduce a practical expedient that simplifies how a lessee accounts for COVID-19 related rent concessions, and a lessee may elect not to assess whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. A lease that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this standard if the change were not a lease modification. The application of the amendments does not have a significant impact on the Company’s interim separate financial statements.

(B) New and amended standards not yet adopted by the Company

The amended accounting standard issued that is not mandatory for the annual reporting period commencing January 1, 2021 and has not been early adopted by the Company is as follows:

Amendments to Korean IFRS 1016 Property, Plant and Equipment

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss. The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with early adoption permitted.

2.2 Accounting Policies

Significant accounting policies and method of computation used in the preparation of the interim financial statements are consistent with those of the annual financial statements for the year ended December 31, 2020, except for the changes due to the application of amendments and enactments of standards described in Note 2.1 and as described below.

(A) Income tax expense

Income tax expense for the interim period is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual effective income tax rate is applied to the pre-tax income of the interim period.

2.3 Convenience Translation into United States Dollar Amounts

The Company operates primarily in Korean won and its official accounting records are maintained in Korean won. The US dollar amounts provided in the financial statements represent supplementary information solely for the convenience of the reader. All Korean won amounts are expressed in US dollars at the rate of ₩ 1,117.4 to \$1, the average exchange rate for the six-month period ended June 30, 2021. Such presentation is not in accordance with generally accepted accounting principles, and should not be construed as a representation that the Korean won amounts shown could be readily converted, realized or settled in US dollars at this or at any other rate.

2.4 Critical Accounting Estimates and Assumptions

In preparing the interim financial statements, the management of the Company makes judgements, estimates and assumptions on matters which affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates, by definition, seldom equal the related actual results. Recent spread of COVID-19 may result in changes to the Company's assumptions and estimates, but its potential financial impact cannot be reasonably estimated as of the reporting date.

Critical accounting estimates and assumptions made in the preparation of the interim financial statements are consistent with those applied in the preparation of the annual financial statements for the year ended December 31, 2020, except for the estimates used to determine the income tax expense.

3. Financial Instruments by Category

(A) Categorizations of financial assets and liabilities as of June 30, 2021 and December 31, 2020 are as follows:

(1) As of June 30, 2021

| <i>(In millions of Korean won)</i> | Financial assets measured at amortized cost | Financial assets measured at fair value through other comprehensive income | Financial assets measured at fair value through profit or loss | Total |
|--|---|---|---|------------|
| Financial assets | | | | |
| Cash and cash equivalents | 4,881,542 | - | - | 4,881,542 |
| Short-term financial instruments | 12,203,285 | - | - | 12,203,285 |
| Trade receivables | 27,703,643 | - | - | 27,703,643 |
| Financial assets at fair value through other comprehensive income | - | 1,572,228 | - | 1,572,228 |
| Financial assets at fair value through profit or loss | - | - | 2,957 | 2,957 |
| Other | 3,917,504 | - | - | 3,917,504 |
| Total | 48,705,974 | 1,572,228 | 2,957 | 50,281,159 |

| <i>(In millions of Korean won)</i> | Financial liabilities measured at amortized cost | Other financial liabilities ¹ | Total |
|--|--|---|------------|
| Financial liabilities | | | |
| Trade payables | 8,791,780 | - | 8,791,780 |
| Short-term borrowings | - | 9,267,615 | 9,267,615 |
| Other payables | 9,503,031 | - | 9,503,031 |
| Current portion of long-term liabilities | 5,539 | 97,111 | 102,650 |
| Debentures | 33,233 | - | 33,233 |
| Long-term borrowings | - | 146,413 | 146,413 |
| Long-term other payables | 2,529,769 | - | 2,529,769 |
| Other | 3,827,740 | - | 3,827,740 |
| Total | 24,691,092 | 9,511,139 | 34,202,231 |

¹ Other financial liabilities include collateralized borrowings and lease liabilities which are not subject to categorizations.

(2) As of December 31, 2020

| <i>(In millions of Korean won)</i> | Financial assets measured at amortized cost | Financial assets measured at fair value through other comprehensive income | Financial assets measured at fair value through profit or loss | Total |
|--|--|---|---|-------------------|
| Financial assets | | | | |
| Cash and cash equivalents | 989,045 | - | - | 989,045 |
| Short-term financial instruments | 29,101,284 | - | - | 29,101,284 |
| Trade receivables | 24,736,740 | - | - | 24,736,740 |
| Financial assets at fair value through other comprehensive income | - | 1,539,659 | - | 1,539,659 |
| Financial assets at fair value through profit or loss | - | - | 3,107 | 3,107 |
| Other | 4,149,950 | - | - | 4,149,950 |
| Total | 58,977,019 | 1,539,659 | 3,107 | 60,519,785 |

| <i>(In millions of Korean won)</i> | Financial liabilities measured at amortized cost | Other financial liabilities¹ | Total |
|--|---|--|-------------------|
| Financial liabilities | | | |
| Trade payables | 6,599,025 | - | 6,599,025 |
| Short-term borrowings | - | 12,520,367 | 12,520,367 |
| Other payables | 9,671,280 | - | 9,671,280 |
| Current portion of long-term liabilities | 5,318 | 82,253 | 87,571 |
| Debentures | 31,909 | - | 31,909 |
| Long-term borrowings | - | 150,397 | 150,397 |
| Long-term other payables | 935,038 | - | 935,038 |
| Others | 3,423,251 | - | 3,423,251 |
| Total | 20,665,821 | 12,753,017 | 33,418,838 |

¹ Other financial liabilities include collateralized borrowings and lease liabilities which are not subject to categorizations.

4. Financial Assets at Fair Value

(A) Details of financial assets at fair value as of June 30, 2021 and December 31, 2020 are as follows:

(1) Financial assets at fair value through other comprehensive income

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|------------------------------------|----------------------|--------------------------|
| Equity instruments | 1,572,228 | 1,539,659 |

(2) Financial assets at fair value through profit or loss

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|------------------------------------|----------------------|--------------------------|
| Debt instruments | 2,957 | 3,107 |

(B) Details of listed equity securities of financial assets at fair value as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won, number of shares and percentage)</i> | June 30, 2021 | | | December 31, 2020 | |
|---|-----------------------------------|--|-------------------------|---|---|
| | Number of shares owned | Percentage of ownership¹ (%) | Acquisition cost | Carrying amount (Market value) | Carrying amount (Market value) |
| Samsung Heavy Industries | 100,693,398 | 16.0 | 735,488 | 675,653 | 708,882 |
| Hotel Shilla | 2,004,717 | 5.1 | 13,957 | 194,458 | 164,988 |
| iMarket Korea | 647,320 | 1.9 | 324 | 7,347 | 5,658 |
| Skylife | 240,000 | 0.5 | 3,344 | 2,580 | 2,114 |
| Yongpyong Resort | 400,000 | 0.8 | 1,869 | 2,408 | 1,702 |
| A-Tech Solution | 1,592,000 | 15.9 | 26,348 | 25,870 | 19,263 |
| Wonik Holdings | 1,759,171 | 2.3 | 15,410 | 11,892 | 11,153 |
| Wonik IPS | 1,850,936 | 3.8 | 16,214 | 91,806 | 81,904 |
| Dongjin Semichem | 2,467,894 | 4.8 | 48,277 | 70,705 | 90,078 |
| Soulbrain Holdings | 461,741 | 2.2 | 30,752 | 17,084 | 20,825 |
| Soulbrain | 373,368 | 4.8 | 24,866 | 122,726 | 101,668 |
| S&S Tech | 1,716,116 | 8.0 | 65,933 | 55,945 | 74,651 |
| YIK Corp | 9,601,617 | 11.7 | 47,336 | 60,970 | 60,010 |
| Kctech | 1,022,216 | 4.9 | 20,720 | 30,002 | 31,433 |
| Lotvacuum | 1,267,668 | 7.1 | 18,990 | 20,917 | 24,086 |
| Newpower | 2,140,939 | 4.9 | 12,739 | 13,338 | 14,109 |
| Fine Semitech | 1,522,975 | 7.0 | 43,009 | 41,044 | - |
| Total | | | 1,125,576 | 1,444,745 | 1,412,524 |

¹ Ownership represents the Company's ownership of the total ordinary shares issued by each entity.

5. Inventories

Inventories as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | | | December 31, 2020 | | |
|------------------------------------|-------------------|---------------------|-------------------|-------------------|---------------------|-------------------|
| | Gross amount | Valuation allowance | Carrying amount | Gross amount | Valuation allowance | Carrying amount |
| Finished goods | 2,106,512 | (164,485) | 1,942,027 | 2,535,410 | (118,007) | 2,417,403 |
| Work in process | 7,962,319 | (87,251) | 7,875,068 | 8,904,968 | (65,773) | 8,839,195 |
| Raw materials and supplies | 2,897,165 | (289,811) | 2,607,354 | 2,544,706 | (379,326) | 2,165,380 |
| Materials in transit | 370,322 | - | 370,322 | 409,394 | - | 409,394 |
| Total | 13,336,318 | (541,547) | 12,794,771 | 14,394,478 | (563,106) | 13,831,372 |

6. Investments in Subsidiaries, Associates and Joint Ventures

(A) Changes in investments in subsidiaries, associates and joint ventures for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|------------------------------------|-------------------|-------------------|
| Balance as of January 1 | 56,587,548 | 56,571,252 |
| Acquisition | 41,640 | 87,761 |
| Disposal | (287,300) | (22,058) |
| Balance as of June 30 | 56,341,888 | 56,636,955 |

(B) Major investments in associates as of June 30, 2021 are as follows (refer to Note 27 for list of subsidiaries):

| Investee | Nature of relationship with associate | Percentage of ownership (%) ¹ | Principal business location | Fiscal period-end |
|-------------------------------------|---|--|-----------------------------|-------------------|
| Samsung Electro-Mechanics Co., Ltd. | Manufacture and supply electronic components including passive components, circuit boards, and modules | 23.7 | Korea | December |
| Samsung SDS Co., Ltd. | Provide IT services including computer programming, system integration and management and logistical services | 22.6 | Korea | December |
| Samsung Biologics Co., Ltd. | New business investment | 31.5 | Korea | December |
| Samsung SDI Co., Ltd. ² | Manufacture and supply electronics including secondary cell batteries | 19.6 | Korea | December |
| Cheil Worldwide, Inc. | Advertising agency | 25.2 | Korea | December |

¹ Ownership represents the Company's ownership of the total ordinary shares issued by each entity.

² The Company's ownership of ordinary shares outstanding is 20.6%.

(C) Fair value of marketable investments in associates as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won and number of shares)</i> | June 30, 2021 | | December 31, 2020 | | |
|---|--------------------------|--------------|--------------------|--------------|--------------------|
| | Number of shares held | Market value | Carrying amount | Market value | Carrying amount |
| Samsung Electro-Mechanics Co., Ltd. | 17,693,084 | 3,131,676 | 445,244 | 3,149,369 | 445,244 |
| Samsung SDS Co., Ltd. | 17,472,110 | 3,232,340 | 560,827 | 3,118,772 | 560,827 |
| Samsung Biologics Co., Ltd. | 20,836,832 | 17,523,776 | 443,193 | 17,211,223 | 443,193 |
| Samsung SDI Co., Ltd. | 13,462,673 | 9,396,946 | 1,242,605 | 8,454,559 | 1,242,605 |
| Cheil Worldwide, Inc. | 29,038,075 | 730,308 | 491,599 | 598,184 | 491,599 |

7. Property, Plant and Equipment

(A) Changes in property, plant and equipment for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|--------------------------------------|-------------------|-------------------|
| Balance as of January 1 | 86,166,924 | 74,090,275 |
| Acquisition and capital expenditures | 16,856,817 | 12,031,311 |
| Depreciation | (9,167,696) | (7,658,155) |
| Disposals/scrap/impairment | (173,461) | (133,637) |
| Other | (5,553) | (33,424) |
| Balance as of June 30 | 93,677,031 | 78,296,370 |

(B) Details of depreciation of property, plant and equipment for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|---|------------------|------------------|
| Cost of sales | 8,326,859 | 6,873,567 |
| Selling and administrative expenses and other | 840,837 | 784,588 |
| Total | 9,167,696 | 7,658,155 |

(C) Right-of-use assets as of June 30, 2021 amount to ₩ 414,375 million (December 31, 2020: ₩ 405,873 million). During the six-month periods ended June 30, 2021 and 2020, newly recognized right-of-use assets amount to ₩ 130,282 million and ₩ 28,005 million, respectively, with relevant depreciation of ₩ 60,813 million and ₩ 68,703 million, respectively.

8. Intangible Assets

(A) Changes in intangible assets for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|------------------------------------|------------------|------------------|
| Balance as of January 1 | 7,002,648 | 8,008,653 |
| External acquisitions | 3,237,185 | 692,418 |
| Internally generated /developed | 170,677 | - |
| Amortization | (1,188,525) | (1,316,825) |
| Disposals/scrap/impairment | (11,317) | (8,238) |
| Other | 7,348 | 25,561 |
| Balance as of June 30 | 9,218,016 | 7,401,569 |

(B) Details of amortization of intangible assets for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|---|------------------|------------------|
| Cost of sales | 958,792 | 1,046,465 |
| Selling and administrative expenses and other | 229,733 | 270,360 |
| Total | 1,188,525 | 1,316,825 |

9. Borrowings

Details of the carrying amounts of borrowings as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | Financial institutions | Interest rate(%) as of June 30, 2021 | June 30, 2021 | December 31, 2020 |
|--|------------------------|--------------------------------------|---------------|-------------------|
| Short-term borrowings | | | | |
| Collateralized borrowings ¹ | Woori Bank and other | 0.0~6.9 | 9,267,615 | 12,520,367 |
| Current portion of long-term borrowings | | | | |
| Lease liabilities ² | - | 1.9 | 97,112 | 82,253 |
| Long-term borrowings | | | | |
| Lease liabilities ² | - | 1.9 | 146,413 | 150,397 |

¹ Collateralized borrowings are secured by trade receivables.

² Interest expenses arising from the lease liabilities for the six-month periods ended June 30, 2021 and 2020 amounted to ₩ 2,204 million and ₩ 2,347 million, respectively, which were determined using the weighted average incremental borrowing rate. The right-of-use assets are pledged as collateral to lessors in the event of default.

10. Debentures

Details of the carrying amounts of debentures as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | Issue date | Due date | Interest rate (%) as of June 30, 2021 | June 30, 2021 | December 31, 2020 |
|--|-------------------|-----------------|--|----------------------------|----------------------------|
| US dollar denominated straight bonds ¹ | Oct 2, 1997 | Oct 1, 2027 | 7.7 | 39,550 (USD 35 million) | 38,080 (USD 35 million) |
| Less: Discounts | | | | (778) | (853) |
| Less: Current Portion | | | | (5,539) | (5,318) |
| Total | | | | 33,233 | 31,909 |

¹ US dollar denominated straight bonds are repaid annually for twenty years after a ten-year grace period from the date of issuance. Interest is paid semi-annually.

11. Net Defined Benefit Liabilities (Assets)

(A) Details of net defined benefit liabilities (assets) recognized in the statements of financial position as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|---|----------------------|--------------------------|
| Present value of funded defined benefit obligations | 10,239,688 | 9,740,095 |
| Present value of unfunded defined benefit obligations | 14,705 | 13,987 |
| Subtotal | 10,254,393 | 9,754,082 |
| Fair value of plan assets | (10,911,405) | (10,916,538) |
| Total | (657,012) | (1,162,456) |

(B) The components of defined benefit costs recognized in profit or loss for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|------------------------------------|----------------|----------------|
| Current service cost | 453,725 | 401,011 |
| Net interest income | (20,053) | (7,947) |
| Total | 433,672 | 393,064 |

- (C) The expenses related to defined benefit plans recognized in the statements of profit or loss for the six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|---|----------------|----------------|
| Cost of sales | 169,443 | 157,835 |
| Selling and administrative expenses and other | 264,229 | 235,229 |
| Total | 433,672 | 393,064 |

12. Provisions

Changes in the provisions for the six-month period ended June 30, 2021 are as follows:

| <i>(In millions of Korean won)</i> | Warranty (A) | Royalty expenses (B) | Long-term incentives (C) | Other (D, E) | Total |
|------------------------------------|---------------------|-----------------------------|---------------------------------|---------------------|------------------|
| Balance as of January 1 | 340,818 | 1,304,018 | 567,004 | 1,223,663 | 3,435,503 |
| Charged to profit or loss | 204,476 | 975,650 | 93,130 | 1,006,274 | 2,279,530 |
| Payment | (190,360) | (1,127,058) | (194,281) | (520,707) | (2,032,406) |
| Other | - | 64,017 | - | 6,551 | 70,568 |
| Balance as of June 30 | 354,934 | 1,216,627 | 465,853 | 1,715,781 | 3,753,195 |

- (A) The Company accrues warranty reserves for estimated costs of quality assurance, exchanges, repairs, recalls, and future services based on historical experience and terms of warranty programs.
- (B) The Company recognizes provisions for the estimated royalty expenses that are under negotiation with counterparties. The timing and amount of payment depend on the settlement of the negotiation.
- (C) The Company has a long-term incentive plan for its executives based on three-year management performance criteria and recognizes a provision for the estimated incentive cost for the accrued period.
- (D) The Company records provisions for future expenses expected to be incurred for products that have been discontinued from manufacturing and sales.
- (E) The Company makes provisions for the carrying amounts of emission rights held by the Company and the emission in excess of the emission rights for the applicable years. Details of emission rights and liabilities as of June 30, 2021 are as follows:

- (1) The amount of emission rights allocated free of charge in the current commitment period and estimated volume of emission as of June 30, 2021 are as follows:

| <i>(In ten thousand metric tons)</i> | June 30, 2021 |
|--|----------------------|
| Emission rights allocated free of charge | 1,126 |
| Estimated volume of emission | 1,458 |

- (2) Changes in the emission rights for the six-month period ended June 30, 2021 are as follows:

| <i>(In millions of Korean won)</i> | 2021 |
|------------------------------------|-------------|
| Balance as of January 1 | 44,865 |
| Submission | (104) |
| Balance as of June 30 | 44,761 |

- (3) Changes in the emission liabilities for the six-month period ended June 30, 2021 are as follows:

| <i>(In millions of Korean won)</i> | 2021 |
|--|-------------|
| Balance as of January 1 | 31,777 |
| Charged to the statement of profit or loss | (15,918) |
| Submission | (104) |
| Balance as of June 30 | 15,755 |

13. Commitments and Contingencies

(A) Guarantees

- (1) Debt guarantees provided by the Company for overseas subsidiaries as of June 30, 2021 are as follows:

(In millions of Korean won and thousands of US dollars)

| Debtor | Creditor | Period | Actual indebtedness | Guaranteed amount |
|---------------|------------------------|---------------|--------------------------------|------------------------------|
| SETK | BNP Paribas and others | June 13, 2022 | 116,496 | 945,810 |
| SETK-P | BNP Paribas and others | Dec 16, 2021 | 3,883 | 113,000 |
| SEIL | Citibank | Dec 16, 2021 | 11,803 | 17,628 |
| Other | Others | - | - | 8,279,080 |
| Total | | | 132,182 | 9,355,518 |
| | | | USD 116,971 | USD 8,279,219 |

- (2) The ceiling amount of guarantees provided by the Company for the execution of contracts by overseas subsidiaries is ₩ 395,584 million as of June 30, 2021.
- (3) The Company has not been provided any collateral or guarantees from its related parties as of June 30, 2021.

(B) Litigation

As of June 30, 2021, the Company is involved in various claims, disputes, and investigations conducted by regulatory bodies that arose during the normal course of business with numerous entities. Although the outflow of resources and timing of these matters are uncertain, the Company believes the outcome will not have a material impact on the financial position of the Company.

(C) Joint liabilities related to the divestiture

The Company, Samsung Display Co., Ltd. and others are jointly and severally liable to fulfill the debts of Samsung Display Co., Ltd. and others which relate to the periods prior to Samsung Display Co., Ltd.'s separation from the Company.

14. Contract Liabilities

The Company has recognized the following contract liabilities related to revenue from contracts with customers:

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|------------------------------------|----------------------|--------------------------|
| Contract liabilities ¹ | 977,326 | 1,065,465 |

¹ Contract liabilities include advances received, accrued expenses, other current liabilities and others.

15. Share Capital

As of June 30, 2021, the Company's total number of authorized shares is 25,000,000,000 shares (₩ 100 per share). The Company has issued 5,969,782,550 shares of ordinary shares and 822,886,700 shares of preference shares as of June 30, 2021, excluding retired shares. As of June 30, 2021, the number of shares outstanding is the same as the number of shares issued above, and no changes were made to the number of shares outstanding during the six-month period ended June 30, 2021 and the year ended December 31, 2020. Due to the retirement of shares, the total par value of the shares issued is ₩ 679,267 million (ordinary shares of ₩ 596,978 million and preference shares of ₩ 82,289 million), which does not agree with paid-in capital of ₩ 897,514 million.

16. Retained Earnings

(A) Retained earnings as of June 30, 2021 and December 31, 2020 consist of the following:

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|------------------------------------|----------------------|--------------------------|
| Legal reserves | 450,789 | 450,789 |
| Discretionary reserves, etc. | 175,933,693 | 177,833,313 |
| Total | 176,384,482 | 178,284,102 |

(B) Details of interim dividends are as follows (Record date: March 31 and June 30, 2021 and 2020)

| <i>(In millions of Korean won and number of shares)</i> | | 2021 | 2020 |
|---|---|----------------------------------|------------------|
| 1 st Quarter | Number of shares eligible for dividends | Ordinary shares 5,969,782,550 | 5,969,782,550 |
| | | Preference shares 822,886,700 | 822,886,700 |
| | Dividend rate (based on par value) | 361% | 354% |
| | Dividend amount | Ordinary shares 2,155,092 | 2,113,303 |
| | Preference shares 297,062 | 291,302 | |
| | Total | 2,452,154 | 2,404,605 |
| 2 nd Quarter | Number of shares eligible for dividends | Ordinary shares 5,969,782,550 | 5,969,782,550 |
| | | Preference shares 822,886,700 | 822,886,700 |
| | Dividend rate (based on par value) | 361% | 354% |
| | Dividend amount | Ordinary shares 2,155,092 | 2,113,303 |
| | Preference shares 297,062 | 291,302 | |
| | Total | 2,452,154 | 2,404,605 |

17. Other Components of Equity

Other components of equity as of June 30, 2021 and December 31, 2020 consist of the following:

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|--|----------------------|--------------------------|
| Gain on valuation of financial assets at fair value through other comprehensive income | 182,893 | 190,495 |
| Remeasurement of net defined benefit liabilities (assets) | (2,276,309) | (2,219,688) |
| Others | 1,760,408 | 1,760,408 |
| Total | (333,008) | (268,785) |

18. Expenses by Nature

Expenses by nature for the three and six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | | 2020 | |
|---|-------------------|-------------------|-------------------|-------------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Changes in finished goods and work in process | 294,395 | 1,439,503 | (293,552) | 305,734 |
| Raw materials used and merchandise purchased | 19,973,009 | 41,402,129 | 17,242,765 | 37,080,050 |
| Wages and salaries | 3,400,978 | 6,964,494 | 3,076,526 | 6,067,690 |
| Post-employment benefit | 218,740 | 437,970 | 198,578 | 396,852 |
| Depreciation | 4,620,852 | 9,167,696 | 3,814,316 | 7,658,155 |
| Amortization | 634,671 | 1,188,525 | 655,261 | 1,316,825 |
| Welfare | 736,269 | 1,347,076 | 593,149 | 1,151,826 |
| Utilities | 668,375 | 1,354,725 | 615,187 | 1,248,775 |
| Outsourcing | 776,490 | 1,590,939 | 779,191 | 1,548,635 |
| Advertising | 341,013 | 590,036 | 174,118 | 494,784 |
| Sales promotion expenses | 145,395 | 446,045 | 160,561 | 420,680 |
| Other | 6,239,693 | 12,717,656 | 6,240,026 | 12,621,716 |
| Total¹ | 38,049,880 | 78,646,794 | 33,256,126 | 70,311,722 |

¹ Equal to sum of cost of sales and selling and administrative expenses in the separate statements of profit or loss.

19. Selling and Administrative Expenses

Selling and administrative expenses for the three and six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | | 2020 | |
|---|------------------|-------------------|------------------|-------------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| 1) Selling and administrative expenses | | | | |
| Wages and salaries | 476,881 | 1,125,054 | 644,343 | 1,171,720 |
| Post-employment benefit | 37,880 | 78,969 | 32,762 | 66,546 |
| Commissions and service charges | 551,677 | 1,130,842 | 611,010 | 1,175,862 |
| Depreciation | 99,335 | 199,864 | 111,273 | 223,019 |
| Amortization | 55,715 | 109,752 | 71,870 | 141,686 |
| Advertising | 341,048 | 590,036 | 174,118 | 494,784 |
| Sales promotion expenses | 145,395 | 446,045 | 160,561 | 420,680 |
| Transportation | 246,575 | 443,375 | 189,805 | 343,507 |
| Service fee | 171,069 | 451,362 | 248,740 | 530,979 |
| Other | 445,683 | 838,265 | 443,849 | 899,957 |
| Subtotal | 2,571,258 | 5,413,564 | 2,688,331 | 5,468,740 |
| 2) Research and development expenses | | | | |
| Total expenses | 4,545,134 | 9,263,757 | 4,315,197 | 8,869,435 |
| Capitalized expenses | (69,100) | (170,677) | - | - |
| Subtotal | 4,476,034 | 9,093,080 | 4,315,197 | 8,869,435 |
| Total | 7,047,292 | 14,506,644 | 7,003,528 | 14,338,175 |

20. Other Non-Operating Income and Expenses

Details of other non-operating income and expenses for the three and six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | | 2020 | |
|---|------------------|------------------|----------------|----------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Other non-operating income | | | | |
| Dividend income | 4,083,583 | 5,218,583 | 635 | 102,402 |
| Rental income | 40,701 | 81,890 | 41,209 | 83,147 |
| Gain on disposal of property, plant and equipment | 81,385 | 214,269 | 136,204 | 208,259 |
| Other | 76,258 | 124,432 | 42,146 | 72,755 |
| Total | 4,281,927 | 5,639,174 | 220,194 | 466,563 |

| <i>(In millions of Korean won)</i> | 2021 | | 2020 | |
|---|----------------|----------------|----------------|----------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Other non-operating expenses | | | | |
| Loss on disposal of property, plant and equipment | 5,301 | 8,505 | 2,524 | 3,964 |
| Donations | 81,760 | 109,356 | 70,856 | 132,290 |
| Other | 461,956 | 480,136 | 164,691 | 264,737 |
| Total | 549,017 | 597,997 | 238,071 | 400,991 |

21. Financial Income and Expenses

Details of financial income and expenses for the three and six-month periods ended June 30, 2021 and 2020 are as follows:

| <i>(In millions of Korean won)</i> | 2021 | | 2020 | |
|--|----------------|------------------|----------------|------------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Financial income | | | | |
| Interest income: | 51,926 | 134,215 | 132,302 | 292,400 |
| - Interest income from financial assets measured at amortized cost | 51,926 | 134,215 | 132,302 | 292,400 |
| Foreign exchange differences | 705,988 | 1,544,463 | 667,790 | 2,126,961 |
| Total | 757,914 | 1,678,678 | 800,092 | 2,419,361 |

| <i>(In millions of Korean won)</i> | 2021 | | 2020 | |
|--|----------------|------------------|----------------|------------------|
| | 3 Months | 6 Months | 3 Months | 6 Months |
| Financial expenses | | | | |
| Interest expenses: | 34,253 | 66,367 | 44,970 | 110,427 |
| - Interest expense from financial liabilities measured at amortized cost | 13,452 | 22,490 | 11,387 | 24,362 |
| - Other financial liabilities | 20,801 | 43,877 | 33,583 | 86,065 |
| Foreign exchange differences | 617,028 | 1,442,065 | 701,639 | 2,283,615 |
| Loss from derivatives | 52,430 | 52,430 | - | - |
| Total | 703,711 | 1,560,862 | 746,609 | 2,394,042 |

The Company recognizes foreign exchange gains and losses arising from foreign currency transactions and translation as financial income and expenses.

22. Income Tax Expense

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The average annual tax rate expected as of June 30, 2021 to be effective for the year ended December 31, 2021 is 21.0%.

23. Earnings per Share

(A) Basic earnings per share

Basic earnings per share for the three and six-month periods ended June 30, 2021 and 2020 are calculated as follows:

(1) Ordinary shares

| <i>(In millions of Korean won and thousands of number of shares)</i> | 2021 | | 2020 | |
|--|-----------|------------|-----------|-----------|
| | 3 Month | 6 Month | 3 Month | 6 Month |
| Profit for the period | 9,129,190 | 13,676,794 | 3,522,241 | 5,828,172 |
| Profit for the period available for ordinary shares | 8,023,249 | 12,019,941 | 3,095,544 | 5,122,127 |
| Weighted-average number of ordinary shares outstanding | 5,969,783 | 5,969,783 | 5,969,783 | 5,969,783 |
| Basic earnings per ordinary share (in Korean won) | 1,344 | 2,013 | 519 | 858 |

(2) Preference shares

| <i>(In millions of Korean won and thousands of number of shares)</i> | 2021 | | 2020 | |
|--|-----------|------------|-----------|-----------|
| | 3 Month | 6 Month | 3 Month | 6 Month |
| Profit for the period | 9,129,190 | 13,676,794 | 3,522,241 | 5,828,172 |
| Profit for the period available for preference shares | 1,105,941 | 1,656,853 | 426,697 | 706,045 |
| Weighted-average number of preference shares outstanding | 822,887 | 822,887 | 822,887 | 822,887 |
| Basic earnings per preference share (in Korean won) | 1,344 | 2,013 | 519 | 858 |

(B) Diluted earnings per share

The Company does not have dilutive potential ordinary shares and as a result, basic earnings per share and diluted earnings per share are the same for the three and six-month periods ended June 30, 2021 and 2020.

24. Statements of Cash Flows

(A) The Company used the indirect method to present cash flows from operating activities. Adjustments and changes in assets and liabilities arising from operating activities for the six-month periods ended June 30, 2021 and 2020 are as follows:

- Adjustments

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|---|------------------|-------------------|
| Adjustments: | | |
| Income tax expense | 3,646,429 | 1,943,036 |
| Financial income | (408,773) | (569,210) |
| Financial expenses | 374,645 | 658,307 |
| Post-employment benefits | 437,970 | 396,852 |
| Depreciation | 9,167,696 | 7,658,155 |
| Amortization | 1,188,525 | 1,316,825 |
| Bad debt expenses | 11,153 | 12,413 |
| Dividends income | (5,218,583) | (102,402) |
| Gain on disposal of property, plant and equipment | (214,269) | (208,259) |
| Loss on disposal of property, plant and equipment | 8,505 | 3,964 |
| Loss on valuation of inventories | 152,313 | 387,951 |
| Others | (17,786) | 9,802 |
| Total | 9,127,825 | 11,507,434 |

- Changes in assets and liabilities arising from operating activities

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|--|----------------|------------------|
| Changes in assets and liabilities : | | |
| Increase in trade receivables | (2,830,839) | (334,126) |
| Decrease in other receivables | 376,551 | 603,585 |
| Increase in prepaid expenses | (127,710) | (84,602) |
| Decrease (increase) in inventories | 913,260 | (234,119) |
| Increase in trade payables | 2,158,893 | 858,174 |
| Increase (decrease) in other payables | 65,940 | (410,791) |
| Increase (decrease) in advances received | (32,953) | 47,101 |
| Decrease in withholdings | (51,235) | (67,028) |
| Increase (decrease) in accrued expenses | (545,434) | 350,242 |
| Increase in provisions | 247,124 | 1,144,119 |
| Payment of post-employment benefits | (112,224) | (223,753) |
| Other | 357,913 | 13,670 |
| Total | 419,286 | 1,662,472 |

(B) For the six-month periods ended June 30, 2021 and 2020, cash outflows from repayment of the principal (financial activities) were ₩ 55,324 million and ₩ 65,766 million, respectively, while cash outflows due to interest expenses (operating activities) in relation to the lease liabilities amount to ₩ 2,204 million and ₩ 2,347 million, respectively.

25. Financial Risk Management

The Company's financial risk management focuses on minimizing market risk, credit risk, and liquidity risk arising from operating activities. To mitigate these risks, the Company implements and operates a financial risk policy and program that closely monitors and manages such risks. In addition, the Company uses derivatives to hedge certain risk exposure.

The finance team mainly carries out the Company's financial risk management. After implementing the global financial risk management policies, the finance team periodically measures, evaluates, and hedges financial risk and also establishes and implements the global financial risk management policy.

The Company also manages foreign exchange risk by monitoring foreign exchange rate fluctuations at local finance centers across major regions (United States, United Kingdom, Singapore, China, Brazil, and Russia) and acting as an agent of foreign exchange transactions. In addition, the Company manages liquidity risk by utilizing a globally integrated finance structure.

The Company's financial assets that are under financial risk management are comprised of cash and cash equivalents, short-term financial instruments, trade receivables and others. The Company's financial liabilities under financial risk management are comprised of trade payables, borrowings, and others.

(A) Market risk

(1) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from its global operations performed in currencies other than its functional currency. The major currencies that are exposed to foreign exchange risk are the US dollar, Euro, and Indian Rupee.

The Company focuses on minimizing the impact of foreign exchange fluctuation by maintaining the equal amount of assets and liabilities denominated in each foreign currency, irrespective of foreign exchange fluctuation considerations. To prevent exchange position, the Company's foreign exchange management policy requires normal business transactions, including import and export, as well as financing transactions such as depositing and borrowing, to be in local currency or for the cash-in currency to be matched up with the cash-out currency. Moreover, the Company periodically evaluates and monitors the foreign exchange risk to efficiently mitigate such risk, and the speculative foreign exchange transactions are strictly prohibited.

(2) Interest rate risk

Risk of changes in interest rates for floating interest rate financial instruments is defined as the risk that the fair value of components of the statements of financial position, and future cash flows of interest income (expenses) of a financial instrument, will fluctuate because of changes in market interest rates. The Company's position with regard to interest rate risk exposure is mainly driven by its floating interest rate debt obligations and interest-bearing deposits. The Company implemented policies and operates to minimize uncertainty arising from changes in interest rates and finance expenses.

(3) Price risk

The Company's investment portfolio consists of direct and indirect investments in equity instruments classified as financial assets at fair value through other comprehensive income, which is in line with the Company's strategy.

As of June 30, 2021 and 2020, price fluctuation of marketable equity securities (listed stocks) by 1% would result in changes in other comprehensive income (before income tax) of ₩ 14,447 million and ₩ 9,866 million, respectively.

(B) Credit risk

Credit risk arises during the normal course of transactions and investing activities where clients or other parties fail to discharge an obligation. The Company monitors and sets the client's and counterparty's credit limit on a periodic basis based on the client's and counterparty's financial conditions, default history and other important factors. Adequate insurance coverage is maintained for trade receivables related to trading partners situated in higher risk countries.

Credit risk can arise from transactions with financial institutions which include financial instrument transactions such as cash and cash equivalents, deposits, and derivative instruments. To minimize such risk, the Company transacts only with banks which have a strong international credit rating (S&P A and above), and all new transactions with financial institutions with no prior transaction history are approved, managed and monitored by the Company's finance team. The Company generally enters into a financial agreement with no restrictions, such as debt ratio covenants, provision of collateral and/or repayment of loans/ borrowings. The Company requires separate approvals for contracts with restrictions.

As of the reporting date, the Company estimates that its maximum exposure to credit risk is the carrying amount of its financial assets, net of impairment losses.

(C) Liquidity risk

Due to large investments made by the Company, maintaining adequate levels of liquidity risk is critical. The Company strives to achieve this goal by periodically forecasting its capital balance, estimating required cash levels, and managing income and expenses.

The Company manages its liquidity risk by periodically forecasting projected cash flows. If abnormal signs are identified, the Company works with the local finance center and provides liquidity support by utilizing a globally integrated finance structure, such as Cash Pooling. In addition, the Company maintains a liquidity management process which provides additional financial support from the local finance center and the Company. The Cash Pooling program allows the sharing of surplus funds among entities and contributes to minimizing liquidity risk and strengthening the Company's competitive position by reducing capital operation expenses and financial expenses.

For the need of large scale of liquidity, the Company secures credit limit for the overseas subsidiaries through payment guarantees.

(D) Capital risk management

The purpose of capital management is to maintain a sound capital structure. The Company monitors capital on the basis of credit ratings and debt ratio. Debt ratio is calculated by dividing total liabilities by total equity in the financial statements.

The Company has maintained an AA- and Aa3 credit rating from S&P and Moody's, respectively.

The debt ratio as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | December 31, 2020 |
|------------------------------------|----------------------|--------------------------|
| Total liabilities | 46,474,707 | 46,347,703 |
| Total equity | 181,352,881 | 183,316,724 |
| Debt ratio | 25.6% | 25.3% |

(E) Fair value estimation

(1) Carrying amounts and fair value of financial instruments by category as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | June 30, 2021 | | December 31, 2020 | |
|---|------------------------|-------------------|--------------------------|-------------------|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets | | | | |
| Cash and cash equivalents | 4,881,542 | (*) | 989,045 | (*) |
| Short-term financial instruments | 12,203,285 | (*) | 29,101,284 | (*) |
| Trade receivables | 27,703,643 | (*) | 24,736,740 | (*) |
| Financial assets at fair value through other comprehensive income | 1,572,228 | 1,572,228 | 1,539,659 | 1,539,659 |
| Financial assets at fair value through profit or loss | 2,957 | 2,957 | 3,107 | 3,107 |
| Other | 3,917,504 | (*) | 4,149,950 | (*) |
| Total financial assets | 50,281,159 | | 60,519,785 | |
| Financial liabilities | | | | |
| Trade payables | 8,791,780 | (*) | 6,599,025 | (*) |
| Short-term borrowings | 9,267,615 | (*) | 12,520,367 | (*) |
| Other payables | 9,503,031 | (*) | 9,671,280 | (*) |
| Current portion of long-term liabilities | 102,650 | 6,059 | 87,571 | 5,318 |
| - Current portion of long-term borrowings | 97,111 | (*) | 82,253 | (*) |
| - Current portion of debentures | 5,539 | 6,059 | 5,318 | 5,318 |
| Debentures | 33,233 | 37,071 | 31,909 | 36,507 |
| Long-term borrowings | 146,413 | (*) | 150,397 | (*) |
| Long-term other payables | 2,529,769 | (*) | 935,038 | (*) |
| Other | 3,827,740 | (*) | 3,423,251 | (*) |
| Total financial liabilities | 34,202,231 | | 33,418,838 | |

(*) Assets and liabilities whose carrying amount is a reasonable approximation of fair value are excluded from the fair value disclosures.

(*) Lease liabilities, classified under the current portion of long-term liabilities and long-term borrowings, are excluded from the fair value disclosures in accordance with *Korean IFRS 1107*.

(2) Fair value hierarchy classifications of the financial instruments that are measured at fair value or its fair value disclosed as of June 30, 2021 and December 31, 2020 are as follows:

| June 30, 2021 | | | | |
|---|----------------|----------------|----------------|----------------------|
| <i>(In millions of Korean won)</i> | Level 1 | Level 2 | Level 3 | Total balance |
| 1) Assets | | | | |
| Financial assets at fair value through other comprehensive income | 1,444,745 | - | 127,483 | 1,572,228 |
| Financial assets at fair value through profit or loss | - | - | 2,957 | 2,957 |
| 2) Liabilities | | | | |
| Current portion of debentures | - | 6,059 | - | 6,059 |
| Debentures | - | 37,071 | - | 37,071 |

| December 31, 2020 | | | | |
|---|----------------|----------------|----------------|----------------------|
| <i>(In millions of Korean won)</i> | Level 1 | Level 2 | Level 3 | Total balance |
| 1) Assets | | | | |
| Financial assets at fair value through other comprehensive income | 1,412,524 | - | 127,135 | 1,539,659 |
| Financial assets at fair value through profit or loss | - | - | 3,107 | 3,107 |
| 2) Liabilities | | | | |
| Current portion of debentures | - | 5,318 | - | 5,318 |
| Debentures | - | 36,507 | - | 36,507 |

The levels of the fair value hierarchy and its application to financial assets and liabilities are described below.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1. The instruments included in Level 1 are listed equity investments, most of which are classified as financial assets at fair value through other comprehensive income.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in Level 3.

The Company performs the fair value measurements required for financial reporting purposes, including Level 3 fair values and discusses valuation processes and results at least once every quarter in line with the Company's quarterly reporting dates. The Company's policy is to recognize transfers between levels at the end of the reporting period, if corresponding events or changes in circumstances have occurred.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the statement of financial position date, with the resulting value discounted back to present value

Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments. For trade and other receivables that are classified as current assets, the book value approximates a reasonable estimate of fair value.

(3) Valuation technique and the inputs

The Company utilizes a present value technique to discount future cash flows using a proper interest rate for corporate bonds, government and public bonds, and bank debentures that are classified as Level 2 in the fair value hierarchy.

The following table presents the valuation technique and the inputs used for major financial instruments classified as Level 3.

(In millions of Korean won)

| Classification | Fair value | Valuation technique | Level 3 inputs | Input range (Weighted average) |
|--|------------|----------------------|----------------------------------|--------------------------------|
| Financial assets at fair value through other comprehensive income | | | | |
| Samsung Venture Investment | 22,305 | Discounted cash flow | Permanent growth rate | -1.0%~1.0%(0.0%) |
| | | | Weighted average cost of capital | 19.3%~21.3%(20.3%) |
| MiCo Ceramics Co., Ltd. | 22,190 | Discounted cash flow | Permanent growth rate | -1.0%~1.0%(0.0%) |
| | | | Weighted average cost of capital | 13.9%~15.9%(14.9%) |

(4) Changes in Level 3 instruments:

(In millions of Korean won)

| | 2021 | 2020 |
|---|----------------|---------------|
| Financial assets | | |
| Balance as of January 1 | 130,242 | 84,536 |
| Disposals | (90) | - |
| Amount recognized in other comprehensive income | 301 | (1,651) |
| Other | (13) | - |
| Balance as of June 30 | 130,440 | 82,885 |

(5) Sensitivity analysis for recurring fair value measurements categorized within Level 3

Sensitivity analysis of financial instruments is performed to measure favorable and unfavorable changes in the fair value of financial instruments which are affected by the unobservable parameters, using a statistical technique. When the fair value is affected by more than two input parameters, the amounts represent the most favorable or unfavorable.

The results of the sensitivity analysis for effect on other comprehensive income or loss (before-tax amount for other comprehensive income or loss) from changes in inputs for major financial instruments which are categorized within Level 3 and subject to sensitivity analysis are as follows:

(In millions of Korean won)

| Classification | Favorable changes | | Unfavorable changes | |
|--|-------------------|--------|---------------------|---------|
| | Profit or loss | Equity | Profit or loss | Equity |
| Financial assets at fair value through other comprehensive income ¹ | - | 1,926 | - | (1,532) |

¹ For equity securities, changes in fair value are calculated with the correlation between the discount rate and growth rate (-1% ~1%), which are significant unobservable inputs.

26. Segment Information

The chief operating decision-maker has been identified as the Management Committee. The Company determines operating segments based on the units reported to the Management Committee. The Management Committee reviews the operating profits of each operating segment in order to assess performance and to make strategic decisions regarding the allocation of resources to the segment.

Sales revenue consists mostly of product sales. The operating segments are product-based and are identified based on the internal organization and revenue streams. As of the reporting date, the operating segments are comprised of CE, IM, DS (Semiconductor), and others.

Total assets and liabilities of each operating segment are excluded from the disclosure as these have not been provided regularly to the Management Committee.

(1) For the six-month period ended June 30, 2021

| <i>(In millions of Korean won)</i> | CE | IM | DS | Total ¹ |
|------------------------------------|------------|------------|------------|--------------------|
| Sales | 15,735,736 | 34,208,276 | 41,812,570 | 90,811,024 |
| Depreciation | 48,057 | 102,453 | 8,818,093 | 9,167,696 |
| Amortization | 29,397 | 558,355 | 507,556 | 1,188,525 |
| Operating profit | (167,588) | 3,964,883 | 8,363,172 | 12,164,230 |

¹ Other operating segments are not separately disclosed.

(2) For the three-month period ended June 30, 2021

| <i>(In millions of Korean won)</i> | CE | IM | DS | Total ¹ |
|------------------------------------|-----------|------------|------------|--------------------|
| Sales | 8,425,040 | 15,004,539 | 22,790,654 | 45,768,634 |
| Depreciation | 23,971 | 51,067 | 4,447,066 | 4,620,852 |
| Amortization | 14,921 | 311,823 | 260,713 | 634,671 |
| Operating profit | (70,217) | 1,759,718 | 6,017,451 | 7,718,754 |

¹ Other operating segments are not separately disclosed.

(3) For the six-month period ended June 30, 2020

| <i>(In millions of Korean won)</i> | CE | IM | DS | Total ¹ |
|------------------------------------|------------|------------|------------|--------------------|
| Sales | 12,812,257 | 30,138,440 | 34,954,827 | 77,992,039 |
| Depreciation | 49,674 | 99,420 | 7,301,626 | 7,658,155 |
| Amortization | 24,254 | 690,141 | 521,165 | 1,316,825 |
| Operating profit | (399,662) | 272,782 | 7,819,756 | 7,680,317 |

¹ Other operating segments are not separately disclosed.

(4) For the three-month period ended June 30, 2020

| <i>(In millions of Korean won)</i> | CE | IM | DS | Total ¹ |
|------------------------------------|-----------|------------|------------|--------------------|
| Sales | 6,741,794 | 13,215,489 | 17,846,236 | 37,904,100 |
| Depreciation | 24,706 | 50,001 | 3,636,420 | 3,814,316 |
| Amortization | 12,601 | 342,793 | 259,701 | 655,261 |
| Operating profit | (41,594) | 92,723 | 4,599,012 | 4,647,974 |

¹ Other operating segments are not separately disclosed.

27. Related Party Transactions

(A) Subsidiaries

List of subsidiaries as of June 30, 2021 are as follows:

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|---------|--|--|--|
| | Samsung Electronics America, Inc. (SEA) | Sale of electronic devices | 100.0 |
| | Samsung International, Inc. (SII) | Manufacture of electronic devices | 100.0 |
| | Samsung Mexicana S.A. de C.V (SAMEX) | Manufacture of electronic devices | 100.0 |
| | Samsung Electronics Home Appliances America, LLC (SEHA) | Manufacture of home appliances | 100.0 |
| | Samsung Research America, Inc (SRA) | R&D | 100.0 |
| | Samsung Next LLC (SNX) | Management of overseas subsidiaries | 100.0 |
| | Samsung Next Fund LLC (SNXF) | Technology business, venture capital investments | 100.0 |
| | NeuroLogica Corp. | Manufacture and sale of medical equipment | 100.0 |
| | Samsung HVAC America, LLC | Sale of air conditioning products | 100.0 |
| | Prismview, LLC | Manufacture and sale of LED displays | 100.0 |
| | Joyent, Inc. | Cloud services | 100.0 |
| | Dacor Holdings, Inc. | Management of overseas subsidiaries | 100.0 |
| | Dacor, Inc. | Manufacture and sale of home appliances | 100.0 |
| | Dacor Canada Co. | Sale of home appliances | 100.0 |
| | SmartThings, Inc. | Sale of smart home electronics | 100.0 |
| | TeleWorld Solutions, Inc. (TWS) | Installation of network devices | 100.0 |
| | TWS LATAM B, LLC | Management of overseas subsidiaries | 100.0 |
| | TWS LATAM S, LLC | Management of overseas subsidiaries | 100.0 |
| | SNB Technologies, Inc. Mexico, S.A. de C.V | Installation of network devices | 100.0 |
| | Zhilabs Inc. | Sale of network solutions | 100.0 |
| | Samsung Semiconductor, Inc. (SSI) | Sale of semiconductor and display panels | 100.0 |
| America | Samsung Austin Semiconductor LLC. (SAS) | Manufacture of semiconductors | 100.0 |
| | Samsung Oak Holdings, Inc. (SHI) | Management of overseas subsidiaries | 100.0 |
| | SEMES America, Inc. | Semiconductor equipment services | 100.0 |
| | Samsung Electronics Canada, Inc. (SECA) | Sale of electronic devices | 100.0 |
| | AdGear Technologies Inc. | Digital advertising platforms | 100.0 |
| | Samsung Electronica da Amazonia Ltda. (SEDA) | Manufacture and sale of electronic devices | 100.0 |
| | Samsung Electronics Mexico S.A. De C.V. (SEM) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Digital Appliance Mexico, SA de CV (SEDAM) | Manufacture of home appliances | 100.0 |
| | Samsung Electronics Latinoamerica (Zona Libre), S. A. (SELA) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Latinoamerica Miami, Inc. (SEMI) | Sale of electronic devices | 100.0 |
| | Samsung Electronica Colombia S.A. (SAMCOL) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Argentina S.A. (SEASA) | Marketing and services | 100.0 |
| | Samsung Electronics Chile Limitada (SECH) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Peru S.A.C. (SEPR) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Venezuela, C.A. (SEVEN) | Marketing and services | 100.0 |
| | Samsung Electronics Panama. S.A. (SEPA) | Consulting | 100.0 |
| | Harman International Industries, Inc. | Management of overseas subsidiaries | 100.0 |
| | Harman Becker Automotive Systems, Inc. | Manufacture and sale of audio products, R&D | 100.0 |
| | Harman Connected Services, Inc. | Connected service provider | 100.0 |
| | Harman Connected Services Engineering Corp. | Connected service provider | 100.0 |
| | Harman da Amazonia Industria Eletronica e Participacoes Ltda. | Manufacture and sale of audio products | 100.0 |
| | Harman de Mexico, S. de R.L. de C.V. | Manufacture of audio products | 100.0 |
| | Harman do Brasil Industria Eletronica e Participacoes Ltda. | Sale of audio products, R&D | 100.0 |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|---|---|--|--|
| America | Harman Financial Group LLC | Management company | 100.0 |
| | Harman International Industries Canada Ltd. | Sale of audio products | 100.0 |
| | Harman International Mexico, S. de R.L. de C.V. | Sale of audio products | 100.0 |
| | Harman KG Holding, LLC | Management of overseas subsidiaries | 100.0 |
| | Harman Professional, Inc. | Sale of audio products, R&D | 100.0 |
| | RT SV CO-INVEST, LP | Venture capital investments | 99.9 |
| | Beijing Integrated Circuit Industry International Fund, L.P | Venture capital investments | 61.4 |
| | China Materialia New Materials 2016 Limited Partnership | Venture capital investments | 99.0 |
| Europe & CIS | Samsung Electronics (UK) Ltd. (SEUK) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Ltd. (SEL) | Management of overseas subsidiaries | 100.0 |
| | Samsung Semiconductor Europe Limited (SSEL) | Sale of semiconductor and display panels | 100.0 |
| | Samsung Electronics GmbH (SEG) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Holding GmbH (SEHG) | Management of overseas subsidiaries | 100.0 |
| | Samsung Semiconductor Europe GmbH (SSEG) | Sale of semiconductor and display panels | 100.0 |
| | Samsung Electronics France S.A.S (SEF) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Italia S.P.A. (SEI) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Iberia, S.A. (SESA) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Portuguesa, Unipessoal, Lda. (SEP) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Hungarian Private Co. Ltd. (SEH) | Manufacture and sale of electronic devices | 100.0 |
| | Samsung Electronics Europe Logistics B.V. (SELS) | Logistics | 100.0 |
| | Samsung Electronics Benelux B.V. (SEBN) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Europe Holding Cooperatief U.A. (SEEH) | Management of overseas subsidiaries | 100.0 |
| | Samsung Electronics Nordic Aktiebolag (SENA) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Slovakia s.r.o (SESK) | Manufacture of TV and monitors | 100.0 |
| | Samsung Display Slovakia s.r.o. (SDSK) | Toll processing of display panels | 100.0 |
| | Samsung Electronics Polska, SP.Zo.o (SEPOL) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Poland Manufacturing SP.Zo.o (SEPM) | Manufacture of home appliances | 100.0 |
| | Samsung Electronics Romania LLC (SEROM) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Austria GmbH (SEAG) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Switzerland GmbH (SESG) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Czech and Slovak s.r.o. (SECZ) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Baltics SIA (SEB) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Greece S.M.S.A (SEGR) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Air Conditioner Europe B.V. (SEACE) | Sale of air conditioning products | 100.0 |
| | Samsung Nanoradio Design Center (SNDC) | R&D | 100.0 |
| | Samsung Denmark Research Center ApS (SDRC) | R&D | 100.0 |
| | Samsung Cambridge Solution Centre Limited (SCSC) | R&D | 100.0 |
| | Zhilabs, S.L. | Development and sale of network solutions | 100.0 |
| | Foodient Ltd. | R&D | 100.0 |
| | Samsung Electronics Rus Company LLC (SERC) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Rus Kaluga LLC (SERK) | Manufacture of TV | 100.0 |
| | Samsung Electronics Ukraine Company LLC (SEUC) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Central Eurasia LLP (SECE) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Overseas B.V. (SEO) | Sale of electronic devices | 100.0 |
| Samsung R&D Institute Rus LLC (SRR) | R&D | 100.0 | |
| Samsung Electronics Caucasus Co., Ltd. (SECC) | Marketing | 100.0 | |
| AKG Acoustics GmbH | Manufacture and sale of audio products | 100.0 | |
| AMX UK Limited | Sale of audio products | 100.0 | |
| A&R Cambridge Limited | Sale of audio products | 100.0 | |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|--|---|---|--|
| Europe & CIS | Harman Audio Iberia Espana Sociedad Limitada | Sale of audio products | 100.0 |
| | Harman Automotive UK Limited | Manufacture of audio products | 100.0 |
| | Harman Becker Automotive Systems GmbH | Manufacture and sale of audio products, R&D | 100.0 |
| | Harman Becker Automotive Systems Italy S.R.L. | Sale of audio products | 100.0 |
| | Harman Becker Automotive Systems Manufacturing Kft | Manufacture of audio products, R&D | 100.0 |
| | Harman Belgium SA | Sale of audio products | 100.0 |
| | Harman Connected Services AB. | Connected service provider | 100.0 |
| | Harman Finland Oy | Connected service provider | 100.0 |
| | Harman Connected Services GmbH | Connected service provider | 100.0 |
| | Harman Connected Services Limited | Connected service provider | 100.0 |
| | Harman Connected Services Poland Sp.zoo | Connected service provider | 100.0 |
| | Harman Connected Services UK Ltd. | Connected service provider | 100.0 |
| | Harman Consumer Nederland B.V. | Sale of audio products | 100.0 |
| | Harman Deutschland GmbH | Sale of audio products | 100.0 |
| | Harman Finance International GP S.a.r.l | Management of overseas subsidiaries | 100.0 |
| | Harman France SNC | Sale of audio products | 100.0 |
| | Harman Holding GmbH & Co. KG | Management company | 100.0 |
| | Harman Hungary Financing Ltd. | Financing company | 100.0 |
| | Harman Inc. & Co. KG | Management of overseas subsidiaries | 100.0 |
| | Harman International Estonia OU | R&D | 100.0 |
| | Harman International Industries Limited | Sale of audio products, R&D | 100.0 |
| | Harman International Romania SRL | R&D | 100.0 |
| | Harman Finance International, SCA | Financing company | 100.0 |
| | Harman International s.r.o | Manufacture of audio products | 100.0 |
| | Harman Management GmbH | Management of overseas subsidiaries | 100.0 |
| | Harman Professional Kft | Manufacture of audio products, R&D | 100.0 |
| | Martin Manufacturing (UK) Ltd. | Manufacture of audio products | 100.0 |
| | Harman Professional Denmark ApS | Sale of audio products, R&D | 100.0 |
| | Red Bend Software Ltd. | Software design | 100.0 |
| | Red Bend Software SAS | Software design | 100.0 |
| Studer Professional Audio GmbH | Sale of audio products, R&D | 100.0 | |
| Harman Connected Services OOO | Connected service provider | 100.0 | |
| Harman RUS CIS LLC | Sale of audio products | 100.0 | |
| Middle East & Africa | Samsung Gulf Electronics Co., Ltd. (SGE) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Turkey (SETK) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Industry and Commerce Ltd. (SETK-P) | Manufacture of electronic devices | 100.0 |
| | Samsung Electronics Levant Co.,Ltd. (SELV) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Maghreb Arab (SEMAG) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Egypt S.A.E (SEEG) | Manufacture and sale of electronic devices | 100.0 |
| | Samsung Electronics Israel Ltd. (SEIL) | Marketing | 100.0 |
| | Samsung Electronics Tunisia S.A.R.L (SETN) | Marketing | 100.0 |
| | Samsung Electronics Pakistan(Private) Ltd. (SEPAK) | Marketing | 100.0 |
| | Samsung Electronics Saudi Arabia Ltd. (SESAR) | Sale of electronic devices | 100.0 |
| Samsung Semiconductor Israel R&D Center, Ltd. (SIRC) | R&D | 100.0 | |
| Corephotonics Ltd. | R&D | 100.0 | |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|------------------------------|---|--|--|
| | Samsung Electronics South Africa(Pty) Ltd. (SSA) | Sale of electronic devices | 100.0 |
| | Samsung Electronics South Africa Production (pty) Ltd. (SSAP) | Manufacture of TV and monitors | 100.0 |
| | Samsung Electronics West Africa Ltd. (SEWA) | Marketing | 100.0 |
| | Samsung Electronics East Africa Ltd. (SEEA) | Marketing | 100.0 |
| | Global Symphony Technology Group Private Ltd. | Management of overseas subsidiaries | 100.0 |
| | Harman Connected Services Morocco | Connected service provider | 100.0 |
| | Harman Industries Holdings Mauritius Ltd. | Management of overseas subsidiaries | 100.0 |
| | Red Bend Ltd. | Manufacture of audio products | 100.0 |
| | Samsung Asia Pte. Ltd. (SAPL) | Management of overseas subsidiaries | 100.0 |
| | Samsung Electronics Singapore Pte. Ltd. (SESP) | Sale of electronic devices | 100.0 |
| | Samsung Malaysia Electronics (SME) Sdn. Bhd. (SME) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Display (M) Sdn. Bhd. (SDMA) | Manufacture of electronic devices | 100.0 |
| | Samsung Electronics (M) Sdn. Bhd. (SEMA) | Manufacture of home appliances | 100.0 |
| | Samsung Vina Electronics Co., Ltd. (SAVINA) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Vietnam Co., Ltd. (SEV) | Manufacture of electronic devices | 100.0 |
| | Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT) | Manufacture of communication equipment | 100.0 |
| | Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC) | Manufacture and sale of electronic devices | 100.0 |
| | Samsung Display Vietnam Co., Ltd. (SDV) | Manufacture of display panels | 100.0 |
| | PT Samsung Electronics Indonesia (SEIN) | Manufacture and sale of electronic devices | 100.0 |
| | PT Samsung Telecommunications Indonesia (STIN) | Sale of electronic devices and services | 100.0 |
| | Thai Samsung Electronics Co., Ltd. (TSE) | Manufacture and sale of electronic devices | 91.8 |
| | Laos Samsung Electronics Sole Co., Ltd (LSE) | Marketing | 100.0 |
| Asia (Excluding China) | Samsung Electronics Philippines Corporation (SEPCO) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Australia Pty. Ltd. (SEAU) | Sale of electronic devices | 100.0 |
| | Samsung Electronics New Zealand Limited (SENZ) | Sale of electronic devices | 100.0 |
| | Samsung India Electronics Private Ltd. (SIEL) | Manufacture and sale of electronic devices | 100.0 |
| | Samsung Display Noida Private Limited (SDN) | Manufacture of display panels | 100.0 |
| | Samsung R&D Institute India-Bangalore Private Limited (SRI-Bangalore) | R&D | 100.0 |
| | Samsung R&D Institute BanglaDesh Limited (SRBD) | R&D | 100.0 |
| | Samsung Nepal Services Pvt, Ltd (SNSL) | Service | 100.0 |
| | Samsung Japan Corporation (SJC) | Sale of semiconductor and display panels | 100.0 |
| | Samsung R&D Institute Japan Co., Ltd. (SRJ) | R&D | 100.0 |
| | Samsung Electronics Japan Co., Ltd. (SEJ) | Sale of electronic devices | 100.0 |
| | Harman Connected Services Corp. India Pvt. Ltd. | Connected service provider | 100.0 |
| | Harman International (India) Private Limited | Sale of audio products, R&D | 100.0 |
| | Harman International Industries PTY Ltd. | Management of overseas subsidiaries | 100.0 |
| | Harman International Japan Co., Ltd. | Sale of audio products, R&D | 100.0 |
| | Harman Singapore Pte. Ltd. | Sale of audio products | 100.0 |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|-------|---|--|--|
| | Samsung (CHINA) Investment Co., Ltd. (SCIC) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Hong Kong Co., Ltd. (SEHK) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Taiwan Co., Ltd. (SET) | Sale of electronic devices | 100.0 |
| | Samsung Electronics Huizhou Co., Ltd. (SEHZ) | Manufacture of electronic devices | 100.0 |
| | Tianjin Samsung Electronics Co., Ltd. (TSEC) | Manufacture of TV and monitors | 91.2 |
| | Suzhou Samsung Electronics Co., Ltd. (SSEC) | Manufacture of home appliances | 88.3 |
| | Samsung Suzhou Electronics Export Co., Ltd. (SSEC-E) | Manufacture of home appliances | 100.0 |
| | Samsung Electronics Suzhou Computer Co., Ltd. (SESC) | Manufacture of electronic devices, R&D | 100.0 |
| | Tianjin Samsung Telecom Technology Co., Ltd. (TSTC) | Manufacture of communication equipment | 90.0 |
| | Shenzhen Samsung Electronics Telecommunication Co., Ltd. (SSET) | Manufacture of communication equipment | 100.0 |
| | Beijing Samsung Telecom R&D Center (SRC-Beijing) | R&D | 100.0 |
| | Samsung Electronics China R&D Center (SRC-Nanjing) | R&D | 100.0 |
| | Samsung Mobile R&D Center China-Guangzhou (SRC-Guangzhou) | R&D | 100.0 |
| | Samsung R&D Institute China-Shenzhen (SRC-Shenzhen) | R&D | 100.0 |
| | Shanghai Samsung Semiconductor Co., Ltd. (SSS) | Sale of semiconductor and display panels | 100.0 |
| China | Samsung (China) Semiconductor Co., Ltd. (SCS) | Manufacture of semiconductors | 100.0 |
| | Samsung SemiConductor Xian Co., Ltd. (SSCX) | Sale of semiconductor and display panels | 100.0 |
| | Samsung Electronics Suzhou Semiconductor Co., Ltd. (SESS) | Toll processing of semiconductors | 100.0 |
| | Tianjin Samsung LED Co., Ltd. (TSLED) | Manufacture of LED | 100.0 |
| | Samsung Semiconductor (China) R&D Co., Ltd. (SSCR) | R&D | 100.0 |
| | Samsung Display Dongguan Co., Ltd. (SDD) | Manufacture of display panels | 100.0 |
| | Samsung Display Tianjin Co., Ltd. (SDT) | Manufacture of display panels | 95.0 |
| | SEMES (XIAN) Co., Ltd. | Semiconductor equipment services | 100.0 |
| | Harman (China) Technologies Co., Ltd. | Manufacture of audio products | 100.0 |
| | Harman (Suzhou) Audio and Infotainment Systems Co., Ltd. | Sale of audio products | 100.0 |
| | Harman Automotive Electronic Systems (Suzhou) Co., Ltd. | Manufacture of audio products, R&D | 100.0 |
| | Harman Commercial (Shanghai) Co., Ltd. | Sale of audio products | 100.0 |
| | Harman Connected Services Solutions (Chengdu) Co., Ltd. | Connected service provider | 100.0 |
| | Harman Holding Limited | Sale of audio products | 100.0 |
| | Harman International (China) Holdings Co., Ltd. | Sale of audio products, R&D | 100.0 |
| | Harman Technology (Shenzhen) Co., Ltd. | Sale of audio products, R&D | 100.0 |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

| Area | Subsidiaries | Industry | Percentage of ownership (%) ¹ |
|----------|--|---|--|
| Domestic | Samsung Display Co., Ltd. | Manufacture and sale of display panels | 84.8 |
| | SU Materials | Manufacture of display components | 50.0 |
| | STECO Co., Ltd. | Manufacture of semiconductor components | 70.0 |
| | SEMES Co., Ltd. | Manufacture and sale of semiconductor/FPD | 91.5 |
| | Samsung Electronics Service Co., Ltd. | Repair services for electronic devices | 99.3 |
| | Samsung Electronics Service Customer Satisfaction Co., Ltd. | Call center for repair services for electronic devices | 100.0 |
| | Samsung Electronics Sales Co., Ltd. | Sale of electronic devices | 100.0 |
| | Samsung Electronics Logitech Co., Ltd. | General logistics agency | 100.0 |
| | Samsung Medison Co., Ltd. | Manufacture and sale of medical equipment | 68.5 |
| | Mirero System Co., Ltd. | Development and supply of semiconductor process defect and quality control software | 99.9 |
| | Dowooinssys Co., Ltd. | Manufacture of display components | 51.8 |
| | Gf-System Co., Ltd. | Manufacture of display components | 100.0 |
| | Harman International Korea | Software development and supply, etc. | 100.0 |
| | Samsung Venture Capital Union #21 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #22 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #26 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #27 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #28 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #29 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #32 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #33 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #37 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #40 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #42 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #43 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #45 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #48 | Technology business, Venture capital investments | 99.0 |
| | Samsung Venture Capital Union #52 | Technology business, Venture capital investments | 99.0 |
| | Growth type private equity trust specialized in semiconductors | Investment on semiconductor industry | 66.7 |
| | System LSI mutual benefit private equity trust | Investment on semiconductor industry | 62.5 |

¹ Ownership represents the Company's ownership of the voting rights in each entity, including subsidiaries' ownerships.

(B) Sale and purchase transactions

Sale and purchase transactions with related parties for the six-month periods ended June 30, 2021 and 2020 are as follows:

| (In millions of Korean won) | Name of company ¹ | 2021 | | | |
|--|---|--------------------|--------------------------------------|------------------------|--------------------------------------|
| | | Sales and other | Disposal of non-current assets | Purchases and other | Purchase of non-current assets |
| Subsidiaries | Samsung Display Co., Ltd. | 93,887 | - | 373,297 | - |
| | Samsung Electronics America, Inc. (SEA) | 14,165,928 | - | 78,995 | - |
| | Samsung (China) Semiconductor Co., Ltd. (SCS) | 73,849 | 169,934 | 3,144,758 | 4,591 |
| | Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT) | 2,718,976 | 686 | 9,115,155 | 68 |
| | Harman and its subsidiaries ² | - | - | 24,655 | - |
| | Samsung (CHINA) Investment Co., Ltd. (SCIC) | 769,981 | - | 4,135 | - |
| | Samsung Electronics Vietnam Co., Ltd. (SEV) | 1,602,809 | 202 | 6,771,463 | 264 |
| | Samsung Asia Pte. Ltd. (SAPL) | - | - | 8,397 | - |
| | Samsung Semiconductor, Inc. (SSI) | 12,649,323 | - | 206,912 | - |
| | Samsung Austin Semiconductor LLC. (SAS) | 29 | 1,183 | 1,953,255 | 6,681 |
| | Shanghai Samsung Semiconductor Co., Ltd. (SSS) | 12,609,499 | - | 576 | - |
| | Samsung India Electronics Private Ltd. (SIEL) | 1,890,549 | 2,609 | 1,469,262 | - |
| | Samsung Display Vietnam Co., Ltd. (SDV) | 516,398 | - | - | - |
| | Samsung Eletronica da Amazonia Ltda. (SEDA) | 1,456,382 | 13 | 7,168 | - |
| | Thai Samsung Electronics Co., Ltd. (TSE) | 704,564 | - | 1,227,677 | - |
| | Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC) | 375,047 | 2,152 | 3,005,107 | - |
| | Samsung Electronics (UK) Ltd. (SEUK) | 947,872 | - | 47,883 | - |
| | Samsung Electronics Benelux B.V. (SEBN) | 205,640 | - | 1,343 | - |
| | Samsung Electronics Hungarian Private Co. Ltd. (SEH) | 313,877 | - | 462 | - |
| | Samsung Electronics Taiwan Co., Ltd. (SET) | 2,396,643 | - | 267 | - |
| | SEMES Co., Ltd. | 2,405 | - | 1,330,629 | - |
| | Samsung Electronics Europe Logistics B.V. (SELS) | 1,941,745 | - | 4,271 | - |
| | Samsung International, Inc. (SII) | 208,510 | - | 2,951,583 | - |
| Samsung Display Dongguan Co., Ltd. (SDD) | 142,877 | - | - | - | |
| Other | 27,469,531 | 9,368 | 6,140,350 | 3,784 | |
| | Total | 83,256,321 | 186,147 | 37,867,600 | 15,388 |
| Associates and joint ventures | Samsung SDS Co., Ltd. | 84,168 | - | 735,239 | 235,352 |
| | Samsung Electro-Mechanics Co., Ltd. | 32,884 | - | 493,114 | - |
| | Samsung SDI Co., Ltd. | 31,561 | 269 | 160,971 | 15,243 |
| | Cheil Worldwide Inc. | 25,542 | - | 331,651 | 17 |
| | Other | 242,906 | 68 | 221,078 | 3,725 |
| | Total | 417,061 | 337 | 1,942,053 | 254,337 |
| Other related parties | Samsung C&T Corporation | 43,131 | - | 24,796 | 1,775,628 |
| | Other | 175,971 | - | 290,587 | 47,119 |
| | Total | 219,102 | - | 315,383 | 1,822,747 |
| Other ³ | Samsung Engineering Co., Ltd. | 122 | - | 14,546 | 625,556 |
| | S-1 Corporation | 2,224 | - | 197,335 | 16,678 |
| | Other | 50,485 | 2,371 | 53,907 | 2,698 |
| | Total | 52,831 | 2,371 | 265,788 | 644,932 |

¹ Transactions with separate entities that are related parties of the Company.

² Transactions with the intermediate parent company, including Harman International Industries, Inc. and its subsidiaries.

³ Although these entities are not related parties of the Company in accordance with *Korean IFRS 1024*, they belong to the same large enterprise group according to the Monopoly Regulation and Fair Trade Act.

| | | 2020 | | | |
|-------------------------------------|---|--------------------|--------------------------------------|------------------------|--------------------------------------|
| (In millions of Korean won) | Name of company ¹ | Sales and other | Disposal of non-current assets | Purchases and other | Purchase of non-current assets |
| Subsidiaries | Samsung Display Co., Ltd. | 83,481 | - | 563,998 | 99 |
| | Samsung Electronics America, Inc. (SEA) | 11,356,892 | - | 84,468 | - |
| | Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT) | 3,052,394 | 83 | 8,866,754 | 51 |
| | Harman and its subsidiaries ² | - | - | 46,341 | - |
| | Samsung (China) Semiconductor Co., Ltd. (SCS) | 82,870 | 187,269 | 2,256,580 | 5,868 |
| | Samsung (CHINA) Investment Co., Ltd. (SCIC) | 505,832 | - | 10,274 | - |
| | Samsung Electronics Vietnam Co., Ltd. (SEV) | 1,896,943 | 26 | 6,170,908 | 1,000 |
| | Samsung Semiconductor, Inc. (SSI) | 9,724,060 | - | 215,790 | 29 |
| | Samsung Asia Private Ltd. (SAPL) | 829,191 | - | 15,023 | - |
| | Samsung Austin Semiconductor LLC. (SAS) | 743 | 62,423 | 2,141,866 | - |
| | Samsung India Electronics Private Ltd. (SIEL) | 1,881,099 | - | 1,067,806 | - |
| | Samsung Display Vietnam Co., Ltd. (SDV) | 381,844 | - | - | - |
| | Shanghai Samsung Semiconductor Co., Ltd. (SSS) | 9,714,082 | - | 205,554 | - |
| | Samsung Electronica da Amazonia Ltda. (SEDA) | 479,092 | - | 1,906 | - |
| | Thai Samsung Electronics Co., Ltd. (TSE) | 660,537 | - | 860,395 | - |
| | Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC) | 359,168 | - | 2,127,631 | 31 |
| | Samsung Electronics (UK) Ltd. (SEUK) | 290,199 | - | 56,148 | - |
| | Samsung Electronics Hungarian Private Co. Ltd. (SEH) | 301,929 | - | 1,659 | - |
| | Samsung Electronics Benelux B.V. (SEBN) | 21,165 | - | 1,275 | - |
| | Samsung Electronics Europe Logistics B.V. (SELS) | 1,288,517 | - | 4,793 | - |
| | Samsung International, Inc. (SII) | 223,527 | 77 | 2,662,314 | - |
| | Samsung Display Dongguan Co., Ltd. (SDD) | 31,152 | - | - | - |
| | Samsung Electronics GmbH (SEG) | 1,531,612 | - | 4,066 | - |
| SEMES Co., Ltd. | 1,956 | - | 895,509 | - | |
| Other | 21,420,704 | 12,880 | 5,726,689 | 9,084 | |
| Total | | 66,118,989 | 262,758 | 33,987,747 | 16,162 |
| Associates and joint ventures | Samsung SDS Co., Ltd. | 62,832 | - | 751,376 | 211,235 |
| | Samsung Electro-Mechanics Co., Ltd. | 27,140 | - | 587,274 | - |
| | Samsung SDI Co., Ltd. | 30,648 | 272 | 157,179 | 14,069 |
| | Cheil Worldwide Inc. | 24,979 | - | 330,031 | - |
| | Other | 340,236 | 29 | 281,503 | 1,088 |
| Total | | 485,835 | 301 | 2,107,363 | 226,392 |
| Other related parties | Samsung C&T Corporation | 41,307 | - | 80,465 | 882,864 |
| | Other | 127,802 | - | 261,340 | 39,084 |
| Total | | 169,109 | - | 341,805 | 921,948 |
| Other ³ | Samsung Engineering Co., Ltd. | 3,050 | - | 10,554 | 349,196 |
| | S-1 Corporation | 8,916 | - | 183,928 | 13,934 |
| | Other | 32,707 | - | 66,273 | 470 |
| Total | | 44,673 | - | 260,755 | 363,600 |

¹ Transactions with separate entities that are related parties of the Company.

² Transactions with the intermediate parent company, including Harman International Industries, Inc. and its subsidiaries.

³ Although these entities are not related parties of the Company in accordance with *Korean IFRS 1024*, they belong to the same large enterprise group according to the Monopoly Regulation and Fair Trade Act.

(C) Balances of receivables and payables

Balances of receivables and payables arising from sales and purchases of goods and services as of June 30, 2021 and December 31, 2020 are as follows:

| <i>(In millions of Korean won)</i> | | Name of company ¹ | June 30, 2021 | |
|--|--|--|---------------------------------------|------------------------------------|
| | | | Receivables and other ² | Payables and other ³ |
| | | Samsung Display Co., Ltd. | 15,340 | 161,006 |
| | | Samsung Electronics America, Inc. (SEA) | 3,886,559 | 164,835 |
| | | Samsung (China) Semiconductor Co., Ltd. (SCS) | 47,218 | 555,847 |
| | | Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT) | 615,295 | 2,360,781 |
| | | Harman and its subsidiaries ⁴ | - | 4,137 |
| | | Samsung Electronics Europe Holding Cooperatief U.A. (SEEH) | 175 | - |
| | | Samsung (CHINA) Investment Co., Ltd. (SCIC) | 80,394 | 925 |
| | | Samsung Electronics Vietnam Co., Ltd. (SEV) | 317,510 | 1,767,035 |
| | | Samsung Asia Pte. Ltd. (SAPL) | 1,603 | 1,998 |
| | | Samsung Semiconductor, Inc. (SSI) | 5,382,043 | 156,428 |
| | | Samsung Austin Semiconductor LLC. (SAS) | 3,317 | 359,422 |
| | | Shanghai Samsung Semiconductor Co., Ltd. (SSS) | 4,433,697 | - |
| | | Samsung India Electronics Private Ltd. (SIEL) | 881,111 | 153,527 |
| Subsidiaries | | Samsung Display Vietnam Co., Ltd. (SDV) | 114,613 | - |
| | | Samsung Electronica da Amazonia Ltda. (SEDA) | 216,156 | 2,145 |
| | | Thai Samsung Electronics Co., Ltd. (TSE) | 89,216 | 258,204 |
| | | Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC) | 107,285 | 521,227 |
| | | Samsung Electronics (UK) Ltd. (SEUK) | 196,862 | 41,447 |
| | | Samsung Electronics Benelux B.V. (SEBN) | 20,967 | 3,996 |
| | | Samsung Electronics Hungarian Private Co. Ltd. (SEH) | 35,589 | 33 |
| | | Samsung Electronics Taiwan Co., Ltd. (SET) | 494,043 | 25,620 |
| | | SEMES Co., Ltd. | 127,451 | 951,497 |
| | | Samsung Electronics Europe Logistics B.V. (SELS) | 279,928 | 1,646 |
| | | Samsung International, Inc. (SII) | 73,035 | 334,412 |
| | | Samsung Display Dongguan Co., Ltd. (SDD) | 25,363 | - |
| | | Other | 7,340,037 | 1,342,896 |
| | | Total | 24,784,807 | 9,169,064 |
| | | Samsung SDS Co., Ltd. | 9,379 | 499,934 |
| | | Samsung Electro-Mechanics Co., Ltd. | 130 | 113,674 |
| Associates and joint ventures | | Samsung SDI Co., Ltd. | 102,361 | 44,329 |
| | | Cheil Worldwide Inc. | 13 | 400,637 |
| | | Other | 105,004 | 83,333 |
| | | Total | 216,887 | 1,141,907 |
| | | Samsung C&T Corporation | 203,447 | 1,296,101 |
| Other related parties | | Other | 23,802 | 146,981 |
| | | Total | 227,249 | 1,443,082 |
| | | Samsung Engineering Co., Ltd. | 97 | 315,537 |
| | | S-1 Corporation | 1,132 | 34,049 |
| Other ⁵ | | Other | 781 | 19,111 |
| | | Total | 2,010 | 368,697 |

¹ Transactions with separate entities that are related parties of the Company.

² The Company has not recognized bad debt allowance in relation to the receivables due from subsidiaries as of June 30, 2021.

³ Payables and others include lease liabilities.

⁴ Transactions with the intermediate parent company, including Harman International Industries, Inc. and its subsidiaries.

⁵ Although these entities are not related parties of the Company in accordance with Korean IFRS 1024, they belong to the same large enterprise group according to the Monopoly Regulation and Fair Trade Act.

| (In millions of Korean won) | Name of Company ¹ | December 31, 2020 | |
|----------------------------------|--|---------------------------------------|------------------------------------|
| | | Receivables and other ² | Payables and other ³ |
| | Samsung Display Co., Ltd. | 8,791 | 110,590 |
| | Samsung Electronics America, Inc. (SEA) | 4,386,729 | 109,808 |
| | Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT) | 573,990 | 1,475,012 |
| | Samsung (CHINA) Investment Co., Ltd. (SCIC) | 114,209 | 63,247 |
| | Harman and its subsidiaries ⁴ | - | 11,649 |
| | Samsung (China) Semiconductor Co., Ltd. (SCS) | 58,124 | 503,142 |
| | Samsung Electronics Vietnam Co., Ltd. (SEV) | 479,330 | 1,642,273 |
| | Samsung Electronics Europe Holding Cooperatief U.A. (SEEH) | 348 | - |
| | Samsung Semiconductor, Inc. (SSI) | 3,904,314 | 119,569 |
| | Samsung Asia Pte. Ltd. (SAPL) | 92,692 | 38,434 |
| | Shanghai Samsung Semiconductor Co., Ltd. (SSS) | 3,310,319 | 202 |
| | Samsung Display Vietnam Co., Ltd. (SDV) | 118,106 | - |
| | Samsung Austin Semiconductor LLC. (SAS) | 6,634 | 297,169 |
| Subsidiaries | Samsung Electronica da Amazonia Ltda. (SEDA) | 368,591 | 938 |
| | Samsung India Electronics Private Ltd. (SIEL) | 825,400 | 283,091 |
| | Thai Samsung Electronics Co., Ltd. (TSE) | 76,754 | 219,580 |
| | Samsung Electronics (UK) Ltd. (SEUK) | 250,169 | 27,984 |
| | Samsung Electronics GmbH (SEG) | 674,888 | 1,999 |
| | Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC) | 127,677 | 502,978 |
| | Samsung Electronics Hungarian Private Co. Ltd. (SEH) | 83,227 | 229 |
| | Samsung Electronics Benelux B.V. (SEBN) | 114,569 | 3,363 |
| | Samsung Display Dongguan Co., Ltd. (SDD) | 14,237 | - |
| | Samsung Electronics Europe Logistics B.V. (SELS) | 939,206 | 1,651 |
| | Samsung Electronics France S.A.S (SEF) | 313,893 | 340 |
| | Samsung Japan Corporation (SJC) | 227,020 | 57,762 |
| | Other | 6,543,308 | 2,253,734 |
| | Total | 23,612,525 | 7,724,744 |
| | Samsung SDS Co., Ltd. | 36,752 | 493,346 |
| | Samsung Electro-Mechanics Co., Ltd. | 310 | 71,041 |
| Associates and joint ventures | Samsung SDI Co., Ltd. | 107,201 | 58,274 |
| | Cheil Worldwide Inc. | 76 | 393,348 |
| | Other | 103,652 | 161,686 |
| | Total | 247,991 | 1,177,695 |
| | Samsung C&T Corporation | 212,894 | 2,300,740 |
| Other related parties | Other | 16,065 | 111,425 |
| | Total | 228,959 | 2,412,165 |
| | Samsung Engineering Co., Ltd. | 441 | 523,140 |
| Other ⁵ | S-1 Corporation | 1,619 | 32,165 |
| | Other | 3,133 | 20,697 |
| | Total | 5,193 | 576,002 |

¹ Transactions with separate entities that are related parties of the Company.

² The Company has not recognized any bad debt allowance in relation to the receivables due from subsidiaries as of December 31, 2020.

³ Payables and others include lease liabilities.

⁴ Transactions with the intermediate parent company, including Harman International Industries, Inc. and its subsidiaries.

⁵ Although these entities are not related parties of the Company in accordance with Korean IFRS 1024, they belong to the same large enterprise group according to the Monopoly Regulation and Fair Trade Act.

- (D) For the six-month periods ended June 30, 2021 and 2020, the Company invested ₩ 41,640 million and ₩ 87,761 million, respectively, in subsidiaries, and received ₩ 310,538 million and ₩ 22,058 million in return of investments, respectively. In addition, there were no additional investments in associates and joint ventures or return of those investments for the six-month periods ended June 30, 2021 and 2020, respectively.
- (E) For the six-month periods ended June 30, 2021 and 2020, the Company declared dividend of ₩ 2,683,584 million and ₩ 830,406 million, respectively, to related parties. In addition, for the six-month periods ended June 30, 2021 and 2020, the Company declared dividends of ₩ 203,623 million and ₩ 62,872 million, respectively, to the entities that are not related parties of the Company in accordance with *Korean IFRS 1024*, but belong to the same conglomerate according to the Monopoly Regulation and Fair Trade Act. As of June 30, 2021 and December 31, 2020, no dividends declared remains unpaid.
- (F) For the six-month periods ended June 30, 2021 and 2020, assets leased from related parties amounted to ₩ 63,887 million and ₩ 131 million, respectively, and lease payments made to the related parties amounted to ₩ 27,641 million and ₩ 34,685 million, respectively.
- (G) As of June 30, 2021, the Company provides guarantees in relation to borrowings of the related parties (refer to Note 13).
- (H) Key management compensation

The compensation paid or payable to key management (executive directors) for their services for the six-month periods ended June 30, 2021 and 2020 consists of:

| <i>(In millions of Korean won)</i> | 2021 | 2020 |
|------------------------------------|-------------|-------------|
| Short-term employee benefits | 4,550 | 3,743 |
| Post-employment benefits | 443 | 482 |
| Other long-term employee benefits | 4,046 | 3,573 |

6. Dividends

We continue to work to enhance shareholder value alongside our efforts to strengthen competitiveness of our products and businesses. We utilized 50% of the free cash flow as the shareholder return pool for 2018 to 2020 as part of our shareholder return policy for 2018 to 2020 and paid annual, regular dividends of KRW 9.6 trillion. A special cash dividend of KRW 10.7 trillion was paid out at the same time as the 2020 end-year, regular dividend. The shareholder return policy for 2021 to 2023 was announced in January 2021. For this term, we kept the shareholder return pool at 50% of the free cash flow, but increased the annual, regular dividend to KRW 9.8 trillion. Any remaining portion of the 50% of the free cash flow will be paid out to shareholders.

Dividends paid in the three most recent fiscal years are as follows:

| Classification | | 1H21 | 2020 | 2019 |
|---|-----------|------------|------------|------------|
| Par value per share (KRW) | | 100 | 100 | 100 |
| Consolidated net profit ¹⁾ (KRW mil) | | 16,543,462 | 26,090,846 | 21,505,054 |
| Separate net profit (KRW mil) | | 13,676,794 | 15,615,018 | 15,353,323 |
| EPS ²⁾ (KRW) | | 2,435 | 3,841 | 3,166 |
| Total cash dividend (KRW mil) | | 4,904,308 | 20,338,075 | 9,619,243 |
| Total stock dividend (KRW mil) | | - | - | - |
| Dividend payout ratio (%) | | 29.6 | 78.0 | 44.7 |
| Cash dividend yield (%) | Common | 0.9 | 4.0 | 2.6 |
| | Preferred | 1.0 | 4.2 | 3.1 |
| Stock dividend yield (%) | Common | - | - | - |
| | Preferred | - | - | - |
| Cash dividend per share (KRW) | Common | 722 | 2,994 | 1,416 |
| | Preferred | 722 | 2,995 | 1,417 |
| Stock dividend per share (share) | Common | - | - | - |
| | Preferred | - | - | - |

Dividends were KRW 2,452,154 million or KRW 361 per share in the first two quarters of 2021, and KRW 2,404,605 million or KRW 354 per share in each of the first three quarters of 2019 and 2020. For further information relating to total cash dividend, see retained earnings in 『3. Note to Consolidated Financial Statements』 in 『III. Financial Affairs』 .

1) Equity attributable to owners of the parent.

2) Basic earnings per common share on a consolidated basis. For further information relating to the calculation of basic EPS, see Earnings Per Share in 『3. Note to Consolidated Financial Statements』 in 『III. Financial Affairs』 .

History of dividend payouts is as follows:

| Number of continuous dividend payments | | Average dividend yield | |
|--|--------------------|------------------------|--------------|
| Quarterly/biannual dividends | End-year dividends | Past 3 years | Past 5 years |
| 32 | 40 | 3.4% | 2.7% |

7. Matters about financing through the issuance of securities

7-1 Financing through the issuance of securities

[Issuance of equity securities]

N/A

[Issuance of debt securities]

A. List of issued debt securities

(As of June 30, 2021)

(KRW mil, %)

| Issuing company | Type of securities | Issuance method | Date of issuance | Total nominal amount | Interest rate | Rating (rating institution) | Maturity date | Payment status | Management company |
|--------------------------------------|--------------------|-------------------|------------------|----------------------|---------------|-----------------------------|---------------|--------------------|----------------------|
| Samsung Electronics | Corporate bonds | Public offering | Oct 2, 1997 | 113,000 | 7.7 | AA-(S&P), Aa3(Moody's) | Oct 1, 2027 | Partial redemption | Goldman Sachs et al. |
| Harman International Industries, Inc | Corporate bonds | Public offering | May 11, 2015 | 452,000 | 4.2 | Baa1 (Moody's), A- (S&P) | May 15, 2025 | Unredeemed | J.P.Morgan et al. |
| Harman Finance International, SCA | Corporate bonds | Public offering | May 27, 2015 | 470,548 | 2.0 | Baa1 (Moody's), A- (S&P) | May 27, 2022 | Unredeemed | HSBC et al. |
| Dowinsys Co., Ltd | Corporate bonds | Private placement | Feb 28, 2020 | 23,000 | 0.5 | - | Feb 28, 2025 | Unredeemed | - |
| SEMES | Commercial paper | Private placement | Jan 13, 2021 | 70,000 | 1.2 | A1 | Apr 13, 2021 | Redeemed | - |
| SEMES | Commercial paper | Private placement | Jan 20, 2021 | 15,000 | 1.3 | A1 | Apr 20, 2021 | Redeemed | - |
| SEMES | Commercial paper | Private placement | Jan 28, 2021 | 115,000 | 1.3 | A1 | Apr 28, 2021 | Redeemed | - |
| SEMES | Commercial paper | Private placement | Feb 16, 2021 | 120,000 | 1.2 | A1 | May 17, 2021 | Redeemed | - |
| SEMES | Commercial paper | Private placement | Apr 20, 2021 | 30,000 | 1.2 | A1 | Jul 19, 2021 | Unredeemed | - |
| SEMES | Commercial paper | Private placement | Apr 28, 2021 | 170,000 | 1.2 | A1 | Jul 27, 2021 | Unredeemed | - |
| SEMES | Commercial paper | Private placement | May 17, 2021 | 120,000 | 1.2 | A1 | Aug 16, 2021 | Unredeemed | - |
| Total | - | - | - | 1,698,548 | - | - | - | - | - |

※ The exchange rate as of the reporting date has been applied.

※ The rating institutions of Commercial paper are NICE Investors Service and Korea Ratings Corporation.

B. Commercial Paper Balance

- SEMES Co., Ltd.

(Reporting Date: June 30, 2021)

(KRW mil)

| Maturity | | Under 10 days | Above 10 days / under 30 days | Above 30 days / under 90 days | Above 90 days / under 180 days | Above 180 days / under 1 year | Above 1 year / under 2 years | Above 2 years / under 3 years | Above 3 years | Total |
|----------|---------|---------------|----------------------------------|----------------------------------|-----------------------------------|----------------------------------|---------------------------------|----------------------------------|---------------|---------|
| Balance | Public | - | - | - | - | - | - | - | - | - |
| | Private | - | 200,000 | 120,000 | - | - | - | - | - | 320,000 |
| | Total | - | 200,000 | 120,000 | - | - | - | - | - | 320,000 |

C. Short Term Bond Unredeemed Balance

Not Applicable

(Reporting Date: June 30, 2021)

(KRW mil)

| Maturity | | Under 10 days | Above 10 days / under 30 days | Above 30 days / under 90 days | Above 90 days / under 180 days | Above 180 days / under 1 year | Total | Issue limit | Balance limit |
|----------|---------|---------------|----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------|-------------|---------------|
| Balance | Public | - | - | - | - | - | - | - | - |
| | Private | - | - | - | - | - | - | - | - |
| | Total | - | - | - | - | - | - | - | - |

D. Corporate Bond Unredeemed Balance

(Reporting Date: June 30, 2021)

(KRW mil)

| Maturity | | Under 1 year | Above 1 year / under 2 years | Above 2 years / under 3 years | Above 3 years / under 4 years | Above 4 years / under 5 years | Above 5 years / under 10 years | Above 10 years | Total |
|----------|---------|--------------|------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|----------------|---------|
| Balance | Public | 476,198 | 5,650 | 5,650 | 457,650 | 5,650 | 11,300 | - | 962,098 |
| | Private | - | - | - | 23,000 | - | - | - | 23,000 |
| | Total | 476,198 | 5,650 | 5,650 | 480,650 | 5,650 | 11,300 | - | 985,098 |

※ Based on consolidated financial statements

※ The exchange rate as of the reporting date has been applied.

- Corporate Bond Unredeemed Balance (Samsung Electronics)

(Reporting Date: June 30, 2021)

(KRW mil)

| Maturity | | Under 1 year | Above 1 year / under 2 years | Above 2 years / under 3 years | Above 3 years / under 4 years | Above 4 years / under 5 years | Above 5 years / under 10 years | Above 10 years | Total |
|--------------------|--------|--------------|------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|----------------|--------|
| Unredeemed balance | Public | 5,650 | 5,650 | 5,650 | 5,650 | 5,650 | 11,300 | - | 39,550 |
| | Total | 5,650 | 5,650 | 5,650 | 5,650 | 5,650 | 11,300 | - | 39,550 |

※ The exchange rate as of the reporting date has been applied.

- Corporate Bond Unredeemed Balance (Harman)

(Reporting Date: June 30, 2021)

(KRW mil)

| Maturity | | Under 1 year | Above 1 year / under 2 years | Above 2 years / under 3 years | Above 3 years / under 4 years | Above 4 years / under 5 years | Above 5 years / under 10 years | Above 10 years | Total |
|--------------------|--------|--------------|------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|----------------|---------|
| Unredeemed balance | Public | 470,548 | - | - | 452,000 | - | - | - | 922,548 |
| | Total | 470,548 | - | - | 452,000 | - | - | - | 922,548 |

※ The exchange rate as of the reporting date has been applied.

- Corporate Bond Unredeemed Balance (Dowinsys)

(Reporting Date: June 30, 2021)

(KRW mil)

| Maturity | | Under 1 year | Above 1 year / under 2 years | Above 2 years / under 3 years | Above 3 years / under 4 years | Above 4 years / under 5 years | Above 5 years / under 10 years | Above 10 years | Total |
|--------------------|---------|--------------|------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|----------------|--------|
| Unredeemed balance | Private | - | - | - | 23,000 | - | - | - | 23,000 |
| | Total | - | - | - | 23,000 | - | - | - | 23,000 |

※ Outstanding balance of corporate bonds are intercompany balances eliminated in consolidated financial statements

E. Hybrid Bond Outstanding Balance

Not Applicable

(Reporting Date: June 30, 2021)

(KRW mil)

| Maturity | | Under 1 year | Above 1 year / under 5 years | Above 5 years / under 10 years | Above 10 years / under 15 years | Above 15 years / under 20 years | Above 20 years / under 30 years | Above 30 years | Total |
|--------------------|---------|--------------|------------------------------|--------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------|-------|
| Unredeemed balance | Public | - | - | - | - | - | - | - | - |
| | Private | - | - | - | - | - | - | - | - |
| | Total | - | - | - | - | - | - | - | - |

F. Contingent Convertible Bond Outstanding Balance

Not Applicable

(Reporting Date: June 30, 2021)

(KRW mil)

| Maturity | | Under 1 year | Above 1 year / under 2 years | Above 2 years / under 3 years | Above 3 years / under 4 years | Above 4 years / under 5 years | Above 5 years / under 6 years | Above 10 years / under 20 years | Above 20 years / under 30 years | Above 30 years | Total |
|-----------------------|---------|--------------|---------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|------------------------------------|------------------------------------|-------------------|-------|
| Unredeemed balance | Public | - | - | - | - | - | - | - | - | - | - |
| | Private | - | - | - | - | - | - | - | - | - | - |
| | Total | - | - | - | - | - | - | - | - | - | - |

G. Details and Compliance of the Bond Management Contract (Samsung Electronics)

(Reporting Date : June 30, 2021)

(KRW mil, %)

| Name of security | Date of issuance | Maturity date | Issued amount | Settlement date of bond management contract | Debenture management company |
|------------------------------------|------------------|---------------|---------------|---|---|
| US\$ 100,000,000 7.7% debenture | Oct 2, 1997 | Oct 1, 2027 | 113,000 | Oct 2, 1997 | The Bank of New York Mellon Trust Company, N.A. |

(Reporting Date: June 30, 2021)

| | | |
|-------------------------------------|-----------------------|---|
| Financial ratios | Contract details | Not applicable |
| | Implementation status | Not applicable |
| Constraint on collateral | Contract details | Less than 10% of net tangible assets |
| | Implementation status | Compliant (there is no collateral for the relevant assets) |
| Constraint on disposal of assets | Contract details | Certain requirements, such as transfer of obligations on the bond, must be satisfied to dispose all or most of an asset |
| | Implementation status | Compliant (disposed assets accounted for 0.2% of the total assets during 2021 2Q YTD) |
| Constraint on governance | Contract Details | Not applicable |
| | Implementation Status | Not applicable |
| Submission of implementation report | Implementation status | Not applicable |

- ※ The date of the bond management contract was signed on the same day as the Fiscal Agency Agreement; accordingly, the Bank of New York Mellon Trust Company, N.A. is under the authority of the Fiscal Agent.
- ※ The exchange rate as of the base date has been applied.
- ※ The net tangible assets subjected to the limitation of collaterals are production facilities and stocks owned by the Company.
- ※ The reporting date is the date when most recent financial statements were prepared, which are used to determine the status of implementation.
- ※ The constraint on governance is as of the reporting date.

7-2 Use of funds financed through the issuance of securities

Not applicable

8. Other financial information

A. Restatement of financial statements and other matters to note

(1) Restatement of financial statements: Not Applicable

(2) Acquisition, divestment, asset sales, and sale of business

The major acquisition, divestment and transfer of business during past three years are as follows.

[Sale of SSL, SSM]

On August 28, 2020, the Company decided to sell its 100% ownership in Samsung Suzhou Module Co., Ltd. (“SSM”) and 60% ownership in Samsung Suzhou LCD Co., Ltd. (“SSL”) to TCL China Star Opto-electronics Technologies Co. Ltd. (“CSOT”). The sales were completed on April 1, 2021.

For information about the effect of the sales to the financial statements, please refer to Note 28 “Assets held-for-sale (Disposal group)” in “3. Notes to the consolidated financial statements”.

[PLP Business]

- Details of acquisition

In accordance with the resolution of the Board of Directors on April 30, 2019, the Company acquired PLP business from Samsung Electro-Mechanics Co., Ltd. (location: South Korea; CEO: Kye-hyun Kyung) at a price of KRW 785,000 million on June 1, 2019 to strengthen its semiconductor competitiveness through securing next-generation packaging technology.

- Details of the above statement can be found in the “Business Acquisition from Related Parties”, published in DART (<http://dart.fss.or.kr/>) on April 30, 2019.

(KRW 100 mil)

| | Account | Forecast | | Actual | | | |
|--------------|------------------|----------|----------|----------|------------|----------|------------|
| | | 1st Year | 2nd Year | 1st Year | | 2nd Year | |
| | | | | Actual | Difference | Actual | Difference |
| PLP Business | Sales | 101 | 219 | - | - | - | - |
| | Operating Income | -1,273 | -2,155 | -1,095 | 14% | -44 | 98% |
| | Net Income | -1,273 | -2,155 | -1,095 | 14% | -2,146 | 0% |

※ No third-party sales is recognized from PLP business as its products are internally transferred within the Company’s manufacturing process.

※ Actual operating income and net income for first year of acquisition (seven month period ended December 31, 2019) differs by 14% from the forecast due to several factors such as reduction in wages.

※ Actual operating income for the second year (the year ended December 31, 2020) of acquisition differs by 98% from the forecast due to several factors such as reduction in wages.

[Corephotonics Ltd.]

- Samsung Electronics Benelux B.V. (SEBN), the Company’s subsidiary, acquired 83.9% of the equity shares of Corephotonics Ltd. (location: Tel Aviv, Israel; CEO: David Mendlovic) on January 28, 2019 and additional 8.5% on March 4, 2019 to secure CIS optical technology and talent.

(3) Information on the accounting treatment of the sales of assets related to asset backed securities and contingent liabilities

Accounting Treatment of the sale of assets related to asset backed securities:

- Not applicable

Litigation

The Company is involved in various claims, disputes, and investigations conducted by regulatory bodies, which arose during the normal course of business with numerous entities. Although the outflow of resources and timing of these matters are uncertain, as of the reporting date, the Company believes the outcome will not have a material impact on the financial position of the Company.

Debt guarantee

- Domestic: Not applicable

- Overseas:

(USD thousand)

| Company | Relationship | Creditor | Guarantee Expiry date | Transactions | | | | Limit of guarantee |
|--|--------------|----------------------|--------------------------|------------------------|----------|----------|------------------|-----------------------|
| | | | | Beginning of period | Increase | Decrease | End of period | |
| SEA | Subsidiary | BOA etc. | 13-Jun-22 | - | - | - | - | 1,328,000 |
| SEM | Subsidiary | BBVA etc. | 13-Jun-22 | - | - | - | - | 906,000 |
| SAMCOL | Subsidiary | Citibank etc. | 13-Jun-22 | 117,109 | - | -117,109 | - | 310,000 |
| SEDA | Subsidiary | BRADESCO etc. | 16-Dec-21 | - | - | - | - | 409,000 |
| SECH | Subsidiary | Citibank etc. | 13-Jun-22 | - | - | - | - | 62,000 |
| SEPR | Subsidiary | BBVA etc. | 13-Jun-22 | - | - | - | - | 150,000 |
| SSA | Subsidiary | SCB etc. | 13-Jun-22 | - | - | - | - | 318,000 |
| SEMAG | Subsidiary | SocGen etc. | 16-Dec-21 | - | - | - | - | 110,000 |
| SETK | Subsidiary | BNP etc. | 13-Jun-22 | 169,280 | - | -66,190 | 103,090 | 837,000 |
| SETK-P | Subsidiary | BNP etc. | 16-Dec-21 | - | 3,436 | - | 3,436 | 100,000 |
| SECE | Subsidiary | Citibank etc. | 16-Dec-21 | - | - | - | - | 74,176 |
| SEEG | Subsidiary | HSBC | 13-Jun-22 | - | - | - | - | 85,000 |
| SEIN | Subsidiary | BNP etc. | 13-Jun-22 | - | - | - | - | 70,000 |
| SJC | Subsidiary | Mizuho Bank etc. | 31-May-22 | - | - | - | - | 891,243 |
| SEUC | Subsidiary | Credit Agricole etc. | 13-Jun-22 | - | - | - | - | 150,000 |
| SEDAM | Subsidiary | Citibank etc. | 13-Jun-22 | - | - | - | - | 141,000 |
| SECA | Subsidiary | BoA | 08-Nov-21 | - | - | - | - | 70,000 |
| SELA | Subsidiary | Citibank | 16-Dec-21 | - | - | - | - | 120,000 |
| SEEH | Subsidiary | HSBC etc. | 13-Jun-22 | - | - | - | - | 712,400 |
| SERK | Subsidiary | SOCGEN etc. | 13-Jun-22 | - | - | - | - | 289,800 |
| SELV | Subsidiary | Citibank | 16-Dec-21 | - | - | - | - | 10,000 |
| SEIL | Subsidiary | Citibank | 16-Dec-21 | - | 10,445 | - | 10,445 | 15,600 |
| SAPL | Subsidiary | BOA etc. | 13-Jun-22 | - | - | - | - | 345,000 |
| SAVINA | Subsidiary | HSBC | 13-Jun-22 | - | - | - | - | 51,000 |
| SCIC | Subsidiary | HSBC etc. | 13-Jun-22 | - | - | - | - | 300,000 |
| SME | Subsidiary | SCB | 08-Nov-21 | - | - | - | - | 110,000 |
| SAMEX | Subsidiary | Citibank | 16-Dec-21 | - | - | - | - | 5,000 |
| SEASA | Subsidiary | Citibank | 16-Dec-21 | - | - | - | - | 2,000 |
| SSAP | Subsidiary | SCB | 08-Nov-21 | - | - | - | - | 35,000 |
| SEPM | Subsidiary | HSBC | 13-Jun-22 | - | - | - | - | 35,000 |
| SESAR | Subsidiary | HSBC | 13-Jun-22 | - | - | - | - | 50,000 |
| AdGear Technologies Inc. | Subsidiary | BOA | 08-Nov-21 | - | - | - | - | 2,000 |
| Harman International Industries, Inc. | Subsidiary | JP Morgan | 13-Jun-22 | - | - | - | - | 100,000 |
| Harman International Japan Co., Ltd. | Subsidiary | MUFG | 08-Nov-21 | - | - | - | - | 25,000 |
| Harman RUS CIS LLC | Subsidiary | SocGen | 08-Nov-21 | - | - | - | - | 15,000 |
| Harman Holding Limited | Subsidiary | HSBC | 13-Jun-22 | - | - | - | - | 30,000 |
| Harman do Brasil Industria Eletronica e Participacoes Ltda. Harman da Amazonia Industria Eletronica e Participacoes Ltda. | Subsidiary | SocGen | 08-Nov-21 | - | - | - | - | 15,000 |
| Harman Finance International, SCA | Subsidiary | JP Morgan etc. | 27-May-22 | 430,499 | - | -14,085 | 416,414 | 416,414 |
| SDN | Subsidiary | SIEL | 17-Feb-23 | 273,243 | 197,820 | - | 471,063 | 471,063 |
| Total | | | | 990,131 | 211,701 | -197,384 | 1,004,448 | 9,166,696 |

※ Information above are prepared in consolidated basis. Debt guarantees for Harman Finance International, SCA, and SDN are provided by Harman International Industries, Inc. and Samsung Display Co., Ltd., respectively.

※ SEC requires Board approval for individual guarantees exceeding 2.5% of total equity. When the guarantee amount is between 0.1% and/or less than 2.5%, the approval decision is delegated to the Management Committee. Samsung Display Co., Ltd requires Board approval for individual guarantees over KRW 10,000 million.

※ SEC claims fees on the debt guarantees depending on the maturity date of each debt guarantee, general loan interest rate, etc.
In 2020, the Company claimed approximately USD 345,000 as guarantee fee and, as of the reporting date, has collected the amount.
In 2020, Samsung Display Co., Ltd. claimed approximately USD 69,000 as guarantee fee to SDN and, as of the reporting date, has collected the amount.

Refer to the notes to the consolidated financial statements for the information on contingent liabilities.

(4) Other matters requiring attention in relation to the use of the financial statements

A. Emphasis of matter and key audit matter in Independent auditor's report

| Period | Emphasis of matter | Key audit matter |
|---------|--------------------|--|
| 2021 2Q | Not applicable | Not applicable |
| 2020 | Not applicable | (Consolidated financial statement) 1. Sales deduction related to the Sales promotion activities of products 2. Impairment of goodwill and intangible assets with indefinite useful lives (Separate financial statement) 1. Sales deduction related to the Sales promotion activities of products |
| 2019 | Not applicable | (Consolidated financial statement) 1. Sales promotion activities related to the sales of products 2. Impairment of goodwill and intangible assets with indefinite useful lives 3. Appropriateness of depreciation expense cut-off on property, plant and equipment (Separate financial statement) 1. Sales promotion activities related to the sales of products 2. Appropriateness of depreciation expense cut-off on property, plant and equipment |

B. Allowance for bad debt

The allowances for bad debt by account over the past 3 years are as follows:

(KRW mil)

| Period | Account | Receivables amount | Allowance amount | Allowance (%) |
|---------|-------------------------------|--------------------|------------------|---------------|
| 2021 2Q | Trade receivables | 35,925,884 | 300,968 | 0.8% |
| | Short-term loans | 17,485 | 71 | 0.4% |
| | Other receivables | 4,377,227 | 64,951 | 1.5% |
| | Advances | 945,514 | 3,298 | 0.3% |
| | Trade receivables (long-term) | 221,190 | 0 | 0.0% |
| | Other receivables (long-term) | 997,983 | 194 | 0.0% |
| | Advances (long-term) | 1,483,671 | 6,029 | 0.4% |
| | Long-term loans | 190,369 | 1,258 | 0.7% |
| | Total | 44,159,323 | 376,769 | 0.9% |
| 2020 | Trade receivables | 31,283,789 | 318,731 | 1.0% |
| | Short-term loans | 7,813 | 73 | 0.9% |
| | Other receivables | 3,663,822 | 59,283 | 1.6% |
| | Advances | 890,413 | 3,371 | 0.4% |
| | Trade receivables (long-term) | 85,575 | 0 | 0.0% |
| | Other receivables (long-term) | 401,582 | 204 | 0.1% |
| | Advances (long-term) | 1,397,698 | 5,972 | 0.4% |
| | Long-term loans | 113,944 | 1,309 | 1.1% |
| | Total | 37,844,636 | 388,943 | 1.0% |
| 2019 | Trade receivables | 35,471,674 | 340,331 | 1.0% |
| | Short-term loans | 8,744 | 82 | 0.9% |
| | Other receivables | 4,237,479 | 58,359 | 1.4% |
| | Advances | 1,430,317 | 3,484 | 0.2% |
| | Trade receivables (long-term) | 411,229 | 79 | 0.0% |
| | Other receivables (long-term) | 346,780 | 307 | 0.1% |
| | Advances (long-term) | 774,472 | 7,333 | 0.9% |
| | Long-term loans | 120,540 | 1,335 | 1.1% |
| | Total | 42,801,235 | 411,310 | 1.0% |

※ Based on consolidated financial statements

※ Receivables amount represents the value after deducting present value discount account

Allowance for bad debt by year

(KRW mil)

| | 2021 2Q | 2020 | 2019 |
|---|---------|---------|----------|
| 1. Allowance for bad debt (beginning balance) | 388,943 | 411,310 | 614,882 |
| 2. Net bad debt expense (① - ② ± ③) | 19,237 | 65,575 | 16,715 |
| ① Bad debt expense, etc (Write-off) | 18,241 | 40,487 | 6,579 |
| ② Bad debt recovered | 0 | 745 | 11,294 |
| ③ Others | 996 | 25,833 | 21,430 |
| 3. Bad debts expense | 7,063 | 43,208 | -186,857 |
| 4. Allowance for bad debts (Ending balance) | 376,769 | 388,943 | 411,310 |

※ Based on consolidated financial statements.

The guideline for bad debt allowances for trade receivables

(1) Calculation of bad debt allowance

- Bad debt allowance is calculated using an expected credit loss impairment model which is based on write-off experience rate and future expected bad debt amount.

(2) Calculation basis of write-off experience rate and future expected bad debt:

- Write-off experience rate for each aging group of receivables is calculated based on the actual rate of credit losses to three-year average receivables balance.
- Future expected bad debt is determined taking into consideration cases of debtor bankruptcy, compulsory execution, death, disappearance, credit information of debtor and forward-looking information.

[Bad debt allowance by circumstance]

| Circumstance | Rate of allowance |
|---|-------------------|
| Dispute or conflict | 25% |
| Receivable through utilization of third party collection agency | 50% |
| Receivable under litigation | 75% |
| Customer filed or in the process of filing bankruptcy | 100% |

(3) Instruction: Write-off is recorded when trade receivables contain the following characteristics:

- Objective proof of bad debts, such as bankruptcy, compulsory execution, discontinuance of business, debtor's death or disappearance
- Legal action has failed or the right of collection has been extinguished.
- When the third party collection agency notifies that collection is not possible.
- When the collateral is sold or insurance is received.
- When collection expense exceeds receivables amount.

The outstanding period of trade receivables

(Reporting Date: June 30, 2021)

(KRW mil)

| | Less than 6 months | 6 months ~ 1 year | 1 year ~ 3 years | More than 3 years | Total |
|--------|--------------------|-------------------|------------------|-------------------|------------|
| Amount | 35,942,991 | 20,136 | 120,958 | 62,989 | 36,147,074 |
| Ratio | 99.4% | 0.1% | 0.3% | 0.2% | 100.0% |

※ Base on consolidated financial statements

※ Receivables amount in net present value

C. Inventory

- The inventory status by Division over the last three years is as follows:

(KRW mil)

| Division | | Category | 2021 2Q | 2020 | 2019 | Note |
|---|---------------------|---------------------|------------|------------|------------|------|
| CE | | Finished goods | 4,687,259 | 2,351,619 | 1,554,116 | |
| | | Work in process | 189,435 | 136,255 | 146,387 | |
| | | Raw material | 3,985,824 | 3,503,321 | 2,012,159 | |
| | | Material in transit | 870,592 | 1,335,111 | 1,895,387 | |
| | | Total | 9,733,110 | 7,326,306 | 5,608,049 | |
| IM | | Finished goods | 1,523,812 | 3,968,844 | 2,426,034 | |
| | | Work in process | 357,098 | 458,318 | 420,664 | |
| | | Raw material | 6,754,135 | 3,726,192 | 3,228,906 | |
| | | Material in transit | 214,483 | 824,662 | 810,599 | |
| | | Total | 8,849,528 | 8,978,016 | 6,886,203 | |
| DS | Semi-conductor | Finished goods | 1,241,475 | 1,639,523 | 1,740,881 | |
| | | Work in process | 9,638,499 | 10,586,921 | 8,772,850 | |
| | | Raw material | 1,706,500 | 1,636,803 | 1,332,267 | |
| | | Material in transit | 31,016 | 43,564 | 66,033 | |
| | | Total | 12,617,490 | 13,906,811 | 11,912,031 | |
| | DP | Finished goods | 209,911 | 134,963 | 345,940 | |
| | | Work in process | 826,797 | 650,762 | 488,468 | |
| | | Raw Material | 758,809 | 603,779 | 634,990 | |
| | | Material in transit | 23,517 | 33,271 | 22,214 | |
| | | Total | 1,819,034 | 1,422,775 | 1,491,612 | |
| | DS total | Finished goods | 1,558,422 | 1,861,756 | 2,130,587 | |
| | | Work in process | 10,520,007 | 11,298,157 | 9,302,907 | |
| | | Raw material | 2,467,794 | 2,254,591 | 1,991,422 | |
| | | Material in transit | 56,339 | 73,688 | 89,044 | |
| | | Total | 14,602,562 | 15,488,192 | 13,513,960 | |
| Harman | Finished goods | 494,537 | 502,117 | 746,742 | | |
| | Work in process | 124,149 | 80,237 | 90,249 | | |
| | Raw material | 565,304 | 337,386 | 372,231 | | |
| | Material in transit | 217,762 | 224,961 | 145,329 | | |
| | Total | 1,401,752 | 1,144,701 | 1,354,551 | | |
| Total | Finished goods | 8,349,111 | 9,387,886 | 8,115,116 | | |
| | Work in process | 11,127,025 | 11,818,090 | 9,886,634 | | |
| | Raw material | 12,947,411 | 9,790,766 | 7,747,110 | | |
| | Material in transit | 1,168,838 | 1,046,403 | 1,017,604 | | |
| | Total | 33,592,385 | 32,043,145 | 26,766,464 | | |
| Inventory ratio (%) [Inventory ÷ Total Assets] | | | 8.7% | 8.5% | 7.6% | |
| Inventory turnover (x) [Yearly COGS ÷ {(Beginning of inventory + End of inventory)÷2}] | | | 4.8 | 4.9 | 5.3 | |

※ Based on consolidated financial statements

Inventory counts

(1) Inspection date

- End of May and November (twice a year)
- For the difference in inventories between the inspection date and at the end of the year, the Company checks all the warehouse record during the period in order to confirm the existence of the inventories as of the date of the financial statements.

(2) Inspection method

- Internal warehouse: Closed & entire quantity inspection
- ※ Sample inspection for semi-conductor and DP work-in-progress inventories, SVC materials
- Outside warehouse
Perform check for the possession confirmation documents and sample tests at the third party warehouse and inventory-in-transit.
- External auditors join and observe the inspection and carry out sample tests to check the existence and completeness.
- ※ For the HQ, the most recent inventory inspection was conducted from May 30 to June 1, 2021. The subsidiaries flexibly conducted the inventory inspection during the same period as HQ, considering restrictions in movements by local governments due to recent spread of COVID-19.

Inventory aging and valuation

Inventories are stated at the lower of cost or net realizable value. Inventory as of June 30, 2021 are as follows:

(KRW mil)

| Category | Acquisition cost | Inventory valuation reserve | Balance | Note |
|---------------------|------------------|-----------------------------|------------|------|
| Finished goods | 8,712,655 | -363,544 | 8,349,111 | |
| Work in process | 11,512,333 | -385,308 | 11,127,025 | |
| Raw material | 13,613,917 | -666,506 | 12,947,411 | |
| Material in transit | 1,168,838 | - | 1,168,838 | |
| Total | 35,007,743 | -1,415,358 | 33,592,385 | |

- ※ Based on consolidated financial statements

D. Fair value estimation

Refer to 6. Financial Instruments by Category and 31. Financial Risk Management in 『Ⅲ. Financial Affairs』.

IV. Management Discussion and Analysis

Pursuant to the reporting guidelines set forth by the *Financial Supervisory Service* of South Korea, the Management Discussion and Analysis section, reported in the annual Business Report, is not included in quarterly and half year reports.

V. Auditor's Report

1. Introduction

Deloitte Anjin conducted review and audit on the consolidated/separate financial statements of financial position of the Company as of June 30, 2021 and December 31, 2020, and the related consolidated/separate statements of profit or loss, comprehensive income, changes in equity and cash flows for the periods then ended. Deloitte Anjin expressed unqualified opinion on the financial statements for the year ended December 31, 2020, and the consolidated/separate financial statements for the period ended June 30, 2021, are presented fairly, in all material respects, in accordance with Korean IFRS 1034 Interim Financial Reporting.

Samil PwC conducted audits on the Company's consolidated/separate statements of financial position as of December 31, 2019, and the related consolidated/separate statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended and expressed an unqualified opinion on those financial statements.

All of the Company's subsidiaries were expressed unqualified opinion for the years ended December 31, 2020, and 2019.

| Period end | Company Auditor | Audit Opinion | Emphasis of Matter | Key Audit Matter(s) |
|--------------|-----------------|----------------|--------------------|---|
| Jun 30, 2021 | Deloitte Anjin | Not applicable | Not applicable | Not applicable |
| Dec 31, 2020 | Deloitte Anjin | Unqualified | Not applicable | (Consolidated) 1. Sales deduction related to the sales promotion activities of products 2. Impairment of goodwill and intangible assets with indefinite useful lives (Separate) 1. Sales deduction related to the sales promotion activities of products |
| Dec 31, 2019 | Samil PwC | Unqualified | Not applicable | (Consolidated) 1. Sales promotion activities related to the sale of products. 2. Impairment of goodwill and intangible assets with indefinite useful lives. 3. Appropriateness of depreciation expense cut-off on property, plant and equipment. (Separate) 1. Sales promotion activities related to the sale of products. 2. Appropriateness of depreciation expense cut-off on property, plant and equipment. |

※ Audit opinion on both separate and consolidated financial statements.

< Review plan for the period ended June 30, 2021 >

| Review Period | | Planned Dates |
|---------------|------------|----------------------------|
| 2021 1Q | Pre-review | Mar 8, 2021 ~ Mar 25, 2021 |
| | Review | Apr 5, 2021 ~ May 14, 2021 |
| 2021 2Q | Pre-review | Jun 7, 2021 ~ Jun 25, 2021 |
| | Review | Jul 5, 2021 ~ Aug 13, 2021 |

※ Above schedule is for the review of separate and consolidated financial statements

[Audit Contract Description]

(KRW mil)

| Fiscal Period | Auditor | Description | Contract | | Actual | |
|----------------------------|----------------|--|-----------|-------------|-------------|-------------|
| | | | Audit fee | Total Hours | Fee Claimed | Hours spent |
| Quarter ended Jun 30, 2021 | Deloitte Anjin | - Review of the interim separate/consolidated financial statements - Audit of separate/consolidated financial statements - Audit of Internal Control over Financial Reporting (ICFR) | 7,900 | 76,741 | 2,921 | 28,372 |
| Year ended Dec 31, 2020 | Deloitte Anjin | - Review of the interim separate/consolidated financial statements - Audit of separate/consolidated financial statements - Audit of Internal Control over Financial Reporting (ICFR) | 8,400 | 85,721 | 8,400 | 86,128 |
| Year ended Dec 31, 2019 | Samil PwC | - Review of the interim separate/consolidated financial statements - Audit of separate/consolidated financial statements - Audit of Internal Control over Financial Reporting (ICFR) | 6,481 | 69,685 | 6,481 | 69,021 |

[Non-Audit Service Contract Description]

(KRW mil)

| Fiscal Period | Contract Date | Non-audit Service Description | Period for Service | Compensation | Note |
|----------------------------|---------------|---|--------------------|--------------|----------------|
| Quarter ended Jun 30, 2021 | Jun 2017 | E-discovery advisory services | Jan – Jun 2021 | 50 | Deloitte Anjin |
| Year ended Dec 31, 2020 | Jun 2017 | E-discovery advisory services | Jan – Dec 2020 | 59 | Deloitte Anjin |
| Year ended Dec 31, 2019 | Feb 2019 | SOC 2 certification and other advisory services | Feb – Sep 2019 | 258 | Samil PwC |
| | Oct 2019 | Custom tax and other advisory services | Oct – Dec 2019 | 127 | |
| | Subtotal | | | 385 | |

[Details of internal audit committee's discussion with Auditors]

| No. | Date | Participants | Method | Details of discussion |
|-----|--------------|---|----------------------|---|
| 1 | Jan 26, 2021 | Audit Committee: 3 members Company: Head of Audit Team Auditor: Signing partner and 1 other | Face-to-face meeting | - Key Audit Matters and others audit focus areas - Progress of audit of Internal Control over Financial Reporting - Other required communications at the completion |

| No. | Date | Participants | Method | Details of discussion |
|-----|--------------|---|----------------------|--|
| | | | | stage of the audit |
| 2 | Apr 27, 2021 | Audit Committee: 3 members Company: Head of Audit Team Auditor: Signing partner and 1 other | Face-to-face meeting | <ul style="list-style-type: none"> - Yearly plan for communication with those charged with governance - Audit plan for the year ending December 31, 2021 - Discussion of quarterly review focus areas and independence of non-audit services |
| 3 | Jul 27, 2021 | Audit Committee: 3 members Company: Head of Audit Team Auditor: Signing partner and 1 other | Face-to-face meeting | <ul style="list-style-type: none"> - Annual audit plan and its progress - Plan for the Key Audit Matters selection - Progress of audit of Internal Control over Financial Reporting - Discussion of quarterly review focus areas and other required communications |

2. Change of Independent Auditor

There are 237 subsidiaries as of June 30, 2021. The newly established entities, Samsung Electronics Singapore Pte. Ltd. (SESP) and Samsung Electronics Industry and Commerce Ltd (SETK-P) appointed Deloitte as the external auditor. Appointment of auditor was decided at the newly established entities' own discretion.

During the year ended December 31, 2020, upon termination of the contract with previous auditor, Samil PwC, Deloitte Anjin has been designated as the Company's external auditor for three years ending December 31, 2022, in accordance with periodic designation regulation of Article 11 (1) and (2) of the "Act on External Audit of Stock Companies, Etc.", Article 17 of the "Enforcement Decree of the Act on External Audit of Stock Companies, Etc.", and Article 10 and Article 15 (1) of "Regulations on External Audit and Accounting"

There are 241 subsidiaries as of December 31, 2020. For the year ending December 31, 2020, 6 domestic subsidiaries, including Samsung Display Co., Ltd., changed external auditor from Samil PwC to Deloitte Anjin, 24 overseas subsidiaries, including Samsung Electronics America, Inc. (SEA), changed PwC to Deloitte, and 2 overseas subsidiaries, Samsung Eletronica da Amazonia Ltda. (SEDA) and Samsung Gulf Electronics Co., Ltd. (SGE), changed KPMG to Deloitte. These changes in external auditors were to improve efficiency in audit of consolidated financial statements due to designation of the Company's external auditor.

Details of change in subsidiaries' external auditors are as follows:

| Subsidiaries | Previous auditor | Current Auditor |
|---|------------------|-----------------|
| Samsung Display Co., Ltd. | Samil PwC | Deloitte Anjin |
| Samsung Electronics Service Co., Ltd. | Samil PwC | Deloitte Anjin |
| Samsung Electronics Service CS Co., Ltd. | Samil PwC | Deloitte Anjin |
| Samsung Electronics Sales Co., Ltd. | Samil PwC | Deloitte Anjin |
| Samsung Electronics Logitech Co., Ltd. | Samil PwC | Deloitte Anjin |
| Mirero System Co., Ltd. | Samil PwC | Deloitte Anjin |
| Samsung Electronics America, Inc. (SEA) | PwC | Deloitte |
| Samsung Semiconductor, Inc. (SSI) | PwC | Deloitte |
| Samsung Mexicana S.A. de C.V (SAMEX) | PwC | Deloitte |
| Samsung International, Inc. (SII) | PwC | Deloitte |
| Samsung Austin Semiconductor LLC. (SAS) | PwC | Deloitte |
| Samsung Electronics Mexico S.A. De C.V. (SEM) | PwC | Deloitte |
| Samsung Electronics (UK) Ltd. (SEUK) | PwC | Deloitte |

| Subsidiaries | Previous auditor | Current Auditor |
|---|------------------|-----------------|
| Samsung Electronics Holding GmbH (SEHG) | PwC | Deloitte |
| Samsung Semiconductor Europe GmbH (SSEG) | PwC | Deloitte |
| Samsung Electronics GmbH (SEG) | PwC | Deloitte |
| Samsung Electronics Benelux B.V. (SEBN) | PwC | Deloitte |
| Samsung Vina Electronics Co., Ltd. (SAVINA) | PwC | Deloitte |
| Samsung Asia Private Ltd. (SAPL) | PwC | Deloitte |
| Samsung Electronics Australia Pty. Ltd. (SEAU) | PwC | Deloitte |
| Thai Samsung Electronics Co., Ltd. (TSE) | PwC | Deloitte |
| Samsung Display Vietnam Co., Ltd. (SDV) | PwC | Deloitte |
| Samsung Electronics Vietnam Co., Ltd. (SEV) | PwC | Deloitte |
| Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT) | PwC | Deloitte |
| Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC) | PwC | Deloitte |
| Samsung (CHINA) Investment Co., Ltd. (SCIC) | PwC | Deloitte |
| Shanghai Samsung Semiconductor Co., Ltd. (SSS) | PwC | Deloitte |
| Samsung Electronics Saudi Arabia Ltd. (SESAR) | PwC | Deloitte |
| Samsung Electronics Turkey (SETK) | PwC | Deloitte |
| Samsung Electronics Rus Company LLC (SERC) | PwC | Deloitte |
| Samsung Eletronica da Amazonia Ltda. (SEDA) | KPMG | Deloitte |
| Samsung Gulf Electronics Co., Ltd. (SGE) | KPMG | Deloitte |

The newly acquired subsidiary during 2020, TeleWorld Solutions, Inc. (TWS), appointed PwC as their external auditor.

There were 240 subsidiaries as at December 31, 2019. The newly acquired entities during 2019, FOODIENT LTD. and Corephotonics Ltd. appointed PwC and E&Y, respectively, as the external auditor. The newly incorporated entities during 2019, Samsung Display Noida Private Limited (SDN) and Samsung Venture Capital Union SVIC No. 45 and No. 48 appointed PwC and KPMG, respectively, as the external auditor.

Appointment of auditors were decided at each newly acquired subsidiary's own discretion.

3. Regarding Internal Control

[Audit opinion of Internal Control over Financial Reporting (ICFR)]

| Fiscal Period | Group Auditor | Opinion | Remarks |
|----------------------------|----------------|---|----------------|
| Quarter ended Jun 30, 2021 | Deloitte Anjin | Not applicable | Not applicable |
| Year ended Dec 31, 2020 | Deloitte Anjin | [Audit Opinion] The Company maintained, in all material respects, effective internal control over financial reporting As of March 31, 2021, based on <i>Conceptual Framework for Designing and Operating Internal Control over Financial Reporting</i> . | Not applicable |
| Year ended Dec 31, 2019 | Samil PwC | [Audit Opinion] The Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on <i>Conceptual Framework for Designing and Operating Internal Control over Financial Reporting</i> . | Not applicable |

VI. Corporate Governance

1. Board of Directors

A. Overview

The Board of Directors consisted of 11 directors, 5 of whom are Executive Directors (Ki-nam Kim, Hyun-suk Kim, Dong-jin Koh, Jong-hee Han, and Yoon-ho Choi) and 6 Independent Directors (Jae-wan Bahk, Sun-uk Kim, Byung-gook Park, Jeong Kim, Curie Ahn, and Han-jo Kim). The Board has appointed Jae-wan Bahk as Chairman as he will be able to mediate the different opinions of Directors and is most qualified to manage Board activities. The roles of Board Chairman and CEO have been separated to enhance the Board's independence and transparency.

The Board has six committees: Management Committee, Audit Committee, Independent Director Recommendation Committee, Related Party Transactions Committee, Compensation Committee, and Governance Committee.

[As of June 30, 2021]

| Classification | Composition | Members | Head | Role |
|---|-------------------------|---|----------------------------|--|
| Board of Directors | 5 Executive Directors | Ki-nam Kim, Hyun-suk Kim, Dong-jin Koh, Jong-hee Han, Yoon-ho Choi | Jae-wan Bahk (Independent) | <ul style="list-style-type: none"> - Make resolutions on matters provided for by the relevant laws and regulations or the Articles of Incorporation, matters delegated by a general meeting of shareholders, as well as on important matters concerning basic policies and business execution. - Supervise management. |
| | 6 Independent Directors | Jae-wan Bahk, Sun-uk Kim, Byung-gook Park, Jeong Kim, Curie Ahn, Han-jo Kim | | |
| Management Committee | 5 Executive Directors | Ki-nam Kim, Hyun-suk Kim, Dong-jin Koh, Jong-hee Han, Yoon-ho Choi | Ki-nam Kim (Executive) | <ul style="list-style-type: none"> - Deliberate and decide on matters related to finance, general management, and on matters specifically delegated by the Board. |
| Audit Committee | 3 Independent Directors | Jae-wan Bahk Sun-uk Kim Han-jo Kim | Jae-wan Bahk (Independent) | <ul style="list-style-type: none"> - Review and audit matters concerning management of the Company, including the Company's financial situation. |
| Independent Director Recommendation Committee | 3 Independent Directors | Byung-gook Park Jeong Kim Curie Ahn | - | <ul style="list-style-type: none"> - Assess the independence, diversity, and ability of potential candidates for Independent Director positions. - Recommend candidates. |
| Related Party Transactions Committee | 3 Independent Directors | Sun-uk Kim Jae-wan Bahk Han-jo Kim | Sun-uk Kim (Independent) | <ul style="list-style-type: none"> - Voluntarily comply with fair transaction regulations to enhance corporate transparency. |
| Compensation Committee | 3 Independent Directors | Jae-wan Bahk Byung-gook Park Jeong Kim | - | <ul style="list-style-type: none"> - Ensure the objectivity and transparency of the decision-making process for Director compensation |
| Governance Committee | 6 Independent Directors | Jae-wan Bahk, Sun-uk Kim, Byung-gook Park, Jeong Kim, Curie Ahn, Han-jo Kim | Jae-wan Bahk (Independent) | <ul style="list-style-type: none"> - Promote the Company's corporate social responsibility and act to enhance shareholder value. |

Mar 17, 2021: At the 2020 AGM, Ki-nam Kim, Hyun-suk Kim, and Dong-jin Koh were reappointed as Executive Directors; Byung-gook Park and Jeong Kim as Independent Directors; and Sun-uk Kim as Independent Director for Audit Committee member.

Apr 9, 2021: Executive Director Ki-nam Kim was appointed as the Head of Management Committee

Apr 27, 2021: Independent Director Sun-uk Kim was appointed as the Head of Related Party Transactions Committee.

Jul 29, 2021: The Board approved the reorganization of the Governance Committee into the Sustainability Committee.

Heads of Independent Director Recommendation Committee and Compensation Committee will be appointed at upcoming meetings, respectively.

The number of Independent Directors and changes in the number are shown below.

| Number of Directors | Number of Independent Directors | Changes of Independent Directors | | |
|---------------------|---------------------------------|----------------------------------|-----------|----------|
| | | Appointed | Dismissed | Resigned |
| 11 | 6 | 3 | - | - |

Mar 17, 2021: At the 2020 AGM, Byung-gook Park and Jeong Kim were reappointed as Independent Directors; and Sun-uk Kim as Independent Director for Audit Committee member.

B. Agendas considered and voting results (2021)

| Date | Agenda | Results | Executive Directors (attendance) | | | | | Independent Directors (attendance) | | | | | |
|--------|---|----------|-------------------------------------|------------------------|------------------------|------------------------|------------------------|---------------------------------------|----------------------|---------------------------|---------------------|---------------------|----------------------|
| | | | Ki-nam Kim (100%) | Hyun-suk Kim (100%) | Dong-jin Koh (100%) | Jong-hee Han (100%) | Yoon-ho Choi (100%) | Jae-wan Bahk (100%) | Sun-uk Kim (100%) | Byung-gook Park (100%) | Jeong Kim (100%) | Curie Ahn (100%) | Han-jo Kim (100%) |
| Jan 28 | ① Approval of FY20 financial statements and annual business report | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ② Approval of shareholder return policy for 2021 to 2023 | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ※ Reported items: 1) Report on FY20 internal accounting management system activities 2) Report on evaluation of 2020 internal accounting management system activities | | | | | | | | | | | | |
| Feb 16 | ① Decision to convene the 52nd AGM | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ② Decisions on the 52nd AGM agenda items ※ Reported Items: 1) FY20 annual audit report, 2) FY20 annual business report, 3) Report on FY20 internal accounting management system activities ※ Agenda item 1: Approval of FY20 financial statements, including balance sheet, income statement, and the statement of appropriation of retained earnings, etc. ※ Agenda item 2: Appointment of Directors 2-1: Appointment of Independent Directors 2-1-1: Appointment of Byung-gook Park as Independent Director 2-1-2: Appointment of Jeong Kim as Independent Director 2-2: Appointment of Executive Directors 2-2-1: Appointment of Ki-nam Kim as Independent Director 2-2-2: Appointment of Hyun-suk Kim as Executive Director 2-2-3: Appointment of Dong-jin Koh as Executive Director ※ Agenda item 3: Appointment of Sun-uk Kim as Independent Director for Audit Committee Member ※ Agenda item 4: Approval of remuneration limit for Directors | Approved | For | For | For | For | For | For | For | For | For | For | |

| Date | Agenda | Results | Executive Directors (attendance) | | | | | Independent Directors (attendance) | | | | | |
|--------|--|----------|-------------------------------------|------------------------|------------------------|------------------------|------------------------|---------------------------------------|----------------------|---------------------------|---------------------|---------------------|----------------------|
| | | | Ki-nam Kim (100%) | Hyun-suk Kim (100%) | Dong-jin Koh (100%) | Jong-hee Han (100%) | Yoon-ho Choi (100%) | Jae-wan Bahk (100%) | Sun-uk Kim (100%) | Byung-gook Park (100%) | Jeong Kim (100%) | Curie Ahn (100%) | Han-jo Kim (100%) |
| | ③ Approval of 2021 social contribution matching fund | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ④ Agreement on establishment and operation of SCC and revision of regulation | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ⑤ Donation to Chung-nam Samsung Institute | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ⑥ Contract with Samsung Biologics and Samsung Bioepis for use of Samsung CI | Approved | For | For | For | For | For | For | For | For | For | For | For |
| Mar 17 | ① Appointment of CEO | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ② Appointment of Board committee members | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ③ Remuneration limit of Directors | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ④ Appointment of SCC member | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ⑤ Application for product liability insurance | Approved | For | For | For | For | For | For | For | For | For | For | For |
| Apr 29 | ① Approval of 1Q21 interim business report and quarterly dividend | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ② Charitable contributions | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ③ Joining of the New Technology Investment Association | Approved | For | For | For | For | For | For | For | For | For | For | For |
| | ④ Donation to incentive fund for DS Division's suppliers | Approved | For | For | For | For | For | For | For | For | For | For | For |

Mar 17, 2021: At the 2020 AGM, Byung-gook Park and Jeong Kim were reappointed as Independent Directors; and Sun-uk Kim as Independent Director for Audit Committee member.

*CEO Ki-nam Kim did not vote for the agenda for February 16, 2021 meeting '⑤ Donation to Chung-nam Samsung Institute', as it is a transaction between a Director and the Company in accordance with the Commercial Act and Ki-nam Kim has a special interest in the agenda item did not vote.

C. Committees

(1) Composition of Board Committees

[As of June 30, 2021]

| Committee | Composition | Members | Responsibilities and authorities | Note |
|----------------------------|-------------------------|--|----------------------------------|------|
| Management | 5 Executive Directors | Ki-nam Kim (head), Hyun-suk Kim, Dong-jin Koh, Jong-hee Han, Yoon-ho Choi | See below | - |
| Related Party Transactions | 3 Independent Directors | Sun-uk Kim (head), Jae-wan Bahk, Han-jo Kim | | - |
| Compensation | 3 Independent Directors | , Jae-wan Bahk, Byung-gook Park, Jeong Kim | | - |
| Governance | 6 Independent Directors | Jae-wan Bahk (head), Sun-uk Kim, Byung-gook Park, Jeong Kim, Curie Ahn, Han-jo Kim | | - |

The Audit Committee and Independent Director Recommendation Committee were excluded according to Corporate Disclosure Guidelines.

The head of the Compensation Committee will be appointed at the upcoming committee meeting.

The Board approved the reorganization of the Governance Committee into the Sustainability Committee on July 29, 2021.

(The Management Committee)

Responsibilities: The Management Committee deliberates and decides on matters specified by Board regulations and resolutions or specifically delegated by the Board. The composition and operation of the management committee are determined by the Board.

- **Authorities:**

(A) General management

1. Annual or mid to long-term management policy and strategy
2. Key management strategy
3. Business planning and restructuring
4. Establishment, relocation, and withdrawal of overseas branch and corporation
5. Initiating cooperation such as strategic partnership with foreign companies
6. Acquisition or disposal of domestic and overseas subsidiaries (provided that the value of transaction exceeds 0.1% of total equity)
7. Other major management matters
8. Establishment, relocation, and withdrawal of branches and operations
9. Appointment or dismissal of supervisors
10. Suspension or shutdown of production over 5% of the total production in the recent year
11. Licensing agreements and technology transfer, partnership in regards to technology of over 0.5% of the total equity
12. Acquisitions and transfers of patents related to new material and new technology of over 0.5% of the total equity
13. Collection and destruction of products corresponding to over 5% of the total sales in the recent business year
14. Contracting for over 5% of the total sales in the recent business year
15. Contracting or canceling of single sales agency and suppliers over 5% of the total sales in the recent business year
16. Establishment of basic principles of organization management
17. Decision making on basic principles and any changes related to wages, bonus, and fringe benefits
18. Appointments, dismissals and changes of transfer agent
19. Closing of shareholder register and setting reference date
20. Establishment of corporate guidelines for business and management related activities

(B) Matters related to Finance

1. Acquisitions or disposals of equity investments with a value no less than 0.1% and less than 2.5% of the total equity
2. Direct overseas investments with a value no less than 0.1% and less than 2.5% of the total equity
3. New debt guarantee (excluding extension of period) or collateral issuance with a value no less than 0.1% and less than 2.5% of the total equity
 - A. Collateral: Only in the case of providing collateral for others
 - B. Guarantee: Excludes performance guarantee (eg, bid, contract, defect, difference guarantee) and tax payment guarantee
4. New credit agreement contract (excluding extension of period) with a value no less than 0.1% and less than 5% of the total equity
5. Approval of related party transactions:
Related party transactions with affiliates involving cash (loans and payments), equity (stocks and bonds) or assets (such as real estate and intangible property rights) with a value between KRW 3 billion and/or less than KRW 5 billion, as defined in the Monopoly Regulation and Fair Trade Act
※ Excluding cases where existing contracts are renewed without significant change.
6. Issuance of corporate bonds
7. Acquisition and disposal of real estate with a value of over 0.1% of the total equity, provided that the transaction is with a third party
8. Any matters that the CEO deems necessary and important for the business (eg, capex)

(C) All other matters except for those delegated to the Board and other committees in accordance with Board regulations

(Related Party Transactions Committee)

- Responsibilities: Improve management transparency through the establishment of a voluntary compliance system

- Authorities:

1. Right to receive reports on related party transactions:
The Committee can request reports on related party transactions with affiliates
※ According to the Monopoly Regulation and Fair Trade Act, the Related Party Transactions committee is permitted to conduct preliminary reviews and approves on related party transactions over KRW 5 billion and other transactions that are deemed as significant
2. Right to order ex officio investigation of related party transactions
3. Right to propose corrective measures for related party transactions

(Compensation Committee)

- Responsibilities: Provide transparent and objective decision making process related to remuneration of directors

- Authorities:

1. Propose remuneration limit of directors at AGM
2. Establish the director remuneration system
3. Other matters delegated by the Board

(Governance Committee)

- Responsibilities: Fulfill corporate social responsibility and enhance shareholder value

- Authorities:

1. Matters related to corporate social responsibility
2. Matters related to shareholder value enhancement
 - Preliminary review on shareholder return policies
 - Activities for improving shareholders' rights and interests
 - Other important management matters that can significantly impact shareholder value
3. Establishment, composition, operation of organizations under the committee including research groups, councils, etc.
4. Other matters delegated by the Board

(2) Committee Activities

□ The Management Committee (2021)

| Date | Agenda | Voting results | Director (attendance) | | | | |
|--------|---|----------------|-----------------------|---------------------|---------------------|---------------------|---------------------|
| | | | Ki-nam Kim (100%) | Hyun-suk Kim (100%) | Dong-jin Koh (100%) | Jong-hee Han (100%) | Yoon-ho Choi (100%) |
| Jan 6 | ① Investment in memory business | Approved | For | For | For | For | For |
| Feb 5 | ① Investment in memory business | Approved | For | For | For | For | For |
| | ② Investment in R&D | Approved | For | For | For | For | For |
| | ③ Establishment of overseas subsidiary | Approved | For | For | For | For | For |
| | ④ Contract agreement for using Samsung CI | Approved | For | For | For | For | For |
| Mar 5 | ① Investment in memory business | Approved | For | For | For | For | For |
| | ② Investment in foundry business | Approved | For | For | For | For | For |
| Apr 9 | ① Appointment of the Head of Management Committee | Approved | For | For | For | For | For |
| | ② Investment in memory business | Approved | For | For | For | For | For |
| May 7 | ① Investment in foundry business | Approved | For | For | For | For | For |
| | ② Licensing agreement | Approved | For | For | For | For | For |
| Jun 18 | ① Investment in memory business (Pyeongtaek) | Approved | For | For | For | For | For |
| | ② Investment in memory business | Approved | For | For | For | For | For |
| | ③ Investment in foundry business (Hwaseong) | Approved | For | For | For | For | For |
| | ④ Investment in foundry business (Pyeongtaek) | Approved | For | For | For | For | For |
| | ⑤ Investment in foundry business | Approved | For | For | For | For | For |
| | ⑥ Change of trademark royalty | Approved | For | For | For | For | For |

□ The Related Party Transactions Committee (2021)

| Date | Agenda | Voting Results | Directors (attendance) | | |
|--------|--|----------------|------------------------|---------------------|-------------------|
| | | | Sun-uk Kim (100%) | Jae-wan Bahk (100%) | Han-jo Kim (100%) |
| Jan 26 | ① Report on 4Q20 related party transactions | - | - | - | - |
| Feb 10 | ① Prior review on large-scale related party transactions | - | - | - | - |
| | 1) Contract agreement with Samsung Biologics and Samsung Bioepis for using Samsung CI | - | - | - | - |
| Mar 12 | ① Prior review on large-scale related party transactions | - | - | - | - |
| | 1) Application for product liability insurance | - | - | - | - |
| Apr 27 | ① Appointment of the Head of Related Party Transactions Committee | Approved | For | For | For |
| | ② Prior review on large-scale related party transactions | - | - | - | - |
| | 1) Charitable contribution 2) Application for New Technology Investment Association | - | - | - | - |
| | ③ Report on 1Q21 related party transactions | - | - | - | - |

□ **The Compensation Committee (2021)**

| Date | Agenda | Voting Results | Directors (attendance) | | |
|--------|---|----------------|---------------------------|------------------------|---------------------|
| | | | Byung-gook Park (100%) | Jae-wan Bahk (100%) | Jeong Kim (100%) |
| Feb 10 | ① Review of fixed annual income for each Executive Director in 2021 | Approved | For | For | For |
| | ② Review on 2021 remuneration limit for Directors | Approved | For | For | For |

□ **The Governance Committee (2021)**

| Date | Agenda | Voting Results | Directors (attendance) | | | | | |
|--------|--|----------------|---------------------------|----------------------|---------------------------|---------------------|---------------------|----------------------|
| | | | Jae-wan Bahk (100%) | Sun-uk Kim (100%) | Byung-gook Park (100%) | Jeong Kim (100%) | Curie Ahn (100%) | Han-jo Kim (100%) |
| Jan 26 | ① Prior review on the shareholder return policy for 2021 to 2023 ※ Reporting Item 1) Reporting on current status of IR | Approved | For | For | For | For | For | For |

The Board approved the reorganization of the Governance Committee into the Sustainability Committee on July 29, 2021.

D. Director independence

(1) Appointment of Directors

The Board nominates Executive Director candidates and the Independent Director Recommendation Committee nominates Independent Director candidates. Directors are then appointed at the general meeting.

A candidate for Director needs to meet the requirements of relevant laws and the Articles of Incorporation. Executive Directors are appointed based on his or her expertise and leadership among a list of candidates that is constantly updated. Independent Directors should have no material interests with the Company and its major shareholder, possess knowledge and experience in IT, accounting, finance, law, economics, EHS, etc., and be able to fulfill the roles and responsibilities of supervising management from an independent position. The company has not set separate standards with respect to the independence of Directors besides the requirements in relevant laws and the Article of Incorporation.

Please refer to 『VIII. Executives and Employees』 for more information about the career of each Director.

The Board submits shareholders' proposal for appointment of Directors at the general shareholder meeting as a separate agenda if the proposal satisfies related laws and regulations.

The composition of the Board of Directors, as appointed by shareholders, is as follows:

[As of June 30, 2021]

| Position | Name | Term (No. of reappointments) | Reasons for appointment | Nominator | Responsibility | Transaction with the Company | Relationship with the Company's major shareholders |
|--------------------------|--------------|------------------------------------|--|-----------|---------------------|------------------------------------|--|
| Executive Director (CEO) | Ki-nam Kim | Mar 2018 – Mar 2024 (1) | Director Ki-nam Kim has built expertise based on his experience as the president of Samsung Advanced Institute of Technology, head of the memory business, and president of the semiconductor business. He will play a critical role in solidifying leadership of the component business despite growing external uncertainty. | The Board | Head of DS Division | N/A | Related party |
| Executive Director (CEO) | Hyun-suk Kim | Mar 2018 – Mar 2024 (1) | Director Hyun-suk Kim is an expert in display R&D and played a crucial role in positioning the company as the leader in the global TV market. He will use this successful experience in other businesses such as the home appliance business to create synergies within the CE division. | The Board | Head of CE Division | N/A | Related party |
| Executive Director (CEO) | Dong-jin Koh | Mar 2018 – Mar 2024 (1) | Director Dong-jin Koh is an expert in mobile R&D and has contributed in advancing our mobile business with the galaxy lineup. He will play a critical role in becoming a first mover in the stagnant yet competitive smartphone market. | The Board | Head of IM Division | N/A | Related party |

| Position | Name | Term (No. of reappointments) | Reasons for appointment | Nominator | Responsibility | Transaction with the Company | Relationship with the Company's major shareholders |
|----------------------|-----------------|-------------------------------------|---|---|---------------------------------|------------------------------------|--|
| Executive Director | Jong-hee Han | Mar 2020 – Mar 2023 (None) | Director Jong-hee Han is an expert in display R&D and played a leading role in continuously achieving the top position in global TV market. He will contribute to further solidifying leadership in TV market amid intensifying competition by using his excellent business capabilities. | The Board | Head of Visual Display Business | N/A | Related party |
| Executive Director | Yoon-ho Choi | Mar 2020 – Mar 2023 (None) | Director Yoon-ho Choi is a finance expert and contributed to enhancing synergy among businesses in SEC. He will contribute to efficient and stable management of the Company by capitalizing on his capabilities in risk management amid uncertain global economy. | The Board | General management | N/A | Related party |
| Independent Director | Jae-wan Bahk | Mar 2016 – Mar 2022 (1) | Director Jae-wan Bahk is an expert in finance and public sector with abundant experience relative to state affairs and policy design. He can contribute to objective supervision of the management and the Board's strategic decisions. | Independent Director Recommendation Committee | Chairman of the Board | N/A | N/A |
| Independent Director | Sun-uk Kim | Mar 2018 – Mar 2024 (1) | Director Sun-uk Kim is a legal expert and has experience as a professor at a school of law and the Legislation Minister. She can present a new perspective to the Board based on objective and juridical reasoning. | Independent Director Recommendation Committee | Overall management | N/A | N/A |
| Independent Director | Byung-gook Park | Mar 2018–Mar 2024 (1) | Director Byung-gook Park is a professor at electrical engineering and an expert in flash memory. He will play a crucial role in strengthening expertise of the Board. | Independent Director Recommendation Committee | Overall management | N/A | N/A |
| Independent Director | Jeong Kim | Mar 2018 – Mar 2024 (1) | Director Jeong Kim is an IT expert and an entrepreneur. He will contribute to the Board's strategic decisions by utilizing his expertise, wide network, and business capability. | Independent Director Recommendation Committee | Overall management | N/A | N/A |
| Independent Director | Curie Ahn | Mar 2019 – Mar 2022 (None) | Director Curie Ahn is a medical expert who has been working for the marginalized and public good. Director Ahn will help address the increasingly important EHS issues, improving social communication and achieving sustainable growth. | Independent Director Recommendation Committee | Overall management | N/A | N/A |

| Position | Name | Term (No. of reappointments) | Reasons for appointment | Nominator | Responsibility | Transaction with the Company | Relationship with the Company's major shareholders |
|-------------------------|---------------|-------------------------------------|---|--|-----------------------|------------------------------------|--|
| Independent Director | Han-jo Kim | Mar 2019 – Mar 2022 (None) | Director Han-jo Kim has built expertise in finance and business management through his experience as a President of Korea Exchange Bank and now serves as the chairman of a social contribution foundation. He will contribute to the Company by providing valuable insight on overall business issues and by utilizing expertise in finance, co-growth, etc. | Independent Director Recommendation Committee | Overall management | N/A | N/A |

Relationship with Company's major shareholders is in accordance with Article 542-8 of the Commercial Act.

Mar 17, 2021: At the 2020 AGM, Byung-gook Park and Jeong Kim were reappointed as Independent Directors; and Sun-uk Kim as Independent Director for Audit Committee member.

(2) Independent Director Recommendation Committee

The Independent Director Recommendation Committee assesses the independence and ability of potential candidates and recommends selected candidates to be appointed at the annual general meeting of shareholders. As of the reporting date (June 30, 2021), the committee is composed of three Independent Directors (Byung-gook Park, Jeong Kim, and Curie Ahn) based on related laws that states more than a majority of members should be independent directors in accordance with clause 4 of Article 542-8 of the Commercial Law.

| Date | Agenda | Voting Results | Directors (attendance) | | |
|--------|--|----------------|---------------------------|---------------------------|---------------------|
| | | | Jeong Kim (100%) | Byung-gook Park (100%) | Curie Ahn (100%) |
| Jan 28 | ① Decision on date of Independent Director candidate recommendation | Approved | For | For | For |
| Feb 10 | ① Recommendation of Independent Director candidate | Approved | For | For | For |
| | ② Recommendation of Independent Director for Audit Committee candidate | Approved | For | For | For |

(3) Expertise of Independent Directors

1) Support team for Independent Directors

[As of June 30, 2021]

| Team | Number of Employees | Position (Total years served/ years in support team) | Key activities |
|------|------------------------|---|---|
| HR | 5 | Executive Vice President: 1 person (30 years and 7 months / 2 years and 6 months) Vice President: 1 person (27 years and 4 month / 1 year and 5 months) Principal Professional: 1 person (18 years and 5 months / 1 year and 11 months) Senior Professional: 2 persons (average: 12 years and 2 months / 2 years and 6 months) | <ul style="list-style-type: none"> Support operation of annual shareholders' meeting, Board meetings, and Committee meetings Support education for Independent Directors and their activities Establish database on Director candidates Provide information for resolution process to each Directors Administrative work for meetings Record meeting agendas for the Board and committee meetings |

2) Education programs to provide updates on key management issues for Independent Directors

① Inspection of domestic and overseas business sites

| Date | Organizer | Participants | Reasons for absence | Education contents |
|-----------------------------------|--|---|---------------------|---|
| Aug 16, 2019 – Aug 23, 2019 | HR team and management team of the region where the inspection takes place | Jae-wan Bahk, Sun-uk Kim, Byung-gook Park, Jeong Kim, Curie Ahn, Han-jo Kim | N/A | On-site inspection to check business operations |

② Orientation for newly appointed Independent Directors

| Date | Organizer | Participants | Reasons for absence | Education contents |
|--------------|--------------------------------------|-----------------------|---------------------|--|
| Mar 20, 2019 | HR team | Curie Ahn, Han-jo Kim | N/A | Key issues regarding Board activities and management |
| Apr 30, 2019 | HR team and relevant management team | Curie Ahn, Han-jo Kim | N/A | Key issues regarding Board activities and management |
| Jul 30, 2019 | HR team and relevant management team | Curie Ahn, Han-jo Kim | N/A | Key issues regarding Board activities and management |

③ Orientation for Independent Directors

| Date | Organizer | Participants | Reasons for absence | Education contents |
|--------------|------------------|---|---------------------|--|
| Jan 30, 2019 | Support Team | In-ho Lee, Kwang-soo Song, Jae-wan Bahk, Sun-uk Kim, Byung-gook Park, Jeong Kim | N/A | Business plans for 2019 |
| Jan 31, 2019 | Network business | In-ho Lee, Kwang-soo Song, Jae-wan Bahk, Sun-uk Kim, Byung-gook Park, Jeong Kim | N/A | Briefing on 5G technology and tour of production lines |
| Nov 27, 2020 | Planning Team | Jae-wan Bahk, Sun-uk Kim, Byung-gook Park, Jeong Kim, Curie Ahn, Han-jo Kim | N/A | Changing environment in post-COVID-19 era and mid- to long-term strategy |

2. Audit System

A. Profiles of Audit Committee members

As of June 30, 2021, SEC operates an Audit Committee consisting of three Independent Directors. Directors Jae-wan Bahk (head) and Han-jo Kim qualify as experts in finance in accordance with relevant regulations.

| Name | Major experience | Accounting/financial expertise ¹⁾ | |
|------------------------|--|--|---|
| | | Classification | Relevant experience |
| Jae-wan Bahk (Head) | <ul style="list-style-type: none"> • 2020–present: Professor Emeritus, Department of Public Administration Graduate School of Governance at Sungkyunkwan University • 1996–2020: Professor, Department of Public Administration & Graduate School of Governance, Sungkyunkwan University • 2016–present: Independent Director, Lotte Shopping • 2014–present: Chief Director, Hansun Foundation • 2011–2013: Minister of Strategy and Finance • 2010–2011: Minister of Employment and Labor • 2004–2008: Member of the 17th National Assembly | Type 2 ²⁾ | <ul style="list-style-type: none"> • 1996–2020: Professor of Public Administration, Sungkyunkwan University • 1992: Gained Ph.D. in Financial Administration |
| Sun-uk Kim | <ul style="list-style-type: none"> • 2018–present: Professor Emeritus, School of Law, Ewha Womans University • 1995–2018: Professor, Ewha Law School, Ewha Womans University • 2010–2014: President, Ewha Womans University • 2005–2007: Minister of Government Legislation | – | – |
| Han-jo Kim | <ul style="list-style-type: none"> • 2019–2021: CEO/Rep Director, Hana Foundation • 2015–2019: CEO/Rep Director, Hana Nanum Foundation • 2015–2016: Vice Chairman, Hana Financial Group • 2014–2015: President, Korea Exchange Bank • 2013–2014: President, KEB Capital Inc. | Type 4 ³⁾ | <ul style="list-style-type: none"> • 2015–2016: Vice Chairman, Hana Financial Group • 2014–2015: President, Korea Exchange Bank • 2013–2014: President, KEB Capital • 2012–2013: Head of Corporate Business Group, Korea Exchange Bank • 1999–2002, 2004–2005: Head of Branch, Korea Exchange Bank |

1) Defined in Public Disclosure Guideline and Article 37-2 of the Enforcement Decree of the Commercial Act

2) Holds at least a master's degree in accounting or finance and who has worked for a research institute or university at least as a researcher or an assistant professor in accounting or finance for an aggregate of at least five years

3) Experience at financial, government, securities-related organizations in charge of accounting or finance or in charge of supervision over accounting or finance for an aggregate of at least five years

B. Audit Committee independence

Pursuant to related laws and the Articles of Incorporation, SEC has prepared internal audit regulations which encompass composition, operation, authority, and responsibility of the Audit Committees to carry out audit related activities.

The Audit Committee is exclusively composed of Independent Directors recommended by the Board and appointed at the general shareholder meeting. Currently, it includes financial experts Jae-wan Bahk (head) and Han-jo Kim and legal expert Sun-uk Kim. Committee members do not have any relation to the Company's major shareholders that may undermine the independence of the Committee. Also, the Audit Committee satisfies requirements of relevant laws (eg, the stipulation that the role of head of the committee be held by an Independent Director).

| Requirements | Requirement status | Applicable acts, etc. |
|--|--|--|
| The audit committee shall consist of at least three directors. | Satisfied: the committee consists of three Directors | Article 415-2 (2) of the Commercial Act, Article 2 of the Company's Audit Committee Regulation |
| The ratio of independent directors shall exceed two thirds of the total number of members. | Satisfied: all members are independent directors) | |
| At least one member of the committee shall be an accounting or financing expert. | Satisfied: Jae-wan Bahk; Han-jo Kim | Article 542-11 (2) of the Commercial Act, Article 3 of the Company's Audit Committee Regulation |
| The representative of the committee shall be an Independent Director. | Satisfied: Independent Director Jae-wan Bahk | |
| Other conditions (related party of the major shareholder, etc.) | Satisfied (n/a) | Article 542-11 (3) of the Commercial Act |

[As of June 30, 2021]

| Name | Term (No. of reappointments) | Reasons for appointment | Nominator | Relationship with the Company | Relationship with the Company's major shareholders | Concurrent positions |
|---------------------|------------------------------|--|---|-------------------------------|--|---|
| Jae-wan Bahk (Head) | Mar 2019–Mar 2022 (-) | Expertise in finance and public sector and abundant experience in state affairs and policy design. He can contribute to the committee's activities by offering an objective perspective. | Independent Director Recommendation Committee | N/A | N/A | Independent Director Lotte Shopping, Co., Ltd 2016~ |
| Sun-uk Kim | Mar 2018–Mar 2024 (1) | Based on the legal expertise and experience running organizations in areas including administration, finance, international affairs, etc., she can carry out the duties in an aboveboard manner with strict standards. | Independent Director Recommendation Committee | N/A | N/A | - |
| Han-jo Kim | Mar 2019–Mar 2022 (-) | An expert in finance with broad experience, he offers impartial judgement on overall management activities while carrying out his duties | Independent Director Recommendation Committee | N/A | N/A | - |

Relationship with the Company and Company's major shareholders is in accordance with Article 542-8 of the Commercial Act.

The Audit Committee reviews accounting documents including financial statements and audit process related documents presented by the external auditor, and if needed, requests the external auditor to perform additional reviews on accounting books and records. To ensure the reliability of accounting related disclosures, the audit committee receives and reviews a report on internal accounting control systems prepared by internal accounting managers. In addition, the Committee attends the Board meetings and other significant meetings. The Committee receives reports on deliberations of the Management Committee and on business performance from Directors and requests additional reviews and supplementation of data as needed.

C. Major activities of the Audit Committee (2021)

| Date | Agenda | Voting Results | Directors (attendance) | | |
|--------|--|-----------------------------------|------------------------------|------------------------------|------------------------------|
| | | | Jae-wan Bahk (100%) | Sun-uk Kim (100%) | Han-jo Kim (100%) |
| Jan 26 | <ul style="list-style-type: none"> - Report on 2020 internal accounting management system activities - Report on evaluation of 2020 internal accounting management system activities - Communication between external auditor and audit committee - Report on 2020 financial statement and business report - Report on 4Q20 non-audit activities - Report on 4Q20 external contributions - Report on 2020 audit activities | - - - - - - | - - - - - - | - - - - - - | - - - - - - |
| Feb 10 | <ul style="list-style-type: none"> - Review of the 52nd AGM agenda - Report on activities of internal compliance system in 2020 | - - | - - | - - | - - |
| Apr 27 | <ul style="list-style-type: none"> - Communication between external auditor and audit committee - Decision on the terms and conditions of the audit contract with the designated external auditor - Report on 1Q21 interim business report - Report on 1Q21 non-audit activities - Report on plans for reviewing 2021 internal accounting management system activities - Report on 1Q21 external contributions - Report on plans for evaluating 2020 internal accounting management system activities | - Approved - - - - | - For - - - - | - For - - - - | - For - - - - |

D. Education programs for the Audit Committee

In accordance with the working guide for internal accounting management system, we are conducting additional training to ensure the expertise of the Audit Committee. Organized by external experts, finance team, and audit team, education on changes to internal control, internal accounting management system is provided more than once a year.

E. Previous education sessions

| Date | Organizer | Participants | Reasons for absence | Education contents |
|--------------|---|--|---------------------|---------------------------------------|
| Apr 29, 2019 | Audit team Finance team HR team External experts | Jae-wan Bahk Sun-uk Kim Han-jo Kim | N/A | Introduction materials |
| Jul 30, 2019 | External experts | Jae-wan Bahk Sun-uk Kim Han-jo Kim | N/A | Internal accounting management system |

| Date | Organizer | Participants | Reasons for absence | Education contents |
|--------------|------------------|--|---------------------|---------------------------------------|
| Jul 28, 2020 | External experts | Jae-wan Bahk Sun-uk Kim Han-jo Kim | N/A | Internal accounting management system |

F. Support team for the Audit Committee

[As of June 30, 2021]

| Team | Composition | Service years on team | Major tasks |
|--|---|---|---|
| Audit team | 1 Executive Vice President, 2 Principal Professionals 1 Senior Professional | Executive Vice President: 1 Year and 6 months Principal professional: 3 years 4 months (average) Senior Professionals: 2 years 3 months | Support the Audit Committee |
| Internal accounting assessment support group | 1 Vice President, 1 Lawyer, 1 Senior Professional | Vice President: 2 years and 6 months Lawyer: 3 months Senior Professional: 5 months | Support assessment of the internal accounting management system |

G. Compliance Officer

[As of June 30, 2021]

| | | |
|---|----------------------------|--|
| 1. Personal information and major career | Name | Duk-ho Ahn |
| | Date of birth | July 1968 |
| | Sex | Male |
| | Current position | Corporate Compliance Team leader at Samsung Electronics (Jan 2020–present) |
| | Career | - Jan 2020: Head of Compliance Team, SEC (Executive Vice President) - Nov 2017: Head of Legal Support Team, SEC DS Division (Executive Vice President) - Apr 2017: Head of Legal Support Team, SEC DS Division (Senior Vice President) - Dec 2010: Office of Compliance Management, SEC (Senior Vice President) - Mar 2006: Office of Legal Affairs, SEC (Vice President) - Mar 2005: Office of Legal Affairs, Samsung Restructuring Head Office (Vice President) - 1997–2005: Judge at the Seoul District Court, Seoul Administration Court |
| | Academic background | Bachelor's Degree in Law (Seoul National University) |
| 2. Date of Board resolution | | Jan 30, 2020 |
| 3. Disqualifications | | N/A |
| 4. Others | | N/A |

Compliance officer meets the eligibility requirement (lawyer) stated in Article 542-13 (5) of the Commercial Act.

H. Major compliance activities

The Company conducts compliance assessments on a regular and ad-hoc basis and reflects the results in the Company's business activities to improve compliance of the Company and its employees.

| Date | Assessment subject | Assessment area | Results |
|----------|---|--|---|
| Feb 2021 | Violation of competitors' business secrets | Business secrets | Overall result was satisfactory. Internal policies were followed in areas where there was room for improvement. |
| | Industrial health and safety risk | Environment & safety | |
| Mar 2021 | Compliance of domestic and overseas third-party production companies | Technology leak, product liability, etc. | |
| Apr 2021 | Monitoring external contributions and related party transaction risks | Anti-corruption, fair transaction | |
| Jun 2021 | Voluntary compliance of overseas subsidiaries | Status of compliance program | |
| | Online compliance of overseas sales subsidiaries | Fair transaction, business secret, etc. | |
| | Compliance of domestic and overseas third-party production customers | Technology leak, product liability, etc. | |

Assessment conducted in the final month of each quarter.
Each assessment was conducted on selected organizations.

I. Support team for the Compliance Officer

[As of June 30, 2021]

| Team | Composition | Service years (average) | Major tasks |
|-----------------------|--|---|---|
| Compliance team, etc. | 3 Vice Presidents 14 Principal Professionals 10 Lawyers 33 Senior Professionals 6 Professionals (Total: 66) | Vice Presidents (4 years and 9 months) Principal Professionals (7 years 3 months) Lawyers (4 years and 5 month) Senior Professionals (4 years and 7 months) Professionals (1 year and 3 months) | Supports activities of the Compliance Officer |

Service years refer to time performing work relevant to support activity.

3. General Meeting of Shareholders

A. Voting method

As of June 30, 2021, the Company has not adopted cumulative voting or paper voting and has adopted electronic voting, which was used at the 52nd AGM on March 17, 2021.

On January 30, 2020, the Board resolved to adopt electronic voting to enhance convenience in exercising voting rights for shareholders in accordance with Article 368-4 (Exercise of Voting Rights by Electronic Means) of the Commercial Act. E-voting has been used at every AGM since it was introduced at the 51st AGM on March 18, 2020.

The convocation notice of general meeting of shareholders includes the information that voting rights can be exercised electronically. Owners of shares as of the last day of every settlement term can exercise their voting rights via the electronic voting system of Korea Securities Depository ten days prior to general meeting date until the day before the meeting, without being present at the meeting.

[As of June 30, 2021]

| Classification | Cumulative Voting | Paper Voting | Electronic Voting |
|----------------|-------------------|--------------|-------------------|
| Adoption | Excluded | Not Adopted | Adopted |
| Implementation | - | - | 52nd AGM (2020) |

The Company as of the reporting date employs proxy voting and it contacts shareholders directly to recommend delegating voting rights, contacts shareholders by mail or email, and also made a power of attorney form available on the Company website.

B. Minority shareholder rights

No minority shareholder rights were exercised during the reporting period.

C. Competition over management rights

No competition over management rights occurred during the reporting period.

D. Voting shares

As of June 30, 2021, SEC has 5,969,782,550 issued shares of common stock, and 822,886,700 issued shares of preferred stock with no voting rights. There are 597,520,906 shares of common stock with limited voting rights under relevant laws. Thus, the total number of shares with full voting rights is 5,372,261,644.

[As of June 30, 2021]

| Classification | Share type | Number of shares | Note |
|----------------------------------|------------|------------------|------|
| Number of issued shares (A) | Common | 5,969,782,550 | - |
| | Preferred | 822,886,700 | - |
| Shares with no voting rights (B) | Common | - | - |

| Classification | Share type | Number of shares | Note |
|---|------------|---------------------------|---|
| Shares with no voting rights according to Articles of Incorporation (C) | Preferred | 822,886,700 | - |
| Shares with limited voting rights under relevant laws (D) | Common | 596,959,200 ¹⁾ | 508,157,148 shares held by Samsung Life Insurance & 88,802,052 shares held by Samsung Fire & Marine Insurance |
| | Common | 561,706 | Restricted by the Insurance Business Act: Shares held by Samsung Life Insurance in certain special accounts |
| Shares with voting rights (F = A - B - C - D) | Common | 5,372,261,644 | - |
| | Preferred | - | - |

1) Pursuant to Korea's Monopoly Regulation and Fair Trade Act, owners can exercise certain rights on some shares in accordance with related laws, including the right to vote on agendas such as the appointment or dismissal of directors and revisions to the Articles of Incorporation.

E. Stock affairs

| Preemptive Rights in the Articles of Incorporation |
|---|
| <p>1. New shares to be issued by the Company shall be allocated to the shareholders in proportion to their respective shareholdings in accordance with Paragraph 6, Article 8. If shares are not subscribed for as a result of waiver or loss of the preemptive right of the shareholders to subscribe for new shares, or if fractional shares remain at the time of allocation of new shares, such shares may be disposed of by a resolution of the Board of Directors in accordance with applicable laws and regulations.</p> <p>2. Notwithstanding the above Paragraph 1, new shares may be allocated to persons other than shareholders in the following cases:</p> <p>a. If the Company issues new shares or causes underwriters to underwrite new shares by a resolution of the Board of Directors in accordance with applicable laws and regulations including the Financial Investment Services and Capital Markets Act;</p> <p>b. If the Company allocates new shares preferentially to members of the Employee Stock Ownership Association by a resolution of the Board of Directors in accordance with applicable laws and regulations including the Financial Investment Services and Capital Markets Act;</p> <p>c. If the Company issues new shares for the issuance of depositary receipts (DR) by a resolution of the Board of Directors in accordance with the applicable laws and regulations including the Financial Investment Services and Capital Markets Act;</p> <p>d. If the Company issues new shares by public offering in accordance with Article 11-3;</p> <p>e. If new shares are issued by the exercise of stock options in accordance with Article 11-4;</p> <p>f. If the Company issues new shares to the extent of 20% of the total issued and outstanding shares to domestic or foreign financial institutions for the purpose of obtaining financing urgently or to the relevant partner company for the purpose of inducing technology therefrom, etc., by a resolution of the Board of Directors; provided that the issue price of the new shares shall not be less than the price prescribed by the Financial Investment Services and Capital Markets Act and other applicable laws and regulations.</p> <p>☞ (Note) Paragraph 6, Article 8</p> <p>In the case of rights issue, bonus issue or stock dividend, the holders of common shares shall be entitled to common shares, and the holders of preferred shares shall be entitled to preferred shares, in proportion to their respective shareholdings; provided that in the case of rights issue and stock dividend the Company may, if necessary, issue only one kind of shares, where all the shareholders shall be entitled to such kind of shares to be issued.</p> <p>☞ (Note) Article 11-3 (Public Offering)</p> <p>1. The Company may issue new shares by public offering to the extent that the new shares do not exceed 20% of the total number of issued and outstanding shares by a resolution of the Board of Directors, pursuant to Article 165-6, Paragraph 1, Item 3 of the Financial Investment Services and Capital Markets Act.</p> |

2. If the Company issues new shares by public offering, the type, quantity and issue price of the shares to be newly issued shall be determined by a resolution of the Board of Directors; provided that the issue price of such new shares shall not be less than the price prescribed by the Financial Investment Services and Capital Markets Act and other applicable laws and regulations.

☞ (Note) Article 11-4 (Stock Options)

1. The Company may grant stock options to its officers and employees (including officers and employees of the related companies as set forth in Article 542-3, Paragraph 1 of the Commercial Code; the same shall apply for the purpose of this Article) by a special resolution of the general meeting of shareholders pursuant to Article 542-3 of the Commercial Code, to the extent permitted by the Commercial Code; provided, however, that the Company may grant the stock options to its officers and employees (except for the directors of the Company) by a resolution of the Board of Directors to the extent determined by the relevant laws and regulations.
2. The person to whom stock options may be granted are the officers and employees who have contributed or have the capacity to contribute to the establishment, management, overseas business, technical innovation, etc. of the Company; provided, however, that the officers and employees who may not be entitled to stock options under the relevant laws and regulations shall be excluded.
3. The shares to be issued to the officers or employees by the exercise of their stock options (in case the Company pays, either in cash or treasury shares, the difference between the exercise price of stock options and the market price, they refer to the shares which are the basis for such calculation) shall be common shares in registered form or preferred shares in registered form.
4. Total number of shares to be delivered in accordance with the exercise of stock options shall be up to the extent permitted by the relevant laws and regulations.
5. The stock options may be exercised until an expiry date determined by a resolution of the general meeting of shareholders or the Board of Directors and such expiry date shall be determined within a period not exceeding eight (8) years from the date when two (2) years have elapsed from the date of the general meeting of shareholders or the date of the Board of Directors' meeting at which a resolution to grant such stock options is adopted; provided, however, that the person to whom a stock option is granted should serve the Company for at least two (2) years after the date of such resolution in order to exercise such stock option, unless otherwise set forth by relevant laws and regulations.
6. The terms and conditions for stock options, such as the contents and exercise price thereof shall be determined by a special resolution of the general meeting of shareholders or by a resolution of the Board of Directors in accordance with the relevant laws and regulations and the Articles of Incorporation; provided, however, that such matters which are not provided for as matters reserved for resolutions of the general meeting of shareholders or the Board of Directors' meeting under the relevant laws and regulations or the Articles of Incorporation may be determined by the Board of Directors or a committee authorized by the Board of Directors.
7. The Company may cancel the grant of stock options by a resolution of the Board of Directors in any of the following cases:
 - a. In case the relevant officer or employee voluntarily retires from his/her office or leaves the Company after the grant of stock options;
 - b. In case the relevant officer or employee causes substantial damages to the Company due to his/her willful misconduct or negligence;
 - c. In case any of the causes for cancellation set forth in the stock option agreement occurs.

| | | | | |
|------------------------------|--|---|--|--|
| Settlement date | Dec 31 | Annual General Meetings of Shareholders | Within 3 months after the end of every business year | |
| Record date (closing period) | | | Last day of fiscal year (One month from Jan 1) | |
| Transfer agent | Korea Securities Depository (T: +82-51-519-1500); 40 Munhyeongeumyung-ro, Nam-gu, Busan, Korea | | | |
| Shareholder benefit | n/a | Published on | Joongang Daily | |

With Act on Electronic Registration of Stocks, Bonds, etc. ("Electronic Securities Act") taking effect Sep 16, 2019, rights specified on stocks and subscription warrants are subject to mandatory electronic registration, therefore, "Stock types" are no longer applicable.

Related information is published on Joongang Daily in pursuant to our Articles of Incorporation, as well as on our website (<http://www.samsung.com/sec/ir>).

F. Results of shareholder meetings

[As of June 30, 2021]

| Date | Agenda | Results |
|-----------------------------|--|--|
| The 52nd AGM (Mar 17, 2021) | 1. Approval of Balance Sheet, Income Statement, and Statement of Appropriation of Retained Earnings, etc. for 2020 2. Appointment of Directors 2.1: Appointment of Independent Directors 2.1.1: Byung-gook Park 2.1.2: Jeong Kim 2.2: Appointment of Executive Directors 2.2.1: Ki-nam Kim 2.2.2: Hyun-suk Kim 2.2.3: Dong-jin Koh 3. Appointment of Sun-uk Kim as Independent Director for Audit Committee Member 4. Approval of remuneration limit for Directors | Approved Approved Approved Approved Approved Approved Approved Approved |
| The 51st AGM (Mar 18, 2020) | 1. Approval of Balance Sheet, Income Statement, and Statement of Appropriation of Retained Earnings (draft), etc. for 2019 2. Appointment of Executive Directors 2.1: Jong-hee Han 2.2: Yoon-ho Choi 3. Approval of remuneration limit for Directors | Approved Approved Approved Approved |
| The 50th AGM (Mar 20, 2019) | 1. Approval of Balance Sheet, Income Statement, and Statement of Appropriation of Retained Earnings (draft), etc. for 2018 2. Appointment of Directors/Committee Members 2.1: Independent Directors 2.1.1: Jae-wan Bahk 2.1.2: Han-jo Kim 2.1.3: Curie Ahn 2.2: Audit Committee 2.2.1: Jae-wan Bahk 2.2.2: Han-jo Kim 3. Approval of remuneration limit for Directors | Approved Approved Approved Approved Approved Approved Approved |

An extraordinary meeting of shareholders was not held during the reporting period.

VII. Information on Shareholders

1. Ownership of shares by the major shareholder(s) and related parties

[As of June 30, 2021]

| Name | Relationship ¹⁾ | Type of share | Ownership | | | | Notes |
|---|--|---------------|--------------|-----------|-------------|-----------|--------------------------|
| | | | Period start | | Period end | | |
| | | | Shares | Stake (%) | Shares | Stake (%) | |
| Kun-hee Lee | - | Common | 249,273,200 | 4.18 | 0 | 0.00 | Bequest |
| | | Preferred | 619,900 | 0.08 | 0 | 0.00 | Bequest |
| Samsung Life Insurance | Major shareholder | Common | 508,157,148 | 8.51 | 508,157,148 | 8.51 | - |
| | | Preferred | 43,950 | 0.01 | 43,950 | 0.01 | - |
| Samsung Life Insurance (special accounts) | Major shareholder | Common | 16,284,877 | 0.27 | 14,952,442 | 0.25 | Open market transactions |
| | | Preferred | 772,567 | 0.09 | 568,438 | 0.07 | Open market transactions |
| Samsung C&T | Affiliate | Common | 298,818,100 | 5.01 | 298,818,100 | 5.01 | - |
| Samsung Fire & Marine Insurance | Affiliate | Common | 88,802,052 | 1.49 | 88,802,052 | 1.49 | - |
| Samsung Welfare Foundation | Funded foundation | Common | 4,484,150 | 0.08 | 4,484,150 | 0.08 | - |
| Samsung Foundation Of Culture | Funded foundation | Common | 1,880,750 | 0.03 | 1,880,750 | 0.03 | - |
| Ra-hee Hong | Related party of the major shareholder | Common | 54,153,600 | 0.91 | 137,244,666 | 2.30 | Inheritance |
| | | Preferred | 0 | 0.00 | 206,633 | 0.03 | Inheritance |
| Jae-yong Lee | Related party of the major shareholder | Common | 42,020,150 | 0.70 | 97,414,196 | 1.63 | Inheritance |
| | | Preferred | 0 | 0.00 | 137,757 | 0.02 | Inheritance |
| Boo-jin Lee | Executive member of affiliate | Common | 0 | 0.00 | 55,394,044 | 0.93 | Inheritance |
| | | Preferred | 0 | 0.00 | 137,755 | 0.02 | Inheritance |
| Seo-hyun Lee | Related party of the major shareholder | Common | 0 | 0.00 | 55,394,044 | 0.93 | Inheritance |
| | | Preferred | 0 | 0.00 | 137,755 | 0.02 | Inheritance |
| Ki-nam Kim | Executive member of affiliate | Common | 200,000 | 0.00 | 210,000 | 0.00 | Open market transactions |
| Hyun-suk Kim | Executive member of affiliate | Common | 99,750 | 0.00 | 99,750 | 0.00 | - |
| Dong-jin Koh | Executive member of affiliate | Common | 75,000 | 0.00 | 75,000 | 0.00 | - |
| Jong-hee Han | Executive member of affiliate | Common | 5,000 | 0.00 | 5,000 | 0.00 | - |
| Yoon-ho Choi | Executive member of affiliate | Common | 0 | 0.00 | 5,000 | 0.00 | Open market transactions |
| Curie Ahn | Executive member of affiliate | Common | 2,600 | 0.00 | 3,200 | 0.00 | Open market transactions |

| | | | | | | | |
|------------|-------------------------------|-----------|---------------|-------|---------------|-------|---|
| Han-jo Kim | Executive member of affiliate | Common | 2,175 | 0.00 | 2,175 | 0.00 | - |
| Total | | Common | 1,264,258,552 | 21.18 | 1,262,941,717 | 21.16 | - |
| | | Preferred | 1,436,417 | 0.17 | 1,232,288 | 0.15 | - |

Common shares carry full voting rights while preferred shares do not (owners of certain common shares have limited voting rights in accordance with relevant laws. For information on voting rights, please refer to 『VI. Corporate Governance-D. Voting shares』).

The major shareholder changed to Samsung Life Insurance as the shares of the previous major shareholder (Kun-hee Lee, who passed away on October 25, 2020) were inherited by Jae-yong Lee and three others during the reporting period. For detailed information, please refer to 3) Change of the major shareholder.

For changes after June 30, please refer to ‘Ownership status of securities, etc. of executives and major shareholder’ published in Korean in DART (<http://dart.fss.or.kr>).

1) In accordance with Article 3 Paragraph 1 of Enforcement Decree of the Act on Corporate Governance of Financial Companies.

2. Matters related to the major shareholder

A. Overview of the major shareholder (corporation or organization)

(1) Basic information of the major shareholder (Samsung Life Insurance Co., Ltd.)

- 1) Legal, commercial name: Samsung Life Insurance Co., Ltd.
- 2) Date of establishment: April 24, 1957
- 3) Address, phone number, and English language website of the corporate headquarters
 - Address: 11, Seocho-daero 74-gil, Seocho-gu, Seoul, Republic of Korea
 - Phone: 02-1588-3114
 - Website: <https://www.samsunglife.com>

4) CEO and major shareholder of the major shareholder (Samsung Life Insurance)

| Name | Number of investors | CEO | | Major shareholder | |
|---------------------------------|---------------------|----------------|-----------------|-------------------|-----------------|
| | | Name | Share ratio (%) | Name | Share ratio (%) |
| Samsung Life Insurance Co., Ltd | 107,474 | Young-muk Jeon | 0.00 | Samsung C&T | 19.34 |

The number of investors is as of December 31, 2020, which was the recent closing date of shareholder register, and the share ratios of the CEO and major shareholder are as of June 30, 2021, the Reporting Date.

5) Changes to the CEO and major shareholder of the major shareholder (Samsung Life Insurance)

| Date of Change | CEO | | Major shareholder | |
|----------------|----------------|-----------------|-------------------|-----------------|
| | Name | Share ratio (%) | Name | Share ratio (%) |
| Mar 21, 2018 | Chang-soo Kim | - | - | - |
| Mar 21, 2018 | Sung-chul Hyun | - | - | - |
| Mar 19, 2020 | Sung-chul Hyun | - | - | - |
| Mar 19, 2020 | Young-muk Jeon | - | - | - |
| Apr 29, 2021 | - | - | Kun-hee Lee | - |
| Apr 29, 2021 | - | - | Samsung C&T | 19.34 |

Mar 21, 2018: Chang-soo Kim resigned from his position as CEO, and Executive Director Sung-chul Hyun was appointed as CEO.

Mar 19, 2020: Sung-chul Hyun resigned from his position as CEO, and Executive Director Young-muk Jeon was appointed as CEO.

Apr 29, 2021: The major shareholder changed to Samsung C&T as the shares of the previous major shareholder (who passed away on October 25, 2020) were inherited.

Please refer to the ‘Business Report’ and ‘Ownership status of securities, etc. of executives and major shareholder’ of Samsung Life Insurance published in Korean in DART (<http://dart.fss.or.kr>) for the changes to the share ratio of CEOs in the first half of 2021. (CEO Sung-chul Hyun acquired shares of the Company on March 27, 2018, and CEO Young-muk Jeon acquired shares of the Company on March 23, 24, 2018 and March 16, 2021.)

(2) Financial status of the recent settlement term of the major shareholder (Samsung Life Insurance)

(KRW mil)

| Classification | |
|---|---------------------------------|
| Name of the corporation or organization | Samsung Life Insurance Co., Ltd |
| Total assets | 337,270,354 |
| Total liabilities | 296,097,097 |
| Total equity | 41,173,257 |
| Revenue | 18,202,446 |
| Operating profit | 1,367,945 |
| Profit for the period | 1,232,448 |

The financial status is as of June 30, 2021, based on the consolidated K-IFRS financial statements.

(3) Business conditions of the major shareholder (Samsung Life Insurance)

Samsung Life Insurance is a company in which life insurance and its related reinsurance contract are the key purpose of business operations, and it operates businesses in accordance with the Insurance Business Act and other related laws.

Its key subsidiary, Samsung Card, is a specialized credit finance business company that operates specialized credit finance businesses (including credit card business, facility leasing business, and installment financing business) in accordance with the Specialized Credit Finance Business Act and other related laws.

☞ Please refer to the business report (interim and half-year) of Samsung Life Insurance published in DART (<http://dart.fss.or.kr>) for more details of the major shareholder.

B. Certain transaction that may cause changes in the major shareholder

N/A

C. Overview of the major shareholder of the major shareholder

(1) Basic information of the major shareholder of the major shareholder (Samsung Life Insurance)

1) Legal, commercial name: Samsung C&T Corporation

2) Date of establishment and period of existence: Dongwha Real Estate was first established on December 23, 1963, and the company name was changed to Cheil Industries in July 2014. It merged with Samsung C&T Corporation (founded as Samsung Sanghoe on March 1, 1938, and established as Samsung C&T in January 1951) and changed the company name to Samsung C&T Corporation on September 2, 2015 (merger registration date).

3) Address, phone number, and English language website of the corporate headquarters

- Address: 26, Sangil-ro 6-gil, Gangdong-gu, Seoul, Republic of Korea
- Phone: 02-2145-5114
- Website: <https://www.samsungcnt.com>

4) CEO and major shareholder of the major shareholder (Samsung C&T) of the major shareholder

| Name | Number of investors | CEO | | Major shareholder | |
|-------------|---------------------|----------------|-----------------|-------------------|-----------------|
| | | Name | Share ratio (%) | Name | Share ratio (%) |
| Samsung C&T | 190,661 | Jung-suk Koh | 0.00 | Jae-yong Lee | 18.13 |
| | | Se-chul Oh | 0.00 | | |
| | | Seung-hwan Han | 0.00 | | |

As of June 30, 2021 based on common shares

5) Changes to the CEO and major shareholder of the major shareholder (Samsung C&T) of the major shareholder (Samsung Life Insurance)

| Date of Change | CEO | | Major shareholder | |
|----------------|-----------------|-----------------|-------------------|-----------------|
| | Name | Share ratio (%) | Name | Share ratio (%) |
| Mar 22, 2018 | Chi-hun Choi | - | - | - |
| Mar 22, 2018 | Shin Kim | - | - | - |
| Mar 22, 2018 | Bong-yung Kim | - | - | - |
| Mar 22, 2018 | Young-ho Lee | - | - | - |
| Mar 22, 2018 | Jung-suk Koh | - | - | - |
| Mar 22, 2018 | Keum-yong Chung | - | - | - |
| Mar 19, 2021 | Young-ho Lee | - | - | - |
| Mar 19, 2021 | Keum-yong Chung | - | - | - |
| Mar 19, 2021 | Se-chul Oh | 0.00 | - | - |
| Mar 19, 2021 | Seung-hwan Han | 0.00 | - | - |
| Apr 29, 2021 | - | - | Jae-yong Lee | 18.13 |

Mar 22, 2018: Chi-hun Choi, Shin Kim, and Bong-yung Kim resigned from their positions as CEO, and Executive Directors Young-ho Lee, Jung-suk Koh, and Keum-yong Chung were appointed as CEOs.

Mar 19, 2021: Young-ho Lee and Keum-yong Chung resigned from their positions as CEO, Executive Directors Se-chul Oh and Seung-hwan Han were appointed as CEOs, and Jung-suk Koh was reappointed as CEO.

Apr 29, 2021: The share ratio (common share) of the major shareholder was changed (17.48%→18.13%) as the shares were inherited (by Jae-yong Lee and three others).

Please refer to the 'Business Report' and 'Ownership status of securities, etc. of executives and major shareholder' of Samsung C&T published in Korean in DART (<http://dart.fss.or.kr>) for the changes to the share ratio of CEOs in the first half of 2021. (CEO Jung-suk Koh acquired shares of the Company on March 19, 2021.)

(2) Financial status of the recent settlement term of the major shareholder (Samsung C&T) of the major shareholder (Samsung Life Insurance)

(KRW mil)

| Classification | |
|---|-------------|
| Name of the corporation or organization | Samsung C&T |
| Total assets | 55,205,838 |
| Total liabilities | 21,221,629 |
| Total equity | 33,984,209 |
| Revenue | 16,387,210 |
| Operating profit | 727,770 |
| Profit for the period | 1,220,563 |

The financial status is as of June 30, 2021, based on the consolidated K-IFRS financial statements.

(3) Business conditions of the major shareholder (Samsung C&T) of the major shareholder (Samsung Life Insurance)

Samsung C&T is consisted of Engineering & Construction, Trading & Investment, Fashion, and Resort Groups as well as biomedicine OEM and biosimilar businesses. The Engineering & Construction Group operates businesses in building, civil infrastructure, plant, and housing areas domestically and globally; Trading & Investment trades internationally in various fields, including resource development, steel, chemical, industrial materials, and textiles. The Fashion Group manufactures and sells clothing, and processes and sells wool products (fabric). The Resort Group manages landscaping business, Everland (dry park), Caribbean Bay (water park), golf course, food supply services, and food distribution business (Samsung Welstory).

☞ Please refer to the business report (interim and half-year) of Samsung C&T published in DART (<http://dart.fss.or.kr>) for more details of the major shareholder of the major shareholder.

3. Change of the major shareholder

[As of June 30, 2021]

| Date of change | Name of major Shareholder | Number of shares owned | Share ratio (%) | Reason for change | Note |
|----------------|---------------------------|------------------------|-----------------|--|------|
| Apr 29, 2021 | Samsung Life Insurance | 1,263,050,053 | 21.16 | Shares of the previous major shareholder were inherited by beneficiaries | - |

Number of shares owned and share ratio are the sum of those of the major shareholder and its related parties, and the number of shares is based on shares with voting rights (including those with limited voting rights in accordance with relevant laws).

4. Ownership of shares

A. Share ownership status

[As of June 30, 2021]

| Classification | Name | Number of shares owned | Share ratio (%) | Note |
|---|--------------------------|------------------------|-----------------|----------------------------|
| Shareholders with over 5% voting shares ¹⁾ | National Pension Service | 546,917,533 | 9.16 | - |
| | Samsung Life Insurance | 523,109,590 | 8.76 | Including special accounts |
| | BlackRock Fund Advisors | 300,391,061 | 5.03% | Based on January 28, 2019 |
| | Samsung C&T | 298,818,100 | 5.01% | - |
| Employee Stock Ownership Association | | - | - | - |

Number of shares owned and share ratio of BlackRock Fund Advisors is based on the “Report on Mass Holding of Securities” disclosed on DART (<http://dart.fss.or.kr>) on February 7, 2019.

The number of shares owned and share ratio of Samsung Life Insurance includes special accounts.

1) Including shares with limited voting rights in accordance with relevant laws. For more information, please refer to 『VI. Corporate Governance-D. Voting shares』

B. Minority Shareholders

[As of June 30, 2021]

| Classification | Shareholder | | | Shares owned ¹⁾ | | | Note |
|----------------------|------------------------|--------------------|-------------|----------------------------|------------------------|-------------|------|
| | Number of shareholders | Total shareholders | Portion (%) | Number of shares | Total number of shares | Portion (%) | |
| Minority shareholder | 4,546,497 | 4,546,615 | 99.99 | 3,874,791,093 | 5,969,782,550 | 64.91 | - |

Shareholders with shares less than 1/100 of total issued stocks

1) Number of voting shares, including those with limited voting rights in accordance with relevant laws.

5. Stock price and stock transactions

A. Domestic stock market

| Type | | Jan 2021 | Feb 2021 | Mar 2021 | Apr 2021 | May 2021 | Jun 2021 | |
|-----------------|-------------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Common stock | Stock price (KRW) | High | 91,000 | 85,300 | 84,000 | 86,000 | 83,200 | 82,800 |
| | | Low | 82,000 | 81,600 | 80,900 | 81,500 | 78,500 | 79,900 |
| | | Average | 86,565 | 83,128 | 82,073 | 83,586 | 80,521 | 81,105 |
| | Volume (shares) | High (day) | 90,306,177 | 38,520,800 | 33,498,180 | 22,997,538 | 35,812,268 | 29,546,007 |
| | | Low (day) | 25,211,127 | 15,338,765 | 11,625,146 | 12,915,282 | 11,984,359 | 10,075,685 |
| | | Month | 765,471,247 | 432,953,240 | 387,612,356 | 372,938,171 | 352,211,074 | 333,099,465 |
| Preferred stock | Stock price (KRW) | High | 81,000 | 76,200 | 74,100 | 76,400 | 74,900 | 74,900 |
| | | Low | 73,100 | 72,700 | 71,900 | 73,300 | 72,200 | 72,800 |
| | | Average | 76,905 | 74,211 | 73,132 | 74,891 | 73,463 | 74,055 |
| | Volume (shares) | High (day) | 12,293,635 | 4,563,341 | 2,939,705 | 2,847,452 | 2,736,026 | 1,967,125 |
| | | Low (day) | 2,243,911 | 1,389,495 | 896,035 | 1,039,054 | 820,313 | 732,813 |
| | | Month | 97,355,027 | 43,742,167 | 34,285,512 | 34,586,881 | 27,367,737 | 25,743,046 |

Stock price is based on the closing exchange rate of the applicable trading day.

B. Overseas stock market

□ Name of stock exchange: London Stock Exchange (common stock)

| Type | | | Jan 2021 | Feb 2021 | Mar 2021 | Apr 2021 | May 2021 | Jun 2021 | |
|--------------|-----------------|------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Common stock | Price per GDR | High | USD | 2,064.00 | 1,921.00 | 1,906.00 | 1,924.50 | 1,855.00 | 1,864.50 |
| | | | KRW | 2,260,080 | 2,132,502 | 2,112,610 | 2,170,451 | 2,080,197 | 2,072,951 |
| | | Low | USD | 1,840.00 | 1,848.00 | 1,770.00 | 1,821.00 | 1,741.00 | 1,758.50 |
| | | | KRW | 2,050,864 | 2,047,030 | 2,019,747 | 2,016,575 | 1,956,014 | 1,991,325 |
| | | Average | USD | 1,963.60 | 1,875.60 | 1,820.30 | 1,869.85 | 1,791.68 | 1,808.48 |
| | | | KRW | 2,154,728 | 2,085,701 | 2,057,155 | 2,093,627 | 2,012,587 | 2,028,671 |
| | Volume (shares) | High (day) | | 51,220 | 64,257 | 39,379 | 41,216 | 28,183 | 41,550 |
| | | Low (day) | | 18,169 | 11,799 | 9,406 | 8,090 | 6,488 | 7,389 |
| | | Month | | 645,668 | 473,863 | 393,780 | 309,705 | 297,807 | 396,046 |

Stock price in KRW is based on the closing exchange rate of the applicable trading day.

High and low price in KRW are based on the KRW/USD closing exchange rate of the applicable trading day; average price in KRW is based on monthly average KRW/USD exchange rate.

Conversion ratio between GDRs and original shares is 1:25.

□ Name of stock exchange: Luxembourg Stock Exchange (preferred stock)

| Type | | | Jan 2021 | Feb 2021 | Mar 2021 | Apr 2021 | May 2021 | Jun 2021 | |
|-----------------|-----------------|------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Preferred stock | Price per GDR | High | USD | 1,834.00 | 1,720.00 | 1,684.00 | 1,702.00 | 1,694.00 | 1,678.00 |
| | | | KRW | 2,007,130 | 1,909,372 | 1,866,546 | 1,919,516 | 1,906,597 | 1,865,600 |
| | | Low | USD | 1,644.00 | 1,628.00 | 1,578.00 | 1,644.00 | 1,598.00 | 1,614.00 |
| | | | KRW | 1,832,402 | 1,804,475 | 1,800,656 | 1,861,994 | 1,795,353 | 1,823,013 |
| | | Average | USD | 1,744.90 | 1,672.10 | 1,623.57 | 1,676.00 | 1,632.53 | 1,646.64 |
| | | | KRW | 1,914,741 | 1,859,405 | 1,834,817 | 1,876,578 | 1,833,806 | 1,847,125 |
| | Volume (shares) | High (day) | | 4,401 | 2,012 | 3,602 | 1,165 | 2,559 | 2,488 |
| | | Low (day) | | 846 | 280 | 293 | 145 | 226 | 277 |
| | | Month | | 45,885 | 22,322 | 29,449 | 12,213 | 16,775 | 17,728 |

Stock price in KRW is based on the closing exchange rate of the applicable trading day.

High and low price in KRW are based on the KRW/USD closing exchange rate of the applicable trading day; average price in KRW is based on monthly average KRW/USD exchange rate.

Conversion ratio between GDRs and original shares is 1:25.

VIII. Executives and Employees

1. Executives and employees

A. Registered Executives

[As of Jun 30, 2021]

(Shares)

| Name | Gender | Date of birth | Position | Registered Executive | Full/part-time | Responsibility | Major career | Number of shares owned | | Relationship with the major shareholder ¹⁾ | Length of service (months) | Term expiration |
|-----------------|--------|---------------|---------------|----------------------|----------------|--|---|------------------------|-----------|---|----------------------------|-----------------|
| | | | | | | | | Common | Preferred | | | |
| Ki-nam Kim | M | Apr 1958 | Vice Chairman | Executive Director | Full | CEO (Head of DS Division) | - Doctor's degree in Electrical Engineering from UCLA - Head of DS Division | 210,000 | - | Executive Member of an Affiliate | 40 | Mar 22, 2024 |
| Hyun-suk Kim | M | Jan 1961 | President | Executive Director | Full | CEO (Head of CE Division) | - Master's degree in Electrical Engineering from Portland State University - Head of CE Division | 99,750 | - | Executive Member of an Affiliate | 40 | Mar 22, 2024 |
| Dong-jin Koh | M | Mar 1961 | President | Executive Director | Full | CEO (Head of IM Division) | - Master's degree in Technology Policy from University of Sussex - Head of IM Division | 75,000 | - | Executive member of an Affiliate | 40 | Mar 22, 2024 |
| Jong-hee Han | M | Mar 1962 | President | Executive Director | Full | Head of Visual Display Business | - Bachelor's degree in Electronic Engineering from Inha University - Head of Visual Display Business | 5,000 | - | Executive member of an Affiliate | 16 | Mar 17, 2023 |
| Yoon-ho Choi | M | Jan 1963 | President | Executive Director | Full | Head of Corporate Management Office | - Bachelor's degree in Business Management from Sungkyunkwan University - Head of Corporate Management Office | 5,000 | - | Executive member of an Affiliate | 16 | Mar 17, 2023 |
| Jae-wan Bahk | M | Jan 1955 | Director | Independent Director | Part | - Chairman of the Board - Head of the Audit Committee - Related Party Transactions Committee Member - Compensation Committee Member - Head of the Governance Committee | - Doctor's degree in Public Policy from Harvard University - Professor Emeritus of Graduate School of Public Administration at Sungkyunkwan University | - | - | Executive member of an Affiliate | 64 | Mar 10, 2022 |
| Sun-uk Kim | F | Dec 1952 | Director | Independent Director | Part | - Audit Committee Member - Head of the Related Party Transactions Committee - Governance Committee Member | - Doctor's degree in Administrative Law from University of Konstanz - Professor Emeritus at Ewha Womans University | - | - | Executive member of an Affiliate | 40 | Mar 22, 2024 |
| Byung-gook Park | M | Apr 1959 | Director | Independent Director | Part | - Independent Director Recommendation Committee Member - Compensation Committee Member - Governance Committee | - Doctor's degree in Electrical Engineering from Stanford University - Professor of Electrical Engineering at Seoul National University | - | - | Executive member of an Affiliate | 40 | Mar 22, 2024 |

| | | | | | | | | | | | | |
|------------|---|----------|----------|----------------------|------|---|---|-------|---|----------------------------------|----|--------------|
| | | | | | | Member | | | | | | |
| Jeong Kim | M | Aug 1960 | Director | Independent Director | Part | - Independent Director Recommendation Committee Member - Compensation Committee Member - Governance Committee Member | - Doctor's degree in Reliability Engineering from the University of Maryland - President of Kiswe Mobile | - | - | Executive member of an Affiliate | 40 | Mar 22, 2024 |
| Curie Ahn | F | Mar 1955 | Director | Independent Director | Part | - Independent Director Recommendation Committee Member - Governance Committee Member | - Doctor's degree in Medicine from Seoul National University - Professor Emeritus at the Division of Nephrology of Seoul National University | 3,200 | - | Executive member of an Affiliate | 28 | Mar 19, 2022 |
| Han-jo Kim | M | Jul 1956 | Director | Independent Director | Part | - Audit Committee Member - Related Party Transactions Committee Member - Governance Committee Member | - Bachelor's degree in French language and Literature from Yonsei University - Chairman of Hana Foundation | 2,175 | - | Executive member of an Affiliate | 28 | Mar 19, 2022 |

Mar 17, 2021: At the 2020 AGM, Ki-nam Kim, Hyun-suk Kim, and Dong-jin Koh were reappointed as Executive Directors; Byung-gook Park and Jeong Kim as Independent Directors; and Sun-uk Kim as Independent Director for Audit Committee member.

1) In accordance with Article 3 Paragraph 1 of the Enforcement Decree of the Act on Corporate Governance of Financial Companies.

B. Registered Executives with concurrent positions

[As of Jun 30, 2021]

| Concurrent office holder | | Company | | |
|--------------------------|----------------------|-------------------------|----------------------|--------------|
| Name | Position | Name of company | Position | Period |
| Jae-wan Bahk | Independent Director | Lotte Shopping Co., Ltd | Independent director | 2016–present |
| Jeong Kim | Independent Director | Kiswe Mobile | Chairman | 2013–present |

C. Employees

[As of Jun 30, 2021]

(KRW mil)

| Division | Gender | Number of employees ¹⁾ | | | | Average length of service (years) | Total compensation (KRW mil) | Average compensation per employee ²⁾ (KRW mil) | Non-affiliated ³⁾ | | |
|--------------|--------|-----------------------------------|----------------|--------|---------|-----------------------------------|------------------------------|---|------------------------------|--------|-------|
| | | Regular | Contract-based | Others | Total | | | | Male | Female | Total |
| CE | M | 10,284 | 56 | - | 10,340 | 16.4 | | | | | |
| | F | 2,144 | 15 | - | 2,159 | 11.6 | - | - | | | |
| IM | M | 19,597 | 156 | - | 19,753 | 14.6 | - | - | | | |
| | F | 7,053 | 25 | - | 7,078 | 12.5 | - | - | | | |
| DS | M | 44,123 | 143 | - | 44,266 | 10.8 | - | - | - | - | - |
| | F | 17,399 | 18 | - | 17,417 | 10.8 | - | - | | | |
| Others | M | 8,169 | 143 | - | 8,312 | 15.4 | - | - | | | |
| | F | 2,312 | 46 | - | 2,358 | 11.7 | - | - | | | |
| Gender total | M | 82,173 | 498 | - | 82,671 | 12.9 | 4,205,511 | 52 | | | |
| | F | 28,908 | 104 | - | 29,012 | 11.4 | 1,004,894 | 37 | | | |
| Total | | 111,081 | 602 | - | 111,683 | 12.5 | 5,210,405 | 48 | | | |

Total compensation for 1H21 and average compensation per employee were calculated before income tax and other deductions based on the earned income payment record submitted to the district tax office in accordance with Article 20 of the Income Tax Act.

- 1) Separate basis; represents employees of domestic headquarters in Korea, including employees on leave and excluding 11 registered executives (5 Executive Directors and 6 Independent Directors).
- 2) Calculated based on average number of employees: 108,270 employees (male: 81,227, female: 27,043).
- 3) Non-affiliated employees are not included in the interim or half-year business reports, as per Public Disclosure Guideline (to be included in the annual business report)

D. Remuneration of non-registered Executives

[As of Jun 30, 2021]

(KRW mil)

| Classification | Number of employees ¹⁾ | Total compensation | Average compensation per employee | Note |
|---------------------------|-----------------------------------|--------------------|-----------------------------------|------|
| Non-registered Executives | 905 | 293,908 | 326 | - |

Total compensation for 1H21 and average compensation per employee is calculated based on the earned income payment record (before earned income tax credit) submitted to the district tax office in accordance with Article 20 of the Income Tax Act.

Total compensation for 1H21 includes incentives, and timing of the incentives being paid differ every year.

Average compensation per employee is calculated based on the average of the 904 employees.

1) In office as of the reporting date, and non-registered executives whose earned income was not domestic were excluded.

2. Remuneration for directors

A. Summary on total remuneration

<Remuneration of directors and auditors>

(1) Remuneration approved at the annual general meetings of shareholders

(KRW mil)

| | Number of persons ¹⁾ | Amount approved at shareholders' meeting ²⁾ | Note |
|------------------------------------|---------------------------------|--|------|
| Registered Directors | 5 | - | - |
| Independent Directors | 3 | - | - |
| Audit Committee members or Auditor | 3 | - | - |
| Total | 11 | 41,000 | - |

1) As of the day of AGM, as approved on the occasion

2) Remuneration limit for directors (including those retired) approved at the AGM on March 17, 2021, as per Article 388 of the Commercial Act and our Articles of Incorporation.

(2) Remuneration Paid

[Remuneration paid for directors and auditors]

(KRW mil)

| Number of persons ¹⁾ | Total amount of remuneration ²⁾ | Average remuneration per Director | Note |
|---------------------------------|--|-----------------------------------|------|
| 11 | 11,888 | 1,081 | - |

There are no recognized expenses (compensation expenses) in this term from granting stock options.

Based on the Income Tax Act that incumbent or retired registered directors, independent directors, and members of audit committee in the fiscal year received in accordance with Article 159 of the Financial Investment Services and Capital Markets Act and Article 168 of the Enforcement Decree of the same Act.

1) As of the reporting date.

2) Earned income as per Income Tax Act (Article 20: Wage and Salary Income, Article 21: Other Income, Article 22: Retirement income). Includes remuneration that newly appointed or resigned directors received as non-registered executives.

[Remuneration paid, by Director type]

(KRW mil)

| | Number of persons ¹⁾ | Total amount of remuneration ²⁾ | Average remuneration per Director ³⁾ |
|---|---------------------------------|--|---|
| Registered Directors (excluding Independent Directors and Audit Committee members) | 5 | 11,464 | 2,293 |
| Independent Directors (excluding Audit Committee members) | 3 | 266 | 89 |
| Audit Committee members | 3 | 158 | 53 |
| Auditor | - | - | - |

There are no recognized expenses (compensation expenses) in this term from granting stock options.

Based on the Income Tax Act that incumbent or retired registered directors, independent directors, and members of audit committee in the fiscal year received in accordance with Article 159 of the Financial Investment Services and Capital Markets Act and Article 168 of the Enforcement Decree of the same Act.

1) As of the reporting date.

2) Earned income as per Income Tax Act (Article 20: Wage and Salary Income, Article 21: Other Income, Article 22: Retirement income). Includes remuneration that newly appointed or resigned directors received as non-registered executives.

(3) Criteria and methodology

Remuneration of directors is paid in accordance with internal regulations for Executive treatment and Independent Director treatment within the remuneration limit approved at the AGM.

| Type | Criteria and methodology |
|---|--|
| Registered Directors (excluding Independent Directors and Audit Committee members) | <ul style="list-style-type: none"> Salary: In accordance with internal regulations for executive treatment (Board resolution), remuneration is determined based on position, responsibilities, and performance results. Traditional holiday bonus: 100% of monthly wage Target achievement incentive: Paid biannual basis within the range of 0–200% of monthly wage, and CEO decides the amount according to the level of target achieved. (Adjusted according to division performance.) Performance incentive: When performance exceeds the Company's goal; CEO decides the amount based on 20% profit. Paid once a year within 0–50% of salary. (Adjusted according to individual performance.) Long-term incentive: Calculated within the director remuneration limit, based on the average salary of 3 years, using ROE, stock performance, and EBIT margin as criteria. Paid over the course of 3 years. Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for executive treatment (Board resolution) |
| Independent Directors (excluding Audit Committee members) | <ul style="list-style-type: none"> Salary: In accordance with internal regulations for independent director treatment, remuneration is determined based on responsibilities, etc. Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for independent director treatment |
| Audit Committee members | <ul style="list-style-type: none"> Salary: In accordance with internal regulations for independent director treatment, remuneration is determined based on responsibilities, etc. Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for independent director treatment |

No bonus based on performance for Independent Directors including members of the audit committee.

<Remuneration for individual Directors and Auditors who are paid KRW 500 million or more >

(1) Summary on Remuneration by Executive

(KRW mil)

| Name | Position | Total amount of remuneration | Remuneration not included in total amount |
|--------------|---------------|------------------------------|---|
| Ki-nam Kim | Vice Chairman | 3,493 | - |
| Hyun-suk Kim | President | 2,323 | - |
| Dong-jin Koh | President | 2,758 | - |
| Jong-hee Han | President | 1,696 | - |
| Yoon-ho Choi | President | 1,194 | - |

Based on the Income Tax Act that incumbent or retired registered directors, independent directors, and members of audit committee in the fiscal year received in accordance with Article 159 of the Financial Investment Services and Capital Markets Act and Article 168 of the Enforcement Decree of the same Act.

Earned income as per Income Tax Act (Article 20: Wage and Salary Income, Article 21: Other Income, Article 22: Retirement income). Includes remuneration that newly appointed or resigned directors received as non-registered executives.

(2) Criteria and methodology

(KRW mil)

| Name | Type of remuneration | | Total amount | Criteria and methodology |
|---------------------|----------------------|-------------------------------------|--------------|---|
| Ki-nam Kim (CEO) | Earned Income | Salary | 880 | In accordance with internal regulations for executive treatment (Board resolution), remuneration is determined based on position (vice chairman), responsibilities, and performance results. He was paid KRW 125 million per month from January to February, KRW 200 million in March, and KRW 144 million per month from April to June. |
| | | Bonus | 2,581 | <ul style="list-style-type: none"> - Traditional holiday bonus: 100% of monthly wage - Performance incentive: When performance exceeds the Company's goal; CEO decides the amount based on 20% profit. Paid once a year within 0–50% of salary. (Adjusted according to individual performance.) - Long-term incentive: Calculated within the director remuneration limit, based on the average salary of 3 years, using ROE, stock performance, and EBIT margin as criteria. Paid over the course of 3 years. ※ Quantitative indicators suggest that the Company achieved a ROE of 15.7%, EBIT margin of 20.7%, and stock performance of 54.8% over 2017–2019; and that the DS division achieved sales of KRW 103.0 trillion and operating profit of KRW 21.1 trillion in 2020. Qualitative indicators include maintaining leadership in the memory market and enhancing business competitiveness in the non-memory business, including System LSI and Foundry. The amount of the bonus was determined based on the indicators listed above. |
| | | Profit from exercising stock option | - | n/a |
| | | Other Income | 32 | - Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for executive treatment (Board resolution) |
| | Retirement Income | - | n/a | |
| | Other Income | - | n/a | |

| Name | Type of remuneration | | Total amount | Criteria and methodology |
|-----------------------|----------------------|-------------------------------------|--------------|--|
| Hyun-suk Kim (CEO) | Earned Income | Salary | 557 | In accordance with internal regulations for executive treatment (Board resolution), remuneration is determined based on his position (president), responsibilities, and performance results. He was paid KRW 83 million per month from January to February, KRW 116 million in March, and KRW 92 million per month from April to June. |
| | | Bonus | 1,727 | <ul style="list-style-type: none"> - Traditional holiday bonus: 100% of monthly wage - Performance incentive: When performance exceeds the Company's goal; CEO decides the amount based on 20% profit. Paid once a year within 0–50% of salary. (Adjusted according to individual performance.) - Long-term incentive: Calculated within the director remuneration limit, based on the average salary of 3 years, using ROE, stock performance, and EBIT margin as criteria. Paid over the course of 3 years. ※ Quantitative indicators suggest that the Company achieved ROE of 15.7%, EBIT margin of 20.7%, and stock performance of 54.8% in 2017–2019; and that the CE division achieved sales of KRW 48.2 trillion and operating profit of KRW 3.6 trillion in 2020. Qualitative indicators include strengthening product leadership amid intense competition in the digital appliance market by launching innovative products such as Lifestyle TVs and expanding the Bespoke lineup, and establishing a strong profit model by improving operational structure. The amount of the bonus was determined based on the indicators listed above. |
| | | Profit from exercising stock option | - | n/a |
| | | Other Income | 39 | - Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for executive treatment (Board resolution) |
| | Retirement Income | - | n/a | |
| | Other Income | - | n/a | |

| Name | Type of remuneration | | Total amount | Criteria and methodology |
|-----------------------|----------------------|-------------------------------------|--------------|---|
| Dong-jin Koh (CEO) | Earned Income | Salary | 585 | In accordance with internal regulations for executive treatment (Board resolution), remuneration is determined based on his position (president), responsibilities, and performance results. He was paid KRW 98 million per month from January to June. |
| | | Bonus | 2,145 | <ul style="list-style-type: none"> - Traditional holiday bonus: 100% of monthly wage - Long-term incentive: Calculated within the director remuneration limit, based on the average salary of 3 years, using ROE, stock performance, and EBIT margin as criteria. Paid over the course of 3 years. ※ Quantitative indicators suggest that the Company achieved ROE of 15.7%, EBIT margin of 20.7%, and stock performance of 54.8% in 2017–2019. Qualitative indicators include leading the market with mobile innovation, including 5G, foldable phones, etc. and contributions to securing next-generation communications technologies. The amount of bonus was determined based on the indicators listed above. |
| | | Profit from exercising stock option | - | n/a |
| | | Other Income | 28 | - Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for executive treatment (Board resolution) |
| | Retirement Income | - | n/a | |
| | Other Income | - | n/a | |

(KRW mil)

| Name | Type of remuneration | | Total amount | Criteria and methodology |
|----------------------------|----------------------|-------------------------------------|--------------|---|
| Jong-hee Han (Director) | Earned Income | Salary | 474 | In accordance with internal regulations for executive treatment (Board resolution), remuneration is determined based on his position (president), responsibilities, and performance results. He was paid KRW 67 million per month from January to February, KRW 108 million in March and KRW 77 million per month from April to June. |
| | | Bonus | 1,208 | <ul style="list-style-type: none"> - Traditional holiday bonus: 100% of monthly wage - Performance incentive: When performance exceeds the Company's goal; CEO decides the amount based on 20% profit. Paid once a year within 0–50% of salary. (Adjusted according to individual performance.) - Long-term incentive: Calculated within the director remuneration limit, based on the average salary of 3 years, using ROE, stock performance, and EBIT margin as criteria. Paid over the course of 3 years. ※ Quantitative indicators suggest that the Company achieved ROE of 15.7%, EBIT margin of 20.7%, and stock performance of 54.8% in 2017–2019; and that the CE division achieved sales of KRW 48.2 trillion and operating profit of KRW 3.6 trillion in 2020. Qualitative indicators include driving solid growth by introducing innovative products including MICRO LED, Lifestyle TV, etc. and maintaining the top position in the TV market for a 15th consecutive year despite a challenging environment. The amount of bonus was determined based on the indicators listed above. |
| | | Profit from exercising stock option | - | n/a |
| | | Other Income | 14 | - Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for executive treatment (Board resolution) |
| | Retirement Income | - | n/a | |
| | Other Income | - | n/a | |

(KRW mil)

| Name | Type of remuneration | | Total amount | Criteria and methodology |
|----------------------------|----------------------|-------------------------------------|--------------|--|
| Yoon-ho Choi (Director) | Earned Income | Salary | 428 | In accordance with internal regulations for executive treatment (Board resolution), remuneration is determined based on his position (president), responsibilities, and performance results. He was paid KRW 61 million per month from January to February, KRW 97 million in March, and KRW 70 million per month from April to June. |
| | | Bonus | 752 | <ul style="list-style-type: none"> - Traditional holiday bonus: 100% of monthly wage - Performance incentive: When performance exceeds the Company's goal; CEO decides the amount based on 20% profit. Paid once a year within 0–50% of salary. (Adjusted according to individual performance.) - Long-term incentive: Calculated within the director remuneration limit, based on the average salary of 3 years, using ROE, stock performance, and EBIT margin as criteria. Paid over the course of 3 years. ※ Quantitative indicators suggest that the Company achieved ROE of 15.7%, EBIT margin of 20.7%, and stock performance of 54.8% in 2017–2019; and that the Company achieved sales of KRW 236.8 trillion and operating profit of KRW 36.0 trillion in 2020. Qualitative indicators include preemptive management of risks on businesses, driving solid revenue growth with advanced operation of resources, strategic investment in emerging technologies such as AI and robots, and solidifying the foundation for sustainable management by strengthening ESG and compliance activities. The amount of bonus was determined based on the indicators listed above. |
| | | Profit from exercising stock option | - | n/a |

| | | | |
|--|-------------------|----|---|
| | Other Income | 14 | - Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for executive treatment (Board resolution) |
| | Retirement Income | - | n/a |
| | Other Income | - | n/a |

< Remuneration for five highest-paid Executive Directors who are paid KRW 500 million or more >

(1) Summary on remuneration by Executive

(KRW mil)

| Name | position | Total amount of remuneration | Remuneration not included in total amount |
|----------------|----------------|------------------------------|---|
| Ki-nam Kim | Vice Chairman | 3,493 | |
| Oh-hyun Kwon | Senior Advisor | 3,120 | - |
| Dong-jin Koh | President | 2,758 | |
| Boo-keun Yoon | Senior Advisor | 2,604 | - |
| Jong-kyun Shin | Senior Advisor | 2,603 | |

Earned income as per Income Tax Act (Article 20: Wage and Salary Income, Article 21: Other Income, Article 22: Retirement income).

(2) Criteria and methodology

(KRW mil)

| Name | Type of remuneration | Total amount | Criteria and methodology |
|------------|-------------------------------------|--------------|--|
| Ki-nam Kim | Salary | 880 | In accordance with internal regulations for executive treatment (Board resolution), remuneration is determined based on position (Vice Chairman), responsibilities, and performance results. He was paid KRW 125 million per month from January to February, KRW 200 million in March, and KRW 144 million per month from April to June. |
| | Bonus | 2,581 | <ul style="list-style-type: none"> - Traditional holiday bonus: 100% of monthly wage - Performance incentive: When performance exceeds the Company's goal; CEO decides the amount based on 20% profit. Paid once a year within 0–50% of salary. (Adjusted according to individual performance.) - Long-term incentive: Calculated within the director remuneration limit, based on the average salary of 3 years, using ROE, stock performance, and EBIT margin as criteria. Paid over the course of 3 years. ※ Quantitative indicators suggest that the Company achieved a ROE of 15.7%, EBIT margin of 20.7%, and stock performance of 54.8% over 2017–2019; and that the DS division achieved sales of KRW 103.0 trillion and operating profit of KRW 21.1 trillion in 2020. Qualitative indicators include maintaining leadership in the memory market and enhancing business competitiveness in the non-memory business including System LSI and Foundry. The amount of the bonus was determined based on the indicators listed above. |
| | Profit from exercising stock option | - | n/a |
| | Other Income | 32 | - Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for executive treatment (Board resolution) |
| | Retirement Income | - | n/a |
| | Other Income | - | n/a |

| Name | Type of remuneration | | Total amount | Criteria and methodology |
|--------------|----------------------|-------------------------------------|--------------|--|
| Oh-hyun Kwon | Earned Income | Salary | 375 | In accordance with internal regulations for executive treatment (Board resolution), remuneration is determined based on position (chairman-level), responsibilities, and performance results. He was paid KRW 63 million per month from January to June. |
| | | Bonus | 2,735 | - Traditional holiday bonus: 100% of monthly wage - Long-term incentive: Calculated within the director remuneration limit, based on the average salary of 3 years, using ROE, stock performance, and EBIT margin as criteria. Paid over the course of 3 years. ※ Quantitative indicators suggest that the Company achieved ROE of 15.7%, EBIT margin of 20.7%, and stock performance of 54.8% in 2017–2019. Qualitative indicators include presenting mid- to long-term business direction and nurturing the next generation executives. The amount of bonus was determined based on the indicators listed above. |
| | | Profit from exercising stock option | - | n/a |
| | | Other Income | 10 | - Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for executive treatment (Board resolution) |
| | Retirement Income | - | n/a | |
| | Other Income | - | n/a | |

| Name | Type of remuneration | | Total amount | Criteria and methodology |
|--------------|----------------------|-------------------------------------|--------------|--|
| Dong-jin Koh | Earned Income | Salary | 585 | In accordance with internal regulations for executive treatment (Board resolution), remuneration is determined based on his position (President), responsibilities, and performance results. He was paid KRW 98 million per month from January to June. |
| | | Bonus | 2,145 | - Traditional holiday bonus: 100% of monthly wage - Long-term incentive: Calculated within the director remuneration limit, based on the average salary of 3 years, using ROE, stock performance, and EBIT margin as criteria. Paid over the course of 3 years. Quantitative indicators suggest that the Company achieved ROE of 15.7%, EBIT margin of 20.7%, and stock performance of 54.8% in 2017–2019. Qualitative indicators include leading the market with mobile innovation, including 5G, foldable phones, etc. and contributions to securing next-generation communications technologies. The amount of bonus was determined based on the indicators listed above. |
| | | Profit from exercising stock option | - | n/a |
| | | Other Income | 28 | - Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for executive treatment (Board resolution) |
| | Retirement Income | - | n/a | |
| | Other Income | - | n/a | |

| Name | Type of remuneration | | Total amount | Criteria and methodology |
|---------------|----------------------|-------------------------------------|--------------|--|
| Boo-keun Yoon | Earned Income | Salary | 311 | In accordance with internal regulations for executive treatment (Board resolution), remuneration is determined based on his position (Vice Chairman-level), responsibilities, and performance results. He was paid KRW 52 million per month from January to June. |
| | | Bonus | 2,269 | <ul style="list-style-type: none"> - Traditional holiday bonus: 100% of monthly wage - Long-term incentive: Calculated within the director remuneration limit, based on the average salary of 3 years, using ROE, stock performance, and EBIT margin as criteria. Paid over the course of 3 years. ※ Quantitative indicators suggest that the Company achieved ROE of 15.7%, EBIT margin of 20.7%, and stock performance of 54.8% in 2017–2019. Qualitative indicators include providing mid- to long-term direction for emerging technologies and strategies for CE Division and identifying external risks on the business. The amount of the bonus was determined based on the indicators listed above. |
| | | Profit from exercising stock option | - | n/a |
| | | Other Income | 24 | - Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for executive treatment (Board resolution) |
| | Retirement Income | - | n/a | |
| | Other Income | - | n/a | |

| Name | Type of remuneration | | Total amount | Criteria and methodology |
|----------------|----------------------|-------------------------------------|--------------|---|
| Jong-kyun Shin | Earned Income | Salary | 311 | In accordance with internal regulations for executive treatment (Board resolution), remuneration is determined based on his position (Vice Chairman-level), responsibilities, and performance results. He was paid KRW 52 million per month from January to June. |
| | | Bonus | 2,269 | <ul style="list-style-type: none"> - Traditional holiday bonus: 100% of monthly wage - Long-term incentive: Calculated within the director remuneration limit, based on the average salary of 3 years, using ROE, stock performance, and EBIT margin as criteria. Paid over the course of 3 years. Quantitative indicators suggest that the Company achieved ROE of 15.7%, EBIT margin of 20.7%, and stock performance of 54.8% in 2017–2019. Qualitative indicators include providing mid- to long-term direction for emerging technologies and strategies for the IM Division, passing on management insights, and enhancing human resource by nurturing the next generation executives. The amount of the bonus was determined based on the indicators listed above. |
| | | Profit from exercising stock option | - | n/a |
| | | Other Income | 23 | - Fringe benefits: Medical services, checkups, group accident insurance are provided in line with the internal regulations for executive treatment (Board resolution) |
| | Retirement Income | - | n/a | |
| | Other Income | - | n/a | |

B. Stock options granted and exercised

(1) Status of stock options granted to registered Directors

As of June 30, 2021, there were no accumulated-basis unexercised stock options granted to registered Directors.

(KRW mil)

| Type | Number ¹⁾ | Total fair value of stock options | Note |
|-----------------------------------|----------------------|-----------------------------------|------|
| Registered Director | 5 | - | - |
| Independent Director | 3 | - | - |
| Audit Committee member or Auditor | 3 | - | - |
| Total | 11 | - | - |

1) As of the reporting date.

(2) Status of stock options granted to non-registered Executives

As of June 30, 2021, there were no accumulated-basis unexercised stock options granted to non-registered Executives.

IX. Affiliates and Subsidiaries

1. Affiliates & subsidiaries

A. Affiliates

As of June 30, 2021, Samsung Group is consisted of 59 domestic affiliates. Among the Samsung Group's 59 domestic affiliates, sixteen (16) affiliates including Samsung Electronics are listed, and forty-four (43) affiliates are unlisted.

[As of June 30, 2021]

| Name of affiliated group | No. of Affiliates | | |
|--------------------------|-------------------|----------|-------|
| | Listed | Unlisted | Total |
| Samsung | 16 | 43 | 59 |

B. Ownership status of affiliates and subsidiaries

1) Domestic

| Investee Investor | Samsung C&T Corp | Samsung BioLogics | Samsung Life Insurance | Samsung SDI | Samsung SDS | Samsung Engineering | Samsung Electro-mechanics | Samsung Electronics | Samsung Heavy Industries | Samsung Securities | Samsung Card | Samsung Fire & Marine Insurance | MULTI CAMPUS | S1 Corporation | Cheil Worldwide |
|---------------------------------------|------------------|-------------------|------------------------|-------------|-------------|---------------------|---------------------------|---------------------|--------------------------|--------------------|--------------|---------------------------------|--------------|----------------|-----------------|
| Samsung C&T Corporation | | 43.4 | 19.3 | | 17.1 | 7.0 | | 5.0 | 0.1 | | | | | | |
| Samsung BioLogics | | | | | | | | | | | | | | | |
| Samsung Life Insurance | 0.1 | 0.1 | | 0.1 | 0.0 | 0.1 | 0.2 | 8.8 | 3.1 | 29.6 | 71.9 | 15.0 | 0.0 | 5.4 | 0.3 |
| Samsung SDI | | | | | | 11.7 | | | 0.4 | | | | | 11.0 | |
| Samsung SDS | | | | | | | | | | | | | 47.2 | | |
| Samsung Electro-mechanics | | | | | | | | | 2.2 | | | | | | |
| Samsung Electronics | | 31.5 | | 19.6 | 22.6 | | 23.7 | | 16.0 | | | | | | 25.2 |
| Samsung Heavy Industries | | | | | | | | | | | | | | | |
| Samsung Securities. | | | | | | | | | | | | | | 1.3 | |
| Samsung Card | | | | | | | | | | | | | | 1.9 | 3.0 |
| Samsung Fire & Marine Insurance | | | | | | 0.2 | | 1.5 | | | | | | 1.0 | |
| S1 Corporation | | | | | | | | | | | | | | | |
| Cheil Worldwide | | | | | | | | | 0.1 | | | | | | |
| Hotel Shilla | | | | | | | | | | | | | | | |
| SDC | | | | | | | | | | | | | | | |
| Samsung Asset Management | | | | | | | | | | | | | | | |
| Samsung Electronics Service | | | | | | | | | | | | | | | |
| Miracom | | | | | | | | | | | | | | | |
| SERI | | | | | | | | | | | | | 15.2 | | |
| Harman International Industries, Inc. | | | | | | | | | | | | | | | |
| Total | 0.1 | 75.0 | 19.3 | 19.7 | 39.7 | 19.0 | 23.9 | 15.3 | 21.9 | 29.6 | 71.9 | 15.0 | 62.4 | 20.7 | 28.6 |

※ Percent of ownership as of June 30, 2021 based on common shares

| Investee Investor | Hotel Shilla | Samsung Display | Samsung Medison | Samsung Bioepis | Samsung Venture Investment | Samsung Life Service | Samsung Futures | Samsung Active Asset Management | Samsung SRA Asset Management | Samsung Welstory | Samsung Asset Management | Samsung Electronics Logitech | Samsung Electronics Service | Service CS | Samsung Electronics Sales |
|---------------------------------------|--------------|-----------------|-----------------|-----------------|----------------------------|----------------------|-----------------|---------------------------------|------------------------------|------------------|--------------------------|------------------------------|-----------------------------|------------|---------------------------|
| Samsung C&T Corporation | | | | | 16.7 | | | | | 100.0 | | | | | |
| Samsung BioLogics | | | | 50.0 | | | | | | | | | | | |
| Samsung Life Insurance | 7.6 | | | | | 99.8 | | | 100.0 | | 100.0 | | | | |
| Samsung SDI | 0.1 | 15.2 | | | 16.3 | | | | | | | | | | |
| Samsung SDS | | | | | | | | | | | | | | | |
| Samsung Electro-mechanics | | | | | 17.0 | | | | | | | | | | |
| Samsung Electronics | 5.1 | 84.8 | 68.5 | | 16.3 | | | | | | | 100.0 | 99.3 | | 100.0 |
| Samsung Heavy Industries | | | | | 17.0 | | | | | | | | | | |
| Samsung Securities. | 3.1 | | | | 16.7 | | 100.0 | | | | | | | | |
| Samsung Card | 1.3 | | | | | | | | | | | | | | |
| Samsung Fire & Marine Insurance | | | | | | | | | | | | | | | |
| S1 Corporation | | | | | | | | | | | | | | | |
| Cheil Worldwide | | | | | | | | | | | | | | | |
| Hotel Shilla | | | | | | | | | | | | | | | |
| SDC | | | | | | | | | | | | | | | |
| Samsung Asset Management | | | | | | | | 100.0 | | | | | | | |
| Samsung Electronics Service | | | | | | | | | | | | | | 100.0 | |
| Miracom | | | | | | | | | | | | | | | |
| SERI | | | | | | | | | | | | | | | |
| Harman International Industries, Inc. | | | | | | | | | | | | | | | |
| Total | 17.2 | 100.0 | 68.5 | 50.0 | 100.0 | 99.8 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 99.3 | 100.0 | 100.0 |

※ Percent of ownership as of June 30, 2021 based on common shares

| Investee Investor | Samsung Card Customer Service | Samsung Coming Advanced Glass | Samsung Hedge Asset Management | Samsung Fire & Marine Insurance Service | Samsung Claim Adjustment Service | SEMES | Suwon Samsung Bluewings FC | STECO | Shilla Stay | SD Flex | SBTM | S-1CRM | SU Materials | S-Core | STM |
|---------------------------------------|-------------------------------|-------------------------------|--------------------------------|---|----------------------------------|-------|----------------------------|-------|-------------|---------|-------|--------|--------------|--------|-------|
| Samsung C&T Corporation | | | | | | | | | | | | | | | |
| Samsung BioLogics | | | | | | | | | | | | | | | |
| Samsung Life Insurance | | | | | | | | | | | | | | | |
| Samsung SDI | | | | | | | | | | 50.0 | | | | | 100.0 |
| Samsung SDS | | | | | | | | | | | | | | 81.8 | |
| Samsung Electro-mechanics | | | | | | | | | | | | | | | |
| Samsung Electronics | | | | | | 91.5 | | 70.0 | | | | | | | |
| Samsung Heavy Industries | | | | | | | | | | | | | | | |
| Samsung Securities. | | | | | | | | | | | | | | | |
| Samsung Card | 100.0 | | | | | | | | | | | | | | |
| Samsung Fire & Marine Insurance | | | | 100.0 | 100.0 | | | | | | | | | | |
| S1 Corporation | | | | | | | | | | | | 100.0 | | 0.6 | |
| Cheil Worldwide | | | | | | | 100.0 | | | | | | | 5.2 | |
| Hotel Shilla | | | | | | | | | 100.0 | | 100.0 | | | | |
| SDC | | 50.0 | | | | | | | | | | | 50.0 | | |
| Samsung Asset Management | | | 100.0 | | | | | | | | | | | | |
| Samsung Electronics Service | | | | | | | | | | | | | | | |
| Miracom | | | | | | | | | | | | | | 0.5 | |
| SERI | | | | | | | | | | | | | | | |
| Harman International Industries, Inc. | | | | | | | | | | | | | | | |
| Total | 100.0 | 50.0 | 100.0 | 100.0 | 100.0 | 91.5 | 100.0 | 70.0 | 100.0 | 50.0 | 100.0 | 100.0 | 50.0 | 88.1 | 100.0 |

※ Percent of ownership as of June 30, 2021 based on common shares

| Investor | HDC Shilla Duty Free LTD | Open Hands | Cheil Fashion Retail | Miracom | SERI | Samsung Lions | Samsung Life Financial Service | Samsung Fire & Marine Financial Service | Samoo Architects & Engineers | Seoul Lakeside CC | SECUI | CVnet | Harman International Korea | Human TSS |
|---------------------------------------|--------------------------|------------|----------------------|---------|-------|---------------|--------------------------------|---|------------------------------|-------------------|-------|-------|----------------------------|-----------|
| Samsung C&T Corporation | | | 100.0 | | 1.0 | | | | 100.0 | 100.0 | 8.7 | 40.1 | | |
| Samsung BioLogics | | | | | | | | | | | | | | |
| Samsung Life Insurance | | | | | 14.8 | | 100.0 | | | | | | | |
| Samsung SDI | | | | | 29.6 | | | | | | | | | |
| Samsung SDS | | 100.0 | | 83.6 | | | | | | | 56.5 | 9.4 | | |
| Samsung Electro-mechanics | | | | | 23.8 | | | | | | | | | |
| Samsung Electronics | | | | | 29.8 | | | | | | | | | |
| Samsung Heavy Industries | | | | | 1.0 | | | | | | | | | |
| Samsung Securities. | | | | | | | | | | | | | | |
| Samsung Card | | | | | | | | | | | | | | |
| Samsung Fire & Marine Insurance | | | | | | | | 100.0 | | | | | | |
| S1 Corporation | | | | 0.6 | | | | | | | | | | 100.0 |
| Cheil Worldwide | | | | 5.4 | | 67.5 | | | | | | | | |
| Hotel Shilla | 50.0 | | | | | | | | | | | | | |
| SDC | | | | | | | | | | | | | | |
| Samsung Asset Management | | | | | | | | | | | | | | |
| Samsung Electronics Service | | | | | | | | | | | | | | |
| Miracom | | | | | | | | | | | | | | |
| SERI | | | | | | | | | | | | | | |
| Harman International Industries, Inc. | | | | | | | | | | | | | 100.0 | |
| Total | 50.0 | 100.0 | 100.0 | 89.6 | 100.0 | 67.5 | 100.0 | 100.0 | 100.0 | 100.0 | 65.2 | 49.5 | 100.0 | 100.0 |

※ Percent of ownership as of June 30, 2021 based on common shares

2) Overseas

| Investor | Investee | Ownership |
|--------------------------------------|--|-----------|
| Samoo Architects & Engineers | SAMOO HU Designer and Engineering Services Limited | 100.0 |
| Samoo Architects & Engineers | SAMOO DESIGNERS & ENGINEERS INDIA PRIVATE LIMITED | 100.0 |
| Samoo Architects & Engineers | SAMOO (KL) SDN. BHD. | 100.0 |
| Samsung C&T America Inc. | Meadowland Distribution | 100.0 |
| Samsung C&T America Inc. | Samsung Green repower, LLC | 100.0 |
| Samsung C&T America Inc. | Samsung Solar Construction Inc. | 100.0 |
| Samsung C&T America Inc. | QSSC, S.A. de C.V. | 20.0 |
| Samsung C&T America Inc. | Samsung Solar Energy LLC | 100.0 |
| Samsung C&T America Inc. | Equipment Trading Solutions Group, LLC | 70.0 |
| Samsung C&T America Inc. | FLOWFY COMMERCE SERVICE LLC | 100.0 |
| Samsung Renewable Energy Inc. | SP Armow Wind Ontario LP | 50.0 |
| Samsung Renewable Energy Inc. | SRE GRW EPC GP Inc. | 100.0 |
| Samsung Renewable Energy Inc. | SRE GRW EPC LP | 100.0 |
| Samsung Renewable Energy Inc. | SRE SKW EPC GP Inc. | 100.0 |
| Samsung Renewable Energy Inc. | SRE SKW EPC LP | 100.0 |
| Samsung Renewable Energy Inc. | SRE WIND PA GP INC. | 100.0 |
| Samsung Renewable Energy Inc. | SRE WIND PA LP | 100.0 |
| Samsung Renewable Energy Inc. | SRE GRS Holdings GP Inc. | 100.0 |
| Samsung Renewable Energy Inc. | SRE GRS Holdings LP | 100.0 |
| Samsung Renewable Energy Inc. | SRE K2 EPC GP Inc. | 100.0 |
| Samsung Renewable Energy Inc. | SRE K2 EPC LP | 100.0 |
| Samsung Renewable Energy Inc. | SRE KS HOLDINGS GP INC. | 100.0 |
| Samsung Renewable Energy Inc. | SRE KS HOLDINGS LP | 100.0 |
| Samsung Renewable Energy Inc. | SP Belle River Wind LP | 42.5 |
| Samsung Renewable Energy Inc. | SRE Armow EPC GP Inc. | 100.0 |
| Samsung Renewable Energy Inc. | SRE Armow EPC LP | 100.0 |
| Samsung Renewable Energy Inc. | North Kent Wind 1 LP | 35.0 |
| Samsung Renewable Energy Inc. | SRE Wind GP Holding Inc. | 100.0 |
| Samsung Renewable Energy Inc. | South Kent Wind LP Inc. | 50.0 |
| Samsung Renewable Energy Inc. | Grand Renewable Wind LP Inc. | 45.0 |
| Samsung Renewable Energy Inc. | SRE North Kent 2 LP Holdings LP | 100.0 |
| Samsung Renewable Energy Inc. | SRE Solar Development GP Inc. | 100.0 |
| Samsung Renewable Energy Inc. | SRE Solar Development LP | 100.0 |
| Samsung Renewable Energy Inc. | SRE Windsor Holdings GP Inc. | 100.0 |
| Samsung Renewable Energy Inc. | SRE Southgate Holdings GP Inc. | 100.0 |
| Samsung Renewable Energy Inc. | SRE Solar Construction Management GP Inc. | 100.0 |
| Samsung Renewable Energy Inc. | SRE Solar Construction Management LP | 100.0 |
| Samsung Renewable Energy Inc. | SRE DEVELOPMENT GP INC. | 100.0 |
| Samsung Renewable Energy Inc. | SRE BRW EPC GP INC. | 100.0 |
| Samsung Renewable Energy Inc. | SRE BRW EPC LP | 100.0 |
| Samsung Renewable Energy Inc. | SRE North Kent 1 GP Holdings Inc | 100.0 |
| Samsung Renewable Energy Inc. | SRE North Kent 2 GP Holdings Inc | 100.0 |
| Samsung Renewable Energy Inc. | SRE Belle River GP Holdings Inc | 100.0 |
| Samsung Renewable Energy Inc. | SRE NK1 EPC GP Inc | 100.0 |
| Samsung Renewable Energy Inc. | SRE NK1 EPC LP | 100.0 |
| Samsung Renewable Energy Inc. | SRE Summerside Construction GP Inc. | 100.0 |
| Samsung Renewable Energy Inc. | SRE Summerside Construction LP | 100.0 |
| Samsung Green repower, LLC | SOLAR PROJECTS SOLUTIONS,LLC | 50.0 |
| Samsung Green repower, LLC | Monument Power, LLC | 100.0 |
| SP Armow Wind Ontario GP Inc | SP Armow Wind Ontario LP | 0.0 |
| Samsung C&T Oil & Gas Parallel Corp. | PLL Holdings LLC | 83.6 |
| Samsung C&T Oil & Gas Parallel Corp. | PLL E&P LLC | 90.0 |
| SRE GRW EPC GP Inc. | SRE GRW EPC LP | 0.0 |

| Investor | Investee | Ownership |
|---|--|-----------|
| SRE SKW EPC GP Inc. | SRE SKW EPC LP | 0.0 |
| PLL Holdings LLC | Parallel Petroleum LLC | 61.0 |
| SRE WIND PA GP INC. | SRE WIND PA LP | 0.0 |
| SRE GRS Holdings GP Inc. | Grand Renewable Solar GP Inc. | 50.0 |
| SRE GRS Holdings GP Inc. | SRE GRS Holdings LP | 0.0 |
| SRE K2 EPC GP Inc. | SRE K2 EPC LP | 0.0 |
| SRE KS HOLDINGS GP INC. | KINGSTON SOLAR GP INC. | 50.0 |
| SRE KS HOLDINGS GP INC. | SRE KS HOLDINGS LP | 0.0 |
| SP Belle River Wind GP Inc | SP Belle River Wind LP | 0.0 |
| SRE Armow EPC GP Inc. | SRE Armow EPC LP | 0.0 |
| SRE Wind GP Holding Inc. | SP Armow Wind Ontario GP Inc | 50.0 |
| SRE Wind GP Holding Inc. | South Kent Wind GP Inc. | 50.0 |
| SRE Wind GP Holding Inc. | Grand Renewable Wind GP Inc. | 50.0 |
| South Kent Wind GP Inc. | South Kent Wind LP Inc. | 0.0 |
| Grand Renewable Wind GP Inc. | Grand Renewable Wind LP Inc. | 0.0 |
| North Kent Wind 1 GP Inc | North Kent Wind 1 LP | 0.0 |
| SRE Solar Development GP Inc. | SRE Solar Development LP | 0.0 |
| SRE Solar Construction Management GP Inc. | SRE Solar Construction Management LP | 0.0 |
| SRE BRW EPC GP INC. | SRE BRW EPC LP | 0.0 |
| SRE North Kent 1 GP Holdings Inc | North Kent Wind 1 GP Inc | 50.0 |
| SRE North Kent 2 GP Holdings Inc | SRE North Kent 2 LP Holdings LP | 0.0 |
| SRE Belle River GP Holdings Inc | SP Belle River Wind GP Inc | 50.0 |
| SRE NK1 EPC GP Inc | SRE NK1 EPC LP | 0.0 |
| SRE Summerside Construction GP Inc. | SRE Summerside Construction LP | 0.0 |
| Samsung Solar Energy LLC | Samsung Solar Energy 1 LLC | 100.0 |
| Samsung Solar Energy LLC | Samsung Solar Energy 2 LLC | 100.0 |
| Samsung Solar Energy LLC | Samsung Solar Energy 3, LLC | 100.0 |
| Samsung Solar Energy 1 LLC | CS SOLAR LLC | 50.0 |
| Samsung Solar Energy 3, LLC | SST SOLAR, LLC | 50.0 |
| Samsung C&T Deutschland GmbH | POSS-SLPC, S.R.O | 20.0 |
| Samsung C&T Deutschland GmbH | Solluce Romania 1 B.V. | 20.0 |
| Samsung C&T Deutschland GmbH | S.C. Otelinox S.A | 99.7 |
| Solluce Romania 1 B.V. | LJG GREEN SOURCE ENERGY ALPHA S.R.L. | 78.0 |
| Samsung C&T Malaysia SDN. BHD | WARIS GIGIH ENGINEERING AND TECHNOLOGY SDN. BHD. | 70.0 |
| Samsung C&T Singapore Pte., Ltd. | Samsung Chemtech Vina LLC | 48.3 |
| Samsung C&T Singapore Pte., Ltd. | Samsung C&T Thailand Co., Ltd | 0.2 |
| Samsung C&T Singapore Pte., Ltd. | PT. INSAM BATUBARA ENERGY | 10.0 |
| Samsung C&T Singapore Pte., Ltd. | Malaysia Samsung Steel Center Sdn.Bhd | 30.0 |
| Samsung C&T Singapore Pte., Ltd. | S&G Biofuel PTE.LTD | 12.6 |
| S&G Biofuel PTE.LTD | PT. Gandaerah Hendana | 95.0 |
| S&G Biofuel PTE.LTD | PT. Inecda | 95.0 |
| Samsung C&T Hongkong Ltd. | Samsung C&T Thailand Co., Ltd | 6.8 |
| Samsung C&T Hongkong Ltd. | SAMSUNG TRADING (SHANGHAI) CO., LTD | 100.0 |
| Samsung C&T Hongkong Ltd. | Samsung Precision Stainless Steel(pinghu) Co.,Ltd. | 45.0 |
| Samsung Electronics | Samsung Japan Corporation | 100.0 |
| Samsung Electronics | Samsung R&D Institute Japan Co. Ltd. | 100.0 |
| Samsung Electronics | Samsung Electronics America, Inc. | 100.0 |
| Samsung Electronics | Samsung Electronics Canada, Inc. | 100.0 |
| Samsung Electronics | Samsung Electronics Mexico S.A. De C.V. | 63.6 |
| Samsung Electronics | Samsung Electronics Ltd. | 100.0 |
| Samsung Electronics | Samsung Electronics (UK) Ltd. | 100.0 |
| Samsung Electronics | Samsung Electronics Holding GmbH | 100.0 |
| Samsung Electronics | Samsung Electronics Iberia, S.A. | 100.0 |
| Samsung Electronics | Samsung Electronics France S.A.S | 100.0 |
| Samsung Electronics | Samsung Electronics Hungarian Private Co. Ltd. | 100.0 |

| Investor | Investee | Ownership |
|---------------------|--|-----------|
| Samsung Electronics | Samsung Electronics Italia S.P.A. | 100.0 |
| Samsung Electronics | Samsung Electronics Europe Logistics B.V. | 100.0 |
| Samsung Electronics | Samsung Electronics Benelux B.V. | 100.0 |
| Samsung Electronics | Samsung Electronics Overseas B.V. | 100.0 |
| Samsung Electronics | Samsung Electronics Polska, SP.Zo.o | 100.0 |
| Samsung Electronics | Samsung Electronics Portuguesa, Unipessoal, Lda. | 100.0 |
| Samsung Electronics | Samsung Electronics Nordic Aktiebolag | 100.0 |
| Samsung Electronics | Samsung Electronics Austria GmbH | 100.0 |
| Samsung Electronics | Samsung Electronics Slovakia s.r.o | 55.7 |
| Samsung Electronics | Samsung Electronics Europe Holding Cooperatief U.A. | 100.0 |
| Samsung Electronics | Samsung Electronics Display (M) Sdn. Bhd. | 75.0 |
| Samsung Electronics | Samsung Electronics (M) Sdn. Bhd. | 100.0 |
| Samsung Electronics | Samsung Vina Electronics Co., Ltd. | 100.0 |
| Samsung Electronics | Samsung Asia Pte. Ltd. | 100.0 |
| Samsung Electronics | Samsung India Electronics Private Ltd. | 100.0 |
| Samsung Electronics | Samsung R&D Institute India-Bangalore Private Limited | 100.0 |
| Samsung Electronics | Samsung Electronics Australia Pty. Ltd. | 100.0 |
| Samsung Electronics | PT Samsung Electronics Indonesia | 100.0 |
| Samsung Electronics | Thai Samsung Electronics Co., Ltd. | 91.8 |
| Samsung Electronics | Samsung Malaysia Electronics (SME) Sdn. Bhd. | 100.0 |
| Samsung Electronics | Samsung Electronics Hong Kong Co., Ltd. | 100.0 |
| Samsung Electronics | Suzhou Samsung Electronics Co., Ltd. | 69.1 |
| Samsung Electronics | Samsung (CHINA) Investment Co., Ltd. | 100.0 |
| Samsung Electronics | Samsung Electronics Suzhou Semiconductor Co., Ltd. | 100.0 |
| Samsung Electronics | Samsung Electronics Huizhou Co., Ltd. | 89.6 |
| Samsung Electronics | Tianjin Samsung Electronics Co., Ltd. | 48.2 |
| Samsung Electronics | Samsung Electronics Taiwan Co., Ltd. | 100.0 |
| Samsung Electronics | Tianjin Samsung Telecom Technology Co., Ltd. | 90.0 |
| Samsung Electronics | Shanghai Samsung Semiconductor Co., Ltd. | 100.0 |
| Samsung Electronics | Samsung Electronics Suzhou Computer Co., Ltd. | 73.7 |
| Samsung Electronics | Shenzhen Samsung Electronics Telecommunication Co., Ltd. | 100.0 |
| Samsung Electronics | Samsung Semiconductor (China) R&D Co., Ltd. | 100.0 |
| Samsung Electronics | Samsung (China) Semiconductor Co., Ltd. | 100.0 |
| Samsung Electronics | Samsung SemiConductor Xian Co., Ltd. | 100.0 |
| Samsung Electronics | Samsung Gulf Electronics Co., Ltd. | 100.0 |
| Samsung Electronics | Samsung Electronics Egypt S.A.E | 0.1 |
| Samsung Electronics | Samsung Electronics South Africa(Pty) Ltd. | 100.0 |
| Samsung Electronics | Samsung Electronics Latinoamerica(Zona Libre), S. A. | 100.0 |
| Samsung Electronics | Samsung Eletronica da Amazonia Ltda. | 87.0 |
| Samsung Electronics | Samsung Electronics Argentina S.A. | 98.0 |
| Samsung Electronics | Samsung Electronics Chile Limitada | 4.1 |
| Samsung Electronics | Samsung Electronics Rus Company LLC | 100.0 |
| Samsung Electronics | Samsung Electronics Rus Kaluga LLC | 100.0 |
| Samsung Electronics | Tianjin Samsung LED Co., Ltd. | 100.0 |
| Samsung Biologics | Samsung Biologics America, Inc. | 100.0 |
| Samsung Bioepis | SAMSUNG BIOEPIS UK LIMITED | 100.0 |
| Samsung Bioepis | Samsung Bioepis NL B.V. | 100.0 |
| Samsung Bioepis | Samsung Bioepis CH GmbH | 100.0 |
| Samsung Bioepis | Samsung Bioepis PL Sp z o.o. | 100.0 |
| Samsung Bioepis | SAMSUNG BIOEPIS AU PTY LTD | 100.0 |
| Samsung Bioepis | SAMSUNG BIOEPIS NZ LIMITED | 100.0 |
| Samsung Bioepis | SAMSUNG BIOEPIS TW Limited | 100.0 |
| Samsung Bioepis | Samsung Bioepis HK Limited | 100.0 |
| Samsung Bioepis | SAMSUNG BIOEPIS IL LTD | 100.0 |
| Samsung Bioepis | SAMSUNG BIOEPIS BR PHARMACEUTICAL LTDA | 100.0 |

| Investor | Investee | Ownership |
|---|---|-----------|
| Samsung Display | Intellectual Keystone Technology LLC | 41.9 |
| Samsung Display | Samsung Display Slovakia, s.r.o. | 100.0 |
| Samsung Display | Samsung Display Vietnam Co., Ltd. | 100.0 |
| Samsung Display | Samsung Display Noida Private Limited | 100.0 |
| Samsung Display | Samsung Display Dongguan Co., Ltd. | 100.0 |
| Samsung Display | Samsung Display Tianjin Co., Ltd. | 95.0 |
| Samsung Display | Novaled GmbH | 9.9 |
| SEMES | SEMES America, Inc. | 100.0 |
| SEMES | SEMES (XIAN) Co., Ltd. | 100.0 |
| Samsung Electronics America, Inc. | NeuroLogica Corp. | 100.0 |
| Samsung Electronics America, Inc. | Dacor Holdings, Inc. | 100.0 |
| Samsung Electronics America, Inc. | Samsung HVAC America, LLC | 100.0 |
| Samsung Electronics America, Inc. | SmartThings, Inc. | 100.0 |
| Samsung Electronics America, Inc. | Samsung Oak Holdings, Inc. | 100.0 |
| Samsung Electronics America, Inc. | Joyent, Inc. | 100.0 |
| Samsung Electronics America, Inc. | TeleWorld Solutions, Inc. | 100.0 |
| Samsung Electronics America, Inc. | Prismview, LLC | 100.0 |
| Samsung Electronics America, Inc. | Samsung Semiconductor, Inc. | 100.0 |
| Samsung Electronics America, Inc. | Samsung Research America, Inc | 100.0 |
| Samsung Electronics America, Inc. | Samsung Electronics Home Appliances America, LLC | 100.0 |
| Samsung Electronics America, Inc. | Samsung International, Inc. | 100.0 |
| Samsung Electronics America, Inc. | Harman International Industries, Inc. | 100.0 |
| Dacor Holdings, Inc. | Dacor, Inc. | 100.0 |
| Dacor, Inc. | Dacor Canada Co. | 100.0 |
| TeleWorld Solutions, Inc. | TWS LATAM B, LLC | 100.0 |
| TeleWorld Solutions, Inc. | TWS LATAM S, LLC | 100.0 |
| TWS LATAM B, LLC | SNB Technologies, Inc. Mexico S.A. de C.V | 50.0 |
| TWS LATAM S, LLC | SNB Technologies, Inc. Mexico S.A. de C.V | 50.0 |
| Samsung Semiconductor, Inc. | Samsung Austin Semiconductor LLC. | 100.0 |
| Samsung Electronics Canada, Inc. | AdGear Technologies Inc. | 100.0 |
| Samsung Research America, Inc | SAMSUNG NEXT LLC | 100.0 |
| SAMSUNG NEXT LLC | SAMSUNG NEXT FUND LLC | 100.0 |
| Samsung International, Inc. | Samsung Mexicana S.A. de C.V | 100.0 |
| Samsung Electronics Mexico S.A. De C.V. | Samsung Electronics Digital Appliance Mexico, SA de CV | 100.0 |
| Harman International Industries, Inc. | Harman International Japan Co., Ltd. | 100.0 |
| Harman International Industries, Inc. | Harman International Industries Canada Ltd. | 100.0 |
| Harman International Industries, Inc. | Harman Becker Automotive Systems, Inc. | 100.0 |
| Harman International Industries, Inc. | Harman Professional, Inc. | 100.0 |
| Harman International Industries, Inc. | Harman Connected Services, Inc. | 100.0 |
| Harman International Industries, Inc. | Harman Financial Group LLC | 100.0 |
| Harman International Industries, Inc. | Harman Belgium SA | 100.0 |
| Harman International Industries, Inc. | Harman France SNC | 100.0 |
| Harman International Industries, Inc. | Red Bend Software SAS | 100.0 |
| Harman International Industries, Inc. | Harman Inc. & Co. KG | 66.0 |
| Harman International Industries, Inc. | Harman KG Holding, LLC | 100.0 |
| Harman International Industries, Inc. | Harman Becker Automotive Systems Italy S.R.L. | 100.0 |
| Harman International Industries, Inc. | Harman Finance International, SCA | 100.0 |
| Harman International Industries, Inc. | Harman Finance International GP S.a.r.l | 100.0 |
| Harman International Industries, Inc. | Harman Industries Holdings Mauritius Ltd. | 100.0 |
| Harman International Industries, Inc. | Harman International Mexico, S. de R.L. de C.V. | 99.9 |
| Harman Becker Automotive Systems, Inc. | Harman International Estonia OU | 100.0 |
| Harman Professional, Inc. | AMX UK Limited | 100.0 |
| Harman Professional, Inc. | Harman Singapore Pte. Ltd. | 100.0 |
| Harman Professional, Inc. | Harman da Amazonia Industria Eletronica e Participacoes Ltda. | 0.0 |
| Harman Professional, Inc. | Harman do Brasil Industria Eletronica e Participacoes Ltda. | 0.0 |

| Investor | Investee | Ownership |
|--|--|-----------|
| Harman Connected Services, Inc. | Harman Connected Services Engineering Corp. | 100.0 |
| Harman Connected Services, Inc. | Harman Connected Services AB. | 100.0 |
| Harman Connected Services, Inc. | Harman Connected Services UK Ltd. | 100.0 |
| Harman Connected Services, Inc. | Harman Connected Services Corp. India Pvt. Ltd. | 1.6 |
| Harman Connected Services, Inc. | Global Symphony Technology Group Private Ltd. | 100.0 |
| Harman Financial Group LLC | Harman International (India) Private Limited | 0.0 |
| Harman Financial Group LLC | Harman International Mexico, S. de R.L. de C.V. | 0.1 |
| Harman Financial Group LLC | Harman de Mexico, S. de R.L. de C.V. | 0.0 |
| Samsung Electronics (UK) Ltd. | Samsung Semiconductor Europe Limited | 100.0 |
| Samsung Electronics Holding GmbH | Samsung Semiconductor Europe GmbH | 100.0 |
| Samsung Electronics Holding GmbH | Samsung Electronics GmbH | 100.0 |
| Samsung Electronics Hungarian Private Co. Ltd. | Samsung Electronics Czech and Slovak s.r.o. | 31.4 |
| Samsung Electronics Hungarian Private Co. Ltd. | Samsung Electronics Slovakia s.r.o | 44.3 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Mexico S.A. De C.V. | 36.4 |
| Samsung Electronics Benelux B.V. | SAMSUNG ELECTRONICS BALTICS SIA | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics West Africa Ltd. | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics East Africa Ltd. | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Saudi Arabia Ltd. | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Egypt S.A.E | 99.9 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Israel Ltd. | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Tunisia S.A.R.L | 99.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Pakistan(Private) Ltd. | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics South Africa Production (pty) Ltd. | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Turkey | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Industry and Commerce Ltd. | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Semiconductor Israel R&D Center, Ltd. | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Levant Co.,Ltd. | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Maghreb Arab | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Venezuela, C.A. | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Eletronica da Amazonia Ltda. | 13.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Chile Limitada | 95.9 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Peru S.A.C. | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Ukraine Company LLC | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung R&D Institute Rus LLC | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Central Eurasia LLP | 100.0 |
| Samsung Electronics Benelux B.V. | Samsung Electronics Caucasus Co. Ltd | 100.0 |
| Samsung Electronics Benelux B.V. | Corephotonics Ltd. | 100.0 |
| Zhilabs, S.L. | Zhilabs Inc. | 100.0 |
| Samsung Electronics Nordic Aktiebolag | Samsung Nanoradio Design Center | 100.0 |
| AKG Acoustics GmbH | Harman Professional Denmark ApS | 100.0 |
| AKG Acoustics GmbH | Studer Professional Audio GmbH | 100.0 |
| Harman Professional Denmark ApS | Martin Professional Japan Ltd. | 40.0 |
| Harman Professional Denmark ApS | Harman International s.r.o | 100.0 |
| Harman Becker Automotive Systems GmbH | Harman International Romania SRL | 0.0 |
| Harman Holding GmbH & Co. KG | Harman Becker Automotive Systems GmbH | 100.0 |
| Harman Holding GmbH & Co. KG | Harman Deutschland GmbH | 100.0 |
| Harman Holding GmbH & Co. KG | Harman Becker Automotive Systems Manufacturing Kft | 100.0 |
| Harman Holding GmbH & Co. KG | Harman RUS CIS LLC | 100.0 |
| Harman Inc. & Co. KG | Harman Holding GmbH & Co. KG | 100.0 |
| Harman Inc. & Co. KG | Harman Management GmbH | 100.0 |
| Harman Inc. & Co. KG | Harman Hungary Financing Ltd. | 100.0 |
| Harman Connected Services GmbH | Harman Connected Services OOO | 100.0 |
| Harman KG Holding, LLC | Harman Inc. & Co. KG | 34.0 |
| Harman Becker Automotive Systems Manufacturing Kft | Harman Professional Kft | 100.0 |
| Harman Becker Automotive Systems Manufacturing Kft | Harman Consumer Nederland B.V. | 100.0 |

| Investor | Investee | Ownership |
|---|---|-----------|
| Harman Becker Automotive Systems Manufacturing Kft | Harman International Romania SRL | 100.0 |
| Harman Becker Automotive Systems Manufacturing Kft | Red Bend Ltd. | 100.0 |
| Harman Becker Automotive Systems Manufacturing Kft | Harman do Brasil Industria Eletronica e Participacoes Ltda. | 100.0 |
| Harman Hungary Financing Ltd. | Harman International Industries Limited | 100.0 |
| Harman Finance International GP S.a.r.l | Harman Finance International, SCA | 0.0 |
| Harman Consumer Nederland B.V. | AKG Acoustics GmbH | 100.0 |
| Harman Consumer Nederland B.V. | Harman Audio Iberia España Sociedad Limitada | 100.0 |
| Harman Consumer Nederland B.V. | Harman Holding Limited | 100.0 |
| Harman Audio Iberia España Sociedad Limitada | Harman France SNC | 0.0 |
| Harman Connected Services AB. | Harman Finland Oy | 100.0 |
| Harman Connected Services AB. | Harman Connected Services GmbH | 100.0 |
| Harman Connected Services AB. | Harman Connected Services Poland Sp.zoo | 100.0 |
| Harman Connected Services AB. | Harman Connected Services Solutions (Chengdu) Co., Ltd. | 100.0 |
| Harman International Industries Limited | Harman Automotive UK Limited | 100.0 |
| Harman International Industries Limited | Martin Manufacturing (UK) Ltd | 100.0 |
| Harman International Industries Limited | Harman Connected Services Limited | 100.0 |
| Harman International Industries Limited | A&R Cambridge Limited | 100.0 |
| Harman International Industries Limited | Harman International Industries PTY Ltd. | 100.0 |
| Harman International Industries Limited | Harman de Mexico, S. de R.L. de C.V. | 100.0 |
| Harman Connected Services UK Ltd. | Harman Connected Services Morocco | 100.0 |
| Samsung Electronics Austria GmbH | Samsung Electronics Switzerland GmbH | 100.0 |
| Samsung Electronics Europe Holding Cooperatief U.A. | Samsung Electronics Czech and Slovak s.r.o. | 68.6 |
| Samsung Electronics Europe Holding Cooperatief U.A. | Samsung Electronics Romania LLC | 100.0 |
| Samsung Electronics Europe Holding Cooperatief U.A. | Zhilabs, S.L. | 100.0 |
| Samsung Electronics Europe Holding Cooperatief U.A. | Porta Nuova Varesine Building 2 S.r.l. | 49.0 |
| Samsung Electronics Europe Holding Cooperatief U.A. | Samsung Electronics Poland Manufacturing SP.Zo.o | 100.0 |
| Samsung Electronics Europe Holding Cooperatief U.A. | Samsung Electronics Greece S.M.S.A | 100.0 |
| Samsung Electronics Europe Holding Cooperatief U.A. | Samsung Electronics Air Conditioner Europe B.V. | 100.0 |
| Samsung Electronics Europe Holding Cooperatief U.A. | FOODIENT LTD. | 100.0 |
| Samsung Electronics Europe Holding Cooperatief U.A. | Samsung Denmark Research Center ApS | 100.0 |
| Samsung Electronics Europe Holding Cooperatief U.A. | Samsung Cambridge Solution Centre Limited | 100.0 |
| Samsung Electronics Europe Holding Cooperatief U.A. | Novald GmbH | 40.0 |
| Samsung Electronics Singapore Pte. Ltd. | Samsung Electronics Display (M) Sdn. Bhd. | 25.0 |
| Samsung Electronics Singapore Pte. Ltd. | iMarket Asia Co., Ltd. | 11.4 |
| Samsung Asia Pte. Ltd. | Samsung Electronics Japan Co., Ltd. | 100.0 |
| Samsung Asia Pte. Ltd. | Samsung Electronics Singapore Pte. Ltd. | 100.0 |
| Samsung Asia Pte. Ltd. | Samsung Electronics New Zealand Limited | 100.0 |
| Samsung Asia Pte. Ltd. | Samsung Electronics Philippines Corporation | 100.0 |
| Samsung Asia Pte. Ltd. | Samsung R&D Institute Bangladesh Limited | 100.0 |
| Samsung Asia Pte. Ltd. | Samsung Electronics Vietnam Co., Ltd. | 100.0 |
| Samsung Asia Pte. Ltd. | Samsung Electronics Vietnam THANGUYEN Co., Ltd. | 100.0 |
| Samsung Asia Pte. Ltd. | Samsung Electronics HCMC CE Complex Co., Ltd. | 100.0 |
| Samsung Asia Pte. Ltd. | Samsung Electro-Mechanics(Thailand) Co., Ltd. | 25.0 |
| Samsung India Electronics Private Ltd. | Samsung Nepal Services Pvt, Ltd | 100.0 |
| PT Samsung Electronics Indonesia | PT Samsung Telecommunications Indonesia | 100.0 |
| Thai Samsung Electronics Co., Ltd. | Laos Samsung Electronics Sole Co., Ltd | 100.0 |
| Samsung Electronics Hong Kong Co., Ltd. | iMarket Asia Co., Ltd. | 11.3 |
| Suzhou Samsung Electronics Co., Ltd. | Samsung Suzhou Electronics Export Co., Ltd. | 100.0 |
| Samsung (CHINA) Investment Co., Ltd. | Suzhou Samsung Electronics Co., Ltd. | 19.2 |
| Samsung (CHINA) Investment Co., Ltd. | Samsung Mobile R&D Center China-Guangzhou | 100.0 |
| Samsung (CHINA) Investment Co., Ltd. | Samsung R&D Institute China-Shenzhen | 100.0 |
| Samsung (CHINA) Investment Co., Ltd. | Samsung Electronics Huizhou Co., Ltd. | 10.4 |
| Samsung (CHINA) Investment Co., Ltd. | Tianjin Samsung Electronics Co., Ltd. | 43.1 |
| Samsung (CHINA) Investment Co., Ltd. | Beijing Samsung Telecom R&D Center | 100.0 |
| Samsung (CHINA) Investment Co., Ltd. | Samsung Electronics Suzhou Computer Co., Ltd. | 26.3 |

| Investor | Investee | Ownership |
|---|--|-----------|
| Samsung (CHINA) Investment Co., Ltd. | Samsung Electronics China R&D Center | 100.0 |
| Harman International (China) Holdings Co., Ltd. | Harman (Suzhou) Audio and Infotainment Systems Co., Ltd. | 100.0 |
| Harman International (China) Holdings Co., Ltd. | Harman Technology (Shenzhen) Co., Ltd. | 100.0 |
| Harman International (China) Holdings Co., Ltd. | Harman (China) Technologies Co., Ltd. | 100.0 |
| Harman Holding Limited | Harman Commercial (Shanghai) Co., Ltd. | 100.0 |
| Harman Holding Limited | Harman International (China) Holdings Co., Ltd. | 100.0 |
| Harman Holding Limited | Harman Automotive Electronic Systems (Suzhou) Co., Ltd. | 100.0 |
| Samsung Gulf Electronics Co., Ltd. | Samsung Electronics Egypt S.A.E | 0.1 |
| Samsung Electronics Maghreb Arab | Samsung Electronics Tunisia S.A.R.L | 1.0 |
| Harman Industries Holdings Mauritius Ltd. | Harman International (India) Private Limited | 100.0 |
| Global Symphony Technology Group Private Ltd. | Harman Connected Services Corp. India Pvt. Ltd. | 98.4 |
| Red Bend Ltd. | Red Bend Software Ltd. | 100.0 |
| Samsung Electronics Latinoamerica(Zona Libre), S. A. | Samsung Electronics Latinoamerica Miami, Inc. | 100.0 |
| Samsung Electronics Latinoamerica(Zona Libre), S. A. | Samsung Electronica Colombia S.A. | 100.0 |
| Samsung Electronics Latinoamerica(Zona Libre), S. A. | Samsung Electronics Panama. S.A. | 100.0 |
| Samsung Eletronica da Amazonia Ltda. | Samsung Electronics Argentina S.A. | 2.0 |
| Harman do Brasil Industria Eletronica e Participacoes Ltda. | Harman da Amazonia Industria Eletronica e Participacoes Ltda. | 100.0 |
| Samsung Electronics Central Eurasia LLP | Samsung Electronics Caucasus Co. Ltd | 0.0 |
| Samsung SDI | Intellectual Keystone Technology LLC | 41.0 |
| Samsung SDI | Samsung SDI Japan Co., Ltd. | 89.2 |
| Samsung SDI | Samsung SDI America, Inc. | 91.7 |
| Samsung SDI | Samsung SDI Hungary., Zrt. | 100.0 |
| Samsung SDI | Samsung SDI Europe GmbH | 100.0 |
| Samsung SDI | Samsung SDI Battery Systems GmbH | 100.0 |
| Samsung SDI | Samsung SDI Vietnam Co., Ltd. | 100.0 |
| Samsung SDI | Samsung SDI Energy Malaysia Sdn, Bhd. | 100.0 |
| Samsung SDI | Samsung SDI India Private Limited | 100.0 |
| Samsung SDI | Samsung SDI(Hong Kong) Ltd. | 97.6 |
| Samsung SDI | Samsung SDI China Co., Ltd. | 100.0 |
| Samsung SDI | Samsung SDI-ARN (Xi'An) Power Battery Co., Ltd. | 65.0 |
| Samsung SDI | Samsung SDI (Tianjin) Battery Co.,Ltd. | 80.0 |
| Samsung SDI | Novalad GmbH | 50.1 |
| Samsung SDI | SAMSUNG SDI WUXI CO.,LTD. | 100.0 |
| Samsung SDI | Samsung SDI(Wuxi) Battery Systems Co., Ltd. | 50.0 |
| Samsung SDI | iMarket Asia Co., Ltd. | 8.7 |
| Samsung SDI(Hong Kong) Ltd. | Samsung SDI India Private Limited | 0.0 |
| Samsung SDI(Hong Kong) Ltd. | Tianjin Samsung SDI Co., Ltd. | 80.0 |
| Samsung Electro-Mechanics | Samsung Electro-Mechanics Japan Co., Ltd. | 100.0 |
| Samsung Electro-Mechanics | Samsung Electro-Mechanics America, Inc. | 100.0 |
| Samsung Electro-Mechanics | Samsung Electro-Mechanics GmbH | 100.0 |
| Samsung Electro-Mechanics | Samsung Electro-Mechanics(Thailand) Co., Ltd. | 75.0 |
| Samsung Electro-Mechanics | Samsung Electro-Mechanics Philippines, Corp. | 100.0 |
| Samsung Electro-Mechanics | Calamba Premier Realty Corporation | 39.8 |
| Samsung Electro-Mechanics | Samsung Electro-Mechanics Pte Ltd. | 100.0 |
| Samsung Electro-Mechanics | Samsung Electro-Mechanics Vietnam Co., Ltd. | 100.0 |
| Samsung Electro-Mechanics | Samsung Electro-Mechanics Software India Bangalore Private Limited | 99.9 |
| Samsung Electro-Mechanics | Dongguan Samsung Electro-Mechanics Co., Ltd. | 100.0 |
| Samsung Electro-Mechanics | Tianjin Samsung Electro-Mechanics Co., Ltd. | 81.8 |
| Samsung Electro-Mechanics | Samsung High-Tech Electro-Mechanics(Tianjin) Co., Ltd. | 95.0 |
| Samsung Electro-Mechanics | Samsung Electro-Mechanics (Shenzhen) Co., Ltd. | 100.0 |
| Samsung Electro-Mechanics | Kunshan Samsung Electro-Mechanics Co., Ltd. | 100.0 |
| Samsung Electro-Mechanics | iMarket Asia Co., Ltd. | 8.7 |
| Calamba Premier Realty Corporation | Batino Realty Corporation | 100.0 |
| Samsung Electro-Mechanics Pte Ltd. | Samsung Electro-Mechanics Software India Bangalore Private Limited | 0.1 |

| Investor | Investee | Ownership |
|---|--|-----------|
| Samsung Fire & Marine Insurance | Samsung Fire & Marine Management Corporation | 100.0 |
| Samsung Fire & Marine Insurance | SAMSUNG FIRE & MARINE INSURANCE COMPANY OF EUROPE LTD. | 100.0 |
| Samsung Fire & Marine Insurance | PT. Asuransi Samsung Tugu | 70.0 |
| Samsung Fire & Marine Insurance | SAMSUNG VINA INSURANCE COMPANY LIMITED | 75.0 |
| Samsung Fire & Marine Insurance | Samsung Reinsurance Pte. Ltd. | 100.0 |
| Samsung Fire & Marine Insurance | Samsung Property & Casualty Insurance Company(China), Ltd | 100.0 |
| Samsung Fire & Marine Insurance | Samsung Fire & Marine Insurance Management Middle East Limited | 100.0 |
| Samsung Heavy Industries Co.,Ltd. | Camellia Consulting Corporation | 100.0 |
| Samsung Heavy Industries Co.,Ltd. | Samsung Heavy Industries India Pvt.Ltd. | 100.0 |
| Samsung Heavy Industries Co.,Ltd. | SAMSUNG HEAVY INDUSTRIES (M) SDN.BHD | 100.0 |
| Samsung Heavy Industries Co.,Ltd. | Samsung Heavy Industries(Ningbo) Co., Ltd | 100.0 |
| Samsung Heavy Industries Co.,Ltd. | Samsung Heavy Industries(Rongcheng) Co., Ltd | 100.0 |
| Samsung Heavy Industries Co.,Ltd. | Rongcheng Gaya Heavy Industries Co., Ltd | 100.0 |
| Samsung Heavy Industries Co.,Ltd. | SAMSUNG HEAVY INDUSTRIES NIGERIA LIMITED | 100.0 |
| Samsung Heavy Industries Co.,Ltd. | Samsung Heavy Industries Mozambique LDA | 100.0 |
| Samsung Heavy Industries Co.,Ltd. | Samsung Heavy Industries Rus LLC | 100.0 |
| SAMSUNG HEAVY INDUSTRIES NIGERIA LIMITED | SHI - MCI FZE | 70.0 |
| Samsung Life Insurance | Porta Nuova Varesine Building 2 S.r.l. | 51.0 |
| Samsung Life Insurance | THAI SAMSUNG LIFE INSURANCE CO., LTD. | 48.9 |
| Samsung Life Insurance | Beijing Samsung Real Estate Co.. Ltd | 90.0 |
| Samsung Asset Management | Samsung Asset Management (New York), Inc. | 100.0 |
| Samsung Asset Management | Samsung Global SME Private Equity Manager Fund Co., Ltd. | 100.0 |
| Samsung Asset Management | Samsung Asset Management(London) Ltd. | 100.0 |
| Samsung Asset Management | Samsung Private Equity Manager I Co., Ltd. | 100.0 |
| Samsung Asset Management | Samsung Asset Management (Hong Kong) Ltd. | 100.0 |
| Samsung Asset Management (Hong Kong) Ltd. | Samsung Asset Management (Beijing) Ltd. | 100.0 |
| CHEIL INDUSTRIES ITALY SRL | COLOMBO VIA DELLA SPIGA S.R.L | 100.0 |
| Samsung C&T Corporation | MYODO METAL CO., LTD. | 100.0 |
| Samsung C&T Corporation | Samsung C&T Japan Corporation | 100.0 |
| Samsung C&T Corporation | Samsung C&T America Inc. | 100.0 |
| Samsung C&T Corporation | Samsung E&C America, INC. | 100.0 |
| Samsung C&T Corporation | Samsung Renewable Energy Inc. | 100.0 |
| Samsung C&T Corporation | QSSC, S.A. de C.V. | 80.0 |
| Samsung C&T Corporation | Samsung C&T Oil & Gas Parallel Corp. | 100.0 |
| Samsung C&T Corporation | Samsung C&T Lima S.A.C. | 100.0 |
| Samsung C&T Corporation | Samsung C&T Deutschland GmbH | 100.0 |
| Samsung C&T Corporation | Samsung C&T U.K. Ltd. | 100.0 |
| Samsung C&T Corporation | Samsung C&T ECUK Limited | 100.0 |
| Samsung C&T Corporation | Whessoe engineering Limited | 100.0 |
| Samsung C&T Corporation | POSS-SLPC, S.R.O | 50.0 |
| Samsung C&T Corporation | Solluce Romania 1 B.V. | 80.0 |
| Samsung C&T Corporation | SAM investment Manzanilo.B.V | 53.3 |
| Samsung C&T Corporation | Samsung C&T (KL) Sdn.,Bhd. | 100.0 |
| Samsung C&T Corporation | Samsung C&T Malaysia SDN. BHD | 100.0 |
| Samsung C&T Corporation | Erdsam Co., Ltd. | 100.0 |
| Samsung C&T Corporation | Samsung Chemtech Vina LLC | 51.7 |
| Samsung C&T Corporation | Samsung C&T Thailand Co., Ltd | 93.0 |
| Samsung C&T Corporation | PT. INSAM BATUBARA ENERGY | 90.0 |
| Samsung C&T Corporation | Samsung E&C India Private Limited | 100.0 |
| Samsung C&T Corporation | Samsung C&T Corporation India Private Limited | 100.0 |
| Samsung C&T Corporation | Malaysia Samsung Steel Center Sdn.Bhd | 70.0 |
| Samsung C&T Corporation | Samsung C&T Singapore Pte., Ltd. | 100.0 |
| Samsung C&T Corporation | S&G Biofuel PTE.LTD | 50.5 |
| Samsung C&T Corporation | SAMSUNG C&T Mongolia LLC. | 70.0 |
| Samsung C&T Corporation | Samsung C&T Eng.&Const. Mongolia LLC. | 100.0 |

| Investor | Investee | Ownership |
|---|---|-----------|
| Samsung C&T Corporation | S&WOO CONSTRUCTION PHILIPPINES,INC. | 100.0 |
| Samsung C&T Corporation | VSSC STEEL CENTER LIMITED LIABILITY COMPANY | 85.0 |
| Samsung C&T Corporation | Samsung C&T Hongkong Ltd. | 100.0 |
| Samsung C&T Corporation | Samsung C&T Taiwan Co., Ltd. | 100.0 |
| Samsung C&T Corporation | Samsung Precision Stainless Steel(pinghu) Co.,Ltd. | 55.0 |
| Samsung C&T Corporation | SAMSUNG C&T (SHANGHAI) CO., LTD. | 100.0 |
| Samsung C&T Corporation | Samsung C&T (Xi'an) Co., Ltd. | 100.0 |
| Samsung C&T Corporation | WARIS GIGIH ENGINEERING AND TECHNOLOGY SDN. BHD. | 30.0 |
| Samsung C&T Corporation | SAMSUNG C&T CORPORATION SAUDI ARABIA | 100.0 |
| Samsung C&T Corporation | SAM Gulf Investment Limited | 100.0 |
| Samsung C&T Corporation | Samsung C&T Chile Copper SpA | 100.0 |
| Samsung C&T Corporation | SCNT Power Kelar Inversiones Limitada | 100.0 |
| Samsung C&T Corporation | Samsung C&T Corporation Rus LLC | 100.0 |
| Samsung C&T Corporation | Samsung SDI America, Inc. | 8.3 |
| Samsung C&T Corporation | Samsung SDI(Hong Kong) Ltd. | 2.4 |
| Samsung C&T Corporation | Beijing Samsung Real Estate Co.. Ltd | 10.0 |
| Samsung C&T Corporation | Cheil Industries Corp., USA | 100.0 |
| Samsung C&T Corporation | CHEIL INDUSTRIES ITALY SRL | 100.0 |
| Samsung C&T Corporation | Samsung Fashion Trading Co. ,Ltd | 100.0 |
| Samsung C&T Corporation | SAMSUNG C&T CORPORATION VIETNAM CO., LTD | 100.0 |
| Samsung C&T Corporation | Samsung C&T Corporation UEM Construction JV Sdn Bhd | 60.0 |
| Samsung C&T Corporation | iMarket Asia Co., Ltd. | 19.3 |
| Samsung Welstory | WELSTORY VIETNAM COMPANY LIMITED | 100.0 |
| Samsung Welstory | Shanghai Ever-Hongjun Business Mgt Service Co.,LTD | 85.0 |
| Samsung Welstory | Shanghai Welstory Food Company Limited | 81.6 |
| MULTICAMPUS | LANGUAGE TESTING INTERNATIONAL, INC. | 82.4 |
| Pengtai Greater China Company Limited | PENGTAI CHINA CO.,LTD. | 100.0 |
| Pengtai Greater China Company Limited | PengTai Taiwan Co., Ltd. | 100.0 |
| PENGTAI CHINA CO.,LTD. | PENGTAI E-COMMERCE CO.,LTD | 100.0 |
| PENGTAI CHINA CO.,LTD. | PENGTAI MARKETING SERVICE CO.,LTD. | 100.0 |
| PENGTAI INTERACTIVE ADVERTISING CO.,LTD | Medialytics Inc. | 100.0 |
| PENGTAI INTERACTIVE ADVERTISING CO.,LTD | Beijing Pengtai Baozun E-commerce Co., Ltd. | 51.0 |
| iMarket Asia Co., Ltd. | iMarket China Co., Ltd. | 80.0 |
| Samsung Securities | Samsung Securities (America), Inc. | 100.0 |
| Samsung Securities | Samsung Securities (Europe) Limited. | 100.0 |
| Samsung Securities | Samsung Securities (Asia) Limited. | 100.0 |
| Samsung SDS | iMarket Asia Co., Ltd. | 40.6 |
| Samsung SDS | Samsung SDS Global SCL America, Inc. | 100.0 |
| Samsung SDS | SAMSUNG SDS GSCL Canada., Ltd. | 100.0 |
| Samsung SDS | Samsung SDS America, Inc. | 100.0 |
| Samsung SDS | Neo EXpress Transportation (NEXT), Inc. | 51.0 |
| Samsung SDS | Samsung SDS Europe, Ltd. | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Hungary, Kft. | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Slovakia, S.R.O. | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Poland Sp. Z.o.o. | 100.0 |
| Samsung SDS | Samsung GSCL Sweden AB | 100.0 |
| Samsung SDS | Samsung SDS Global SCL France SAS | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Greece Societe Anonyme | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Baltics, SIA | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Italy S.R.L. A Socio Unico | 100.0 |
| Samsung SDS | Samsung SDS Global Supply Chain Logistics Spain S.L.U | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Netherlands Cooperatief U.A. | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Germany GmbH | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Austria GmbH | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Romania S.R.L | 100.0 |

| Investor | Investee | Ownership |
|---|---|-----------|
| Samsung SDS | Samsung SDS Asia Pacific Pte, Ltd. | 100.0 |
| Samsung SDS | Samsung Data Systems India Private Limited | 100.0 |
| Samsung SDS | Samsung SDS India Private Limited | 100.0 |
| Samsung SDS | VASCO Supply Chain Solutions Private Limited | 51.0 |
| Samsung SDS | Samsung SDS Vietnam Co., Ltd. | 100.0 |
| Samsung SDS | PT. Samsung SDS Global SCL Indonesia | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Philippines Co., Ltd.Inc. | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Thailand Co.,Ltd | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Malaysia SDN.BHD. | 100.0 |
| Samsung SDS | SAMSUNG SDS Global SCL Australia Pty.,Ltd. | 100.0 |
| Samsung SDS | SDS-ACUTECH CO., Ltd. | 50.0 |
| Samsung SDS | ALS SDS Joint Stock Company | 51.0 |
| Samsung SDS | SDS-MP Logistics Joint Stock Company | 51.0 |
| Samsung SDS | Samsung SDS China Co., Ltd. | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Hong Kong Co., Ltd. | 100.0 |
| Samsung SDS | SAMSUNG SDS Global SCL Egypt | 100.0 |
| Samsung SDS | Samsung SDS Global SCL South Africa (PTY) Ltd. | 100.0 |
| Samsung SDS | Samsung SDS Global SCL Nakliyat ve Lojistik Anonim Sirketi | 100.0 |
| Samsung SDS | Samsung SDS Global Supply Chain Logistics Middle East DWC-LLC | 100.0 |
| Samsung SDS | Samsung SDS Latin America Solucoes Em Tecnologia Ltda. | 99.7 |
| Samsung SDS | SAMSUNG SDS Glogal SCL Latin America Logistica Ltda | 99.7 |
| Samsung SDS | INTE-SDS Logistics S.A. de C.V. | 51.0 |
| Samsung SDS | Samsung SDS Global SCL Rus Limited Liability Company | 100.0 |
| Miracom | MIRACOM INC ASIA PACIFIC LIMITED | 100.0 |
| Samsung SDS Global SCL America, Inc. | Samsung SDS Latin America Solucoes Em Tecnologia Ltda. | 0.3 |
| Samsung SDS Global SCL America, Inc. | Samsung SDS Mexico, S.A. DE C.V. | 99.0 |
| Samsung SDS Global SCL America, Inc. | Samsung SDS Global SCL Panama S. A. | 100.0 |
| Samsung SDS Global SCL America, Inc. | Samsung SDS Global SCL Chile Limitada | 100.0 |
| Samsung SDS Global SCL America, Inc. | Samsung SDS Global SCL Peru S.A.C. | 100.0 |
| Samsung SDS Global SCL America, Inc. | Samsung SDS Global SCL Colombia S.A.S. | 100.0 |
| Samsung SDS Global SCL America, Inc. | SAMSUNG SDS Glogal SCL Latin America Logistica Ltda | 0.3 |
| Samsung SDS Europe, Ltd. | SAMSUNG SDS Global SCL Netherlands Cooperatief U.A. | 0.0 |
| Samsung SDS Global SCL Netherlands Cooperatief U.A. | Samsung SDS Global SCL Poland Sp. Z.o.o. | 0.0 |
| Samsung SDS Global SCL Netherlands Cooperatief U.A. | Samsung SDS Global SCL Greece Societe Anonyme | 0.0 |
| Samsung SDS Global SCL Netherlands Cooperatief U.A. | Samsung SDS Global SCL Romania S.R.L | 0.0 |
| Samsung SDS Global SCL Netherlands Cooperatief U.A. | Samsung SDS Global SCL Rus Limited Liability Company | 0.0 |
| Samsung SDS China Co., Ltd. | Samsung SDS Global Development Center Xi'an | 100.0 |
| Samsung SDS China Co., Ltd. | Samsung SDS Global SCL Beijing Co., Ltd | 100.0 |
| Samsung Engineering | Samsung Engineering America Inc. | 100.0 |
| Samsung Engineering | Samsung Engineering Hungary Ltd. | 100.0 |
| Samsung Engineering | Samsung Engineering Italy S.R.L. | 100.0 |
| Samsung Engineering | Samsung Engineering (Malaysia) SDN. BHD. | 100.0 |
| Samsung Engineering | PT Samsung Engineering Indonesia Co., Ltd. | 100.0 |
| Samsung Engineering | Samsung Engineering (Thailand) Co., Ltd. | 81.0 |
| Samsung Engineering | Samsung Engineering India Private Limited | 100.0 |
| Samsung Engineering | Samsung Engineering Vietnam Co., Ltd. | 100.0 |
| Samsung Engineering | Samsung Engineering Construction(Shanghai) Co., Ltd | 100.0 |
| Samsung Engineering | Samsung Engineering Construction Xi' an Co., Ltd. | 100.0 |
| Samsung Engineering | Samsung Saudi Arabia Co., Ltd. | 100.0 |
| Samsung Engineering | Muharraq Wastewater Services Company W.L.L. | 99.8 |
| Samsung Engineering | Muharraq STP Company B.S.C. | 6.6 |
| Samsung Engineering | Muharraq Holding Company 1 Ltd. | 65.0 |

| Investor | Investee | Ownership |
|---|---|-----------|
| Samsung Engineering | Samsung Ingenieria Mexico Construccion Y Operacion S.A. De C.V. | 99.9 |
| Samsung Engineering | Samsung Engineering Trinidad Co., Ltd. | 100.0 |
| Samsung Engineering | Samsung Ingenieria Manzanillo, S.A. De C.V. | 99.9 |
| Samsung Engineering | Grupo Samsung Ingenieria Mexico, S.A. De C.V. | 100.0 |
| Samsung Engineering | Samsung Ingenieria Energia S.A. De C.V. | 100.0 |
| Samsung Engineering | Samsung Engineering Bolivia S.A | 100.0 |
| Samsung Engineering | Samsung Ingenieria DUBA S.A. de C.V. | 100.0 |
| Samsung Engineering | Samsung Engineering Kazakhstan L.L.P. | 100.0 |
| Samsung Engineering America Inc. | SEA Construction, LLC | 100.0 |
| Samsung Engineering America Inc. | SEA Louisiana Construction, L.L.C. | 100.0 |
| Samsung Engineering (Malaysia) SDN. BHD. | Muharraq Wastewater Services Company W.L.L. | 0.3 |
| Samsung Engineering India Private Limited | Samsung Saudi Arabia Co., Ltd. | 0.0 |
| Samsung Saudi Arabia Co., Ltd. | Samsung EPC Company Ltd. | 75.0 |
| Muharraq Holding Company 1 Ltd. | Muharraq Holding Company 2 Ltd. | 100.0 |
| Muharraq Holding Company 2 Ltd. | Muharraq STP Company B.S.C. | 89.9 |
| Samsung Ingenieria Manzanillo, S.A. De C.V. | Asociados Constructores DBNR, S.A. de C.V. | 49.0 |
| S1 Corporation | S-1 CORPORATION HUNGARY LLC | 100.0 |
| S1 Corporation | S-1 CORPORATION VIETNAM CO., LTD | 100.0 |
| S1 Corporation | Samsung Beijing Security Systems | 100.0 |
| Cheil Worldwide | PENGTAI INTERACTIVE ADVERTISING CO.,LTD | 100.0 |
| Cheil Worldwide | Cheil USA Inc. | 100.0 |
| Cheil Worldwide | Cheil Central America Inc. | 100.0 |
| Cheil Worldwide | Iris Worldwide Holdings Limited | 100.0 |
| Cheil Worldwide | CHEIL EUROPE LIMITED | 100.0 |
| Cheil Worldwide | Cheil Germany GmbH | 100.0 |
| Cheil Worldwide | Cheil France SAS | 100.0 |
| Cheil Worldwide | CHEIL SPAIN S.L | 100.0 |
| Cheil Worldwide | Cheil Benelux B.V. | 100.0 |
| Cheil Worldwide | Cheil Nordic AB | 100.0 |
| Cheil Worldwide | Cheil India Private Limited | 100.0 |
| Cheil Worldwide | Cheil (Thailand) Ltd. | 100.0 |
| Cheil Worldwide | Cheil Singapore Pte. Ltd. | 100.0 |
| Cheil Worldwide | CHEIL VIETNAM COMPANY LIMITED | 99.0 |
| Cheil Worldwide | Cheil Integrated Marketing Philippines, Inc. | 100.0 |
| Cheil Worldwide | CHEIL MALAYSIA SDN. BHD. | 100.0 |
| Cheil Worldwide | Cheil New Zealand Limited | 100.0 |
| Cheil Worldwide | CHEIL CHINA | 100.0 |
| Cheil Worldwide | Cheil Hong Kong Ltd. | 100.0 |
| Cheil Worldwide | Caishu (Shanghai) Business Consulting Co., Ltd | 100.0 |
| Cheil Worldwide | Cheil MEA FZ-LLC | 100.0 |
| Cheil Worldwide | Cheil South Africa (Pty) Ltd | 100.0 |
| Cheil Worldwide | CHEIL KENYA LIMITED | 99.0 |
| Cheil Worldwide | Cheil Communications Nigeria Ltd. | 99.0 |
| Cheil Worldwide | Cheil Worldwide Inc./Jordan LLC. | 100.0 |
| Cheil Worldwide | Cheil Ghana Limited | 100.0 |
| Cheil Worldwide | Cheil Egypt LLC | 99.9 |
| Cheil Worldwide | Cheil Brasil Comunicacoes Ltda. | 100.0 |
| Cheil Worldwide | Cheil Mexico, S.A. de C.V. | 98.0 |
| Cheil Worldwide | Cheil Chile SpA. | 100.0 |
| Cheil Worldwide | Cheil Peru S.A.C. | 100.0 |
| Cheil Worldwide | CHEIL ARGENTINA S.A. | 98.0 |
| Cheil Worldwide | Cheil Rus LLC | 100.0 |
| Cheil Worldwide | Cheil Ukraine LLC | 100.0 |
| Cheil Worldwide | Cheil Kazakhstan LLC | 100.0 |
| Hotel Shilla | Samsung Hospitality America Inc. | 100.0 |

| Investor | Investee | Ownership |
|---------------------------------|---|-----------|
| Hotel Shilla | Shilla Travel Retail Pte. Ltd. | 100.0 |
| Hotel Shilla | Samsung Shilla Business Service Beijing Co., Ltd. | 100.0 |
| Hotel Shilla | Shilla Travel Retail Hong Kong Limited | 100.0 |
| Hotel Shilla | Shilla Travel Retail Taiwan Limited | 64.0 |
| HDC Shilla Duty Free LTD | HDC SHILLA (SHANGHAI) CO., LTD | 100.0 |
| SBTM | Samsung Hospitality U.K. Inc. | 100.0 |
| SBTM | Samsung Hospitality Europe GmbH | 100.0 |
| SBTM | SAMSUNG HOSPITALITY ROMANIA SRL | 100.0 |
| SBTM | Samsung Hospitality Vietnam Co., Ltd. | 99.0 |
| SBTM | Samsung Hospitality Philippines Inc. | 100.0 |
| SBTM | Samsung Hospitality India Private Limited | 100.0 |
| Iris Americas, Inc. | Iris (USA) Inc. | 100.0 |
| Iris Americas, Inc. | Iris Atlanta, Inc. | 100.0 |
| Iris Americas, Inc. | Iris Experience, Inc. | 100.0 |
| Iris Americas, Inc. | Iris Latin America, Inc. | 100.0 |
| Iris Americas, Inc. | Iris Worldwide San Diego, Inc. | 100.0 |
| Iris Americas, Inc. | 89 Degrees, Inc. | 100.0 |
| Iris Latin America, Inc. | Irisnation Latina No.2, S. de R.L. de C.V. | 0.0 |
| Iris Latin America, Inc. | Irisnation Latina, S. de R.L. de C.V. | 0.0 |
| Iris Canada Holdings Ltd | Pricing Solutions Ltd | 100.0 |
| Cheil USA Inc. | The Barbarian Group LLC | 100.0 |
| Cheil USA Inc. | McKinney Ventures LLC | 100.0 |
| Cheil USA Inc. | Cheil India Private Limited | 0.0 |
| Cheil USA Inc. | Cheil Mexico, S.A. de C.V. | 2.0 |
| Iris Worldwide Holdings Limited | Iris Nation Worldwide Limited | 100.0 |
| Iris Nation Worldwide Limited | Iris Americas, Inc. | 100.0 |
| Iris Nation Worldwide Limited | Irisnation Latina No.2, S. de R.L. de C.V. | 100.0 |
| Iris Nation Worldwide Limited | Irisnation Latina, S. de R.L. de C.V. | 100.0 |
| Iris Nation Worldwide Limited | Iris Canada Holdings Ltd | 100.0 |
| Iris Nation Worldwide Limited | Iris London Limited | 100.0 |
| Iris Nation Worldwide Limited | Iris Promotional Marketing Ltd | 100.0 |
| Iris Nation Worldwide Limited | Iris Ventures 1 Limited | 98.6 |
| Iris Nation Worldwide Limited | Founded Partners Limited | 100.0 |
| Iris Nation Worldwide Limited | Iris Products (Worldwide) Limited | 100.0 |
| Iris Nation Worldwide Limited | Iris Korea Limited | 100.0 |
| Iris Nation Worldwide Limited | Iris Digital Limited | 100.0 |
| Iris Nation Worldwide Limited | Iris Amsterdam B.V. | 100.0 |
| Iris Nation Worldwide Limited | Datalytics Limited | 100.0 |
| Iris Nation Worldwide Limited | Iris Ventures (Worldwide) Limited | 100.0 |
| Iris Nation Worldwide Limited | Iris Culture Limited | 100.0 |
| Iris Nation Worldwide Limited | Concise Consultants Limited | 100.0 |
| Iris Nation Worldwide Limited | Atom42 Ltd | 100.0 |
| Iris Nation Worldwide Limited | WDMP Limited | 49.0 |
| Iris Nation Worldwide Limited | Pricing Solutions (UK) Limited | 100.0 |
| Iris Nation Worldwide Limited | Iris Services Limited Dooel Skopje | 100.0 |
| Iris Nation Worldwide Limited | Irisnation Singapore Pte. Ltd. | 100.0 |
| Iris Nation Worldwide Limited | Iris Worldwide Integrated Marketing Private Limited | 100.0 |
| Iris Nation Worldwide Limited | Iris Sydney PTY Ltd | 100.0 |
| Iris Nation Worldwide Limited | Iris Worldwide (Thailand) Limited | 100.0 |
| Iris Nation Worldwide Limited | Iris Beijing Advertising Company Limited | 100.0 |
| Iris London Limited | Iris Partners LLP | 100.0 |
| Iris Promotional Marketing Ltd | Holdings BR185 Limited | 100.0 |
| Iris Ventures 1 Limited | Iris Germany GmbH | 100.0 |
| Founded Partners Limited | Founded, Inc. | 100.0 |
| Iris Germany GmbH | Pepper NA, Inc. | 100.0 |

| Investor | Investee | Ownership |
|---|---|-----------|
| Iris Germany GmbH | Pepper Technologies Pte. Ltd. | 100.0 |
| CHEIL EUROPE LIMITED | Beattie McGuinness Bungay Limited | 100.0 |
| CHEIL EUROPE LIMITED | Cheil Italia S.r.l | 100.0 |
| Cheil Germany GmbH | Cheil Austria GmbH | 100.0 |
| Cheil Germany GmbH | Centrade Integrated SRL | 80.0 |
| Centrade Integrated SRL | Centrade Cheil HU Kft. | 100.0 |
| Centrade Integrated SRL | Centrade Cheil Adriatic D.O.O. | 100.0 |
| Cheil India Private Limited | Experience Commerce Software Private Limited | 100.0 |
| Cheil Singapore Pte. Ltd. | Pengtai Greater China Company Limited | 95.7 |
| Cheil Singapore Pte. Ltd. | PT. CHEIL WORLDWIDE INDONESIA | 100.0 |
| Cheil Integrated Marketing Philippines, Inc. | Cheil Philippines Inc. | 30.0 |
| Cheil Hong Kong Ltd. | Pengtai Greater China Company Limited | 3.1 |
| Samsung Shilla Business Service Beijing Co., Ltd. | Tianjin Samsung International Travel Service Co., Ltd | 100.0 |
| Shilla Travel Retail Hong Kong Limited | Shilla Retail Limited | 100.0 |
| Shilla Travel Retail Hong Kong Limited | Shilla Travel Retail Duty Free HK Limited | 100.0 |
| Cheil MEA FZ-LLC | One Agency FZ-LLC | 100.0 |
| Cheil MEA FZ-LLC | One RX Project Management Design and Production Limited Company | 0.0 |
| Cheil MEA FZ-LLC | Cheil Egypt LLC | 0.1 |
| Cheil South Africa (Pty) Ltd | CHEIL KENYA LIMITED | 1.0 |
| Cheil South Africa (Pty) Ltd | Cheil Communications Nigeria Ltd. | 1.0 |
| One Agency FZ-LLC | One RX India Private Limited | 100.0 |
| One Agency FZ-LLC | One RX Project Management Design and Production Limited Company | 100.0 |
| One Agency FZ-LLC | ONE RX INTERIOR DECORATION L.L.C | 100.0 |
| One Agency FZ-LLC | ONE AGENCY PRINTING L.L.C | 100.0 |
| One Agency FZ-LLC | One Agency South Africa (Pty) Ltd | 100.0 |
| ONE RX INTERIOR DECORATION L.L.C | One RX India Private Limited | 0.0 |
| Holdings BR185 Limited | Brazil 185 Participacoes Ltda | 100.0 |
| Brazil 185 Participacoes Ltda | Iris Router Marketing Ltda | 100.0 |
| Cheil Brasil Comunicacoes Ltda. | CHEIL ARGENTINA S.A. | 2.0 |

※ Percent of ownership as of June 30, 2021 based on common shares

C. Related statute & regulation

Restrictions on cross-holdings within Samsung Group in accordance with the Monopoly Regulation and Fair Trade Act

(1) Date of announcement by authorities of companies deemed Samsung Group companies for the current year:
May 1, 2021

(2) Summary of Regulation

- Restriction on cross-holdings
- Restriction on debt guarantee between affiliates
- Restriction on affiliate voting rights of financial & insurance companies
- Decision making of board committee and public disclosure of large-scale inter-affiliate transactions
- Public disclosure of important matters of unlisted companies
- Other public disclosures related to Group status

D. Concurrent position with other affiliates

[As of June 30, 2021]

| | | Concurrent position | | |
|------------------|--------------|------------------------------|-------------------------|----------------|
| Name | Position | Name of company | Position | Full/part time |
| Hark-kyu Park | President | Samsung Display | Non-Executive director | Part time |
| Yong-kwan Kim | Executive VP | Samsung Medison | Representative Director | Full time |
| Yeon-sung Kim | Senior VP | Samsung Electronics Sales | Auditor | Part time |
| | | Samsung Electronics Logitech | Auditor | Part time |
| | | Samsung Electronics Service | Auditor | Part time |
| Sung-won Son | Senior VP | Samsung Medison | Auditor | Part time |
| Khi-jae Cho | Senior VP | Samsung Display | Auditor | Part time |
| Sung-woo Shin | Senior VP | STECO | Auditor | Part time |
| Eung-joon Chi | VP | SEMES | Auditor | Part time |
| Han-jong Yoo | VP | SERI | Auditor | Part time |
| Myeong-cheol Kim | VP | SEMES | Non-Executive director | Part time |
| Doug-yong Sung | VP | SEMES | Non-Executive director | Part time |
| Hyung-joon Moon | VP | STECO | Non-Executive director | Part time |
| Sung-wuk Kang | VP | Samsung Venture Investment | Auditor | Part time |

E. Equity investments in other corporations

The total book value of equity investments in other corporations as of June 30, 2021 is KRW 57,917 billion (for the purpose of management participation, etc.)

(As of June 30, 2021)

(KRW Million)

| Investment Purpose | No. of investees | | | Invested amount | | | |
|--------------------------|------------------|----------|-------|-------------------|------------------------|----------------------|----------------|
| | Listed | Unlisted | Total | Beginning Balance | Increase(decrease) | | Ending Balance |
| | | | | | Acquisition (Disposal) | Valuation gain(loss) | |
| Management Participation | 19 | 80 | 99 | 58,020,727 | -202,651 | -17,799 | 57,800,277 |
| General Investment | - | - | - | - | - | - | - |
| Simple Investment | 3 | 40 | 43 | 109,571 | -89 | 7,314 | 116,796 |
| | 22 | 120 | 142 | 58,130,298 | -202,740 | -10,485 | 57,917,073 |

X. Transactions with affiliates and subsidiaries

1. Credit offerings for affiliates and subsidiaries

As of June 30, 2021, SEC provides a debt guarantee for financing of subsidiaries, including Samsung Electronics America, Inc. (SEA) and other subsidiaries as listed below.

(USD thousand)

| Company | Relationship | Creditor | Type | Purpose | Guarantee start date | Guarantee expiry date | Limit of Guarantee | | Transactions | | | Interest Rate (%) |
|---------|--------------|----------------------|-------------------|----------------|----------------------|-----------------------|---------------------|---------------|---------------------|-------------------|---------------|-------------------|
| | | | | | | | Beginning of period | End of period | Beginning of period | Increase/decrease | End of period | |
| SEA | Subsidiary | BOA etc. | Payment guarantee | Operating fund | Nov 09, 2020 | Jun 13, 2022 | 1,328,000 | 1,328,000 | - | - | - | |
| SEM | Subsidiary | BBVA etc. | Payment guarantee | Operating fund | Aug 20, 2020 | Jun 13, 2022 | 485,000 | 906,000 | - | - | - | |
| SAMCOL | Subsidiary | Citibank etc. | Payment guarantee | Operating fund | Nov 09, 2020 | Jun 13, 2022 | 310,000 | 310,000 | 117,109 | -117,109 | - | |
| SEDA | Subsidiary | BRADESCO etc. | Payment guarantee | Operating fund | Oct 26, 2020 | Dec 16, 2021 | 559,000 | 409,000 | - | - | - | |
| SECH | Subsidiary | Citibank etc. | Payment guarantee | Operating fund | Dec 17, 2020 | Jun 13, 2022 | 142,000 | 62,000 | - | - | - | |
| SEPR | Subsidiary | BBVA etc. | Payment guarantee | Operating fund | Dec 17, 2020 | Jun 13, 2022 | 230,000 | 150,000 | - | - | - | |
| SSA | Subsidiary | SCB etc. | Payment guarantee | Operating fund | Nov 09, 2020 | Jun 13, 2022 | 318,000 | 318,000 | - | - | - | |
| SEMAG | Subsidiary | SocGen etc. | Payment guarantee | Operating fund | Nov 09, 2020 | Dec 16, 2021 | 110,000 | 110,000 | - | - | - | |
| SETK | Subsidiary | BNP etc. | Payment guarantee | Operating fund | Nov 09, 2020 | Jun 13, 2022 | 837,000 | 837,000 | 169,280 | -66,190 | 103,090 | 14.8% |
| SETK-P | Subsidiary | BNP etc. | Payment guarantee | Operating fund | Mar 01, 2021 | Dec 16, 2021 | - | 100,000 | - | 3,436 | 3,436 | 19.2% |
| SECE | Subsidiary | Citibank etc. | Payment guarantee | Operating fund | Jul 19, 2020 | Dec 16, 2021 | 74,434 | 74,176 | - | - | - | |
| SEEG | Subsidiary | HSBC | Payment guarantee | Operating fund | Jun 14, 2021 | Jun 13, 2022 | 85,000 | 85,000 | - | - | - | |
| SEIN | Subsidiary | BNP etc. | Payment guarantee | Operating fund | Nov 09, 2020 | Jun 13, 2022 | 145,000 | 70,000 | - | - | - | |
| SJC | Subsidiary | Mizuho Bank etc. | Payment guarantee | Operating fund | Nov 09, 2020 | May 31, 2022 | 916,062 | 891,243 | - | - | - | |
| SEUC | Subsidiary | Credit Agricole etc. | Payment guarantee | Operating fund | Nov 09, 2020 | Jun 13, 2022 | 150,000 | 150,000 | - | - | - | |
| SEDAM | Subsidiary | Citibank etc. | Payment guarantee | Operating fund | Nov 09, 2020 | Jun 13, 2022 | 222,000 | 141,000 | - | - | - | |
| SECA | Subsidiary | BoA | Payment guarantee | Operating fund | Nov 09, 2020 | Nov 08, 2021 | 70,000 | 70,000 | - | - | - | |
| SELA | Subsidiary | Citibank | Payment guarantee | Operating fund | Dec 17, 2020 | Dec 16, 2021 | 120,000 | 120,000 | - | - | - | |
| SEEH | Subsidiary | HSBC etc. | Payment guarantee | Operating fund | Sep 06, 2020 | Jun 13, 2022 | 653,000 | 712,400 | - | - | - | |
| SERK | Subsidiary | SocGen etc. | Payment guarantee | Operating fund | Jul 13, 2020 | Jun 13, 2022 | 269,800 | 289,800 | - | - | - | |
| SELV | Subsidiary | Citibank | Payment guarantee | Operating fund | Dec 17, 2020 | Dec 16, 2021 | 10,000 | 10,000 | - | - | - | |
| SEIL | Subsidiary | Citibank | Payment guarantee | Operating fund | Jan 01, 2021 | Dec 16, 2021 | - | 15,600 | - | 10,445 | 10,445 | 1.4% |
| SAPL | Subsidiary | BOA etc. | Payment guarantee | Operating fund | Nov 09, 2020 | Jun 13, 2022 | 395,000 | 345,000 | - | - | - | |
| SEV | Subsidiary | SCB | Payment guarantee | Operating fund | Nov 09, 2020 | Feb 28, 2021 | 15,000 | - | - | - | - | |
| SAVINA | Subsidiary | HSBC | Payment guarantee | Operating fund | Jun 14, 2021 | Jun 13, 2022 | 71,000 | 51,000 | - | - | - | |
| SET | Subsidiary | SCB | Payment guarantee | Operating fund | Nov 09, 2020 | Feb 28, 2021 | 30,000 | - | - | - | - | |
| SCIC | Subsidiary | HSBC etc. | Payment guarantee | Operating fund | Nov 09, 2020 | Jun 13, 2022 | 300,000 | 300,000 | - | - | - | |
| SME | Subsidiary | SCB | Payment guarantee | Operating fund | Nov 09, 2020 | Nov 08, 2021 | 110,000 | 110,000 | - | - | - | |
| SAMEX | Subsidiary | Citibank | Payment guarantee | Operating fund | Dec 17, 2020 | Dec 16, 2021 | 5,000 | 5,000 | - | - | - | |
| SEASA | Subsidiary | Citibank | Payment guarantee | Operating fund | Dec 17, 2020 | Dec 16, 2021 | 2,000 | 2,000 | - | - | - | |
| SSAP | Subsidiary | SCB | Payment guarantee | Operating fund | Nov 09, 2020 | Nov 08, 2021 | 30,000 | 35,000 | - | - | - | |
| SEPM | Subsidiary | HSBC | Payment guarantee | Operating fund | Jun 14, 2021 | Jun 13, 2022 | 35,000 | 35,000 | - | - | - | |
| SESAR | Subsidiary | HSBC | Payment guarantee | Operating fund | Jun 14, 2021 | Jun 13, 2022 | 50,000 | 50,000 | - | - | - | |

| | | | | | | | | | | | |
|---|------------|-----------|-------------------|----------------|--------------|--------------|-----------|-----------|---------|----------|---------|
| AdGear Technologies Inc. | Subsidiary | BOA | Payment guarantee | Operating fund | Nov 09, 2020 | Nov 08, 2021 | 2,000 | 2,000 | - | - | - |
| Harman International Industries, Inc. | Subsidiary | JP Morgan | Payment guarantee | Operating fund | Jun 14, 2021 | Jun 13, 2022 | 100,000 | 100,000 | - | - | - |
| Harman International Japan Co., Ltd. | Subsidiary | MUFG | Payment guarantee | Operating fund | Nov 09, 2020 | Nov 08, 2021 | 25,000 | 25,000 | - | - | - |
| Harman RUS CIS LLC | Subsidiary | SocGen | Payment guarantee | Operating fund | Nov 09, 2020 | Nov 08, 2021 | 15,000 | 15,000 | - | - | - |
| Harman Holding Limited | Subsidiary | HSBC | Payment guarantee | Operating fund | Jun 14, 2021 | Jun 13, 2022 | 30,000 | 30,000 | - | - | - |
| Harman do Brasil Industria Eletronica e Participacoes Ltda. | Subsidiary | SocGen | Payment guarantee | Operating fund | Nov 09, 2020 | Nov 08, 2021 | 15,000 | 15,000 | - | - | - |
| Harman da Amazonia Industria Eletronica e Participacoes Ltda. | | | | | | | | | | | |
| Total | | | | | | | 8,264,296 | 8,279,219 | 286,389 | -169,418 | 116,971 |

Separate basis.

See 『1. Subsidiaries subject to consolidated financial statements (detailed)』 in 『XII. Appendix』 for names of subsidiaries.

The approval decision is resolved by the Management Committee when the guarantee amount per transaction is between 0.1% and/or less than 2.5%, and by the Board of Directors when the guarantee amount per transaction is 2.5% and above.

SEC receives fees on the debt it guarantees depending on the maturity date of each debt guarantee, general loan interest rate, etc.

The Company claimed approximately USD 345 thousand in guarantee fees in 2020 and has received the total amount in 2021.

2. Acquisitions and disposals of assets with affiliates and subsidiaries

In 1H21, the Company sold assets to affiliates, including Samsung China Semiconductor LLC. (SCS), to increase production capacity of such affiliates. Also, the Company acquired assets including facility equipment from affiliates to improve efficiency of domestic production.

(KRW mil)

| Company | Relationship | Transaction type | Transaction date ¹⁾ | Asset | Purpose of transaction | Amount ²⁾ | Gain or loss on disposal |
|-----------------|--------------|---------------------|--------------------------------|-----------------|--|----------------------|--------------------------|
| SCS | Affiliates | Asset sale/purchase | Jun 11, 2021 | Machinery, etc. | Enhance capacity and production efficiency | 174,525 | 106,552 |
| SESS | Affiliates | Asset sale/purchase | Jun 12, 2021 | Machinery, etc. | Enhance capacity and production efficiency | 12,882 | 147 |
| SAS | Affiliates | Asset sale | Jun 15, 2021 | Machinery, etc. | Enhance capacity and production efficiency | 7,864 | 730 |
| SIEL | Affiliates | Asset sale/purchase | Jun 14, 2021 | Machinery, etc. | Enhance capacity and production efficiency | 2,609 | 356 |
| Samsung Bioepis | Affiliates | Asset sale | May 13, 2021 | Machinery, etc. | Enhance capacity and production efficiency | 2,371 | 51 |
| SEHC | Affiliates | Asset sale | Jun 09, 2021 | Machinery, etc. | Enhance capacity and production efficiency | 2,152 | 34 |
| SEVT | Affiliates | Asset sale/purchase | May 24, 2021 | Machinery, etc. | Enhance capacity and production efficiency | 755 | 208 |
| SEV | Affiliates | Asset sale/purchase | Mar 08, 2021 | Machinery, etc. | Enhance capacity and production efficiency | 466 | 17 |
| Samsung SDI | Affiliates | Asset sale | Apr 30, 2021 | Machinery, etc. | Enhance capacity and production efficiency | 269 | 181 |
| SEIN | Affiliates | Asset purchase | Jan 11, 2021 | Machinery, etc. | Enhance capacity and production efficiency | 162 | - |
| TSEC | Affiliates | Asset purchase | Mar 24, 2021 | Machinery, etc. | Enhance capacity and production efficiency | 102 | - |

Separate basis; acquisitions and disposals of assets listed above are not subject to a resolution of the Board.

See 『1. Subsidiaries subject to consolidated financial statements (detailed)』 in 『XII. Appendix』 for names of subsidiaries.

1) Most recent transaction.

2) Properly calculated by an appropriate method based upon market value assessment. Transaction was made under normal conditions (eg, terms of cash payment within the 15th, 30th of the following month of transaction).

3. Business Transactions with Affiliates and Subsidiaries

In 1H21, the Company had transactions such as sales and purchases with affiliates, including Samsung Electronics America, Inc. (SEA).

(KRW mil)

| Company | Relationship | Type of transaction | Date | Details | Amount |
|---------|--------------|------------------------|--------------|--------------------------|------------|
| SEA | Affiliates | Sales, purchases, etc. | Jan–Jun 2021 | HHPs and home appliances | 14,244,923 |
| SSI | Affiliates | Sales, purchases, etc. | Jan–Jun 2021 | Semiconductors | 12,856,235 |
| SSS | Affiliates | Sales, purchases, etc. | Jan–Jun 2021 | Semiconductors | 12,610,075 |
| SEVT | Affiliates | Sales, purchases, etc. | Jan–Jun 2021 | HHPs | 11,834,131 |
| SEV | Affiliates | Sales, purchases, etc. | Jan–Jun 2021 | HHPs | 8,374,272 |

Separate basis; Transactions worth 5% and above of revenue of the current business year are subject to public disclosure
See 『1. Subsidiaries subject to consolidated financial statements (detailed)』 in 『XII. Appendix』 for names of subsidiaries.

4. Transactions with Stakeholders other than Affiliates and Subsidiaries

As of June 30, 2021, the Company's outstanding loan amount is KRW 116.7 billion related to support for supplier companies for product competitiveness and mutual development as well as home loan and educational expenses for employee welfare.

(KRW mil)

| Company | Relationship | Loans | | | |
|----------------------------|---------------------------------|------------------|--------------------------------------|--------|---------------------------------|
| | | Account title | Transaction | | |
| | | | Beginning of period (Jan 1, 2021) | Change | End of period (Jun 30, 2021) |
| Elentec Co., Ltd., etc. | Partner company and employee | Short-term loans | 32,818 | 9,833 | 42,651 |
| Bumjin I&D, etc. | Partner company and employee | Long-term loans | 81,283 | -7,277 | 74,006 |
| Total | | | 114,101 | 2,556 | 116,657 |

Separate basis; amounts reflect the discounted present value of debts before accounting for impaired debts (impairment losses).

XI. Other information

1. Changes in public disclosure

- N/A

2. Contingent liabilities

A. Litigation

The Company is involved in various claims, disputes, and investigations conducted by regulatory bodies, which arose during the normal course of business with numerous entities. Although the outflow of resources and timing of these matters are uncertain, as of the reporting date, the Company believes the outcome will not have a material impact on the financial position of the Company.

B. Guarantees

- Domestic: Not applicable
- Overseas:

(USD thousand)

| Company | Relationship | Creditor | Guarantee | Transactions | | | | Limit of guarantee |
|---------------------------------------|--------------|----------------------|-------------|---------------------|----------|----------|---------------|--------------------|
| | | | Expiry date | Beginning of period | Increase | Decrease | End of period | |
| SEA | Subsidiary | BOA etc. | 13-Jun-22 | - | - | - | - | 1,328,000 |
| SEM | Subsidiary | BBVA etc. | 13-Jun-22 | - | - | - | - | 906,000 |
| SAMCOL | Subsidiary | Citibank etc. | 13-Jun-22 | 117,109 | - | -117,109 | - | 310,000 |
| SEDA | Subsidiary | BRADESCO etc. | 16-Dec-21 | - | - | - | - | 409,000 |
| SECH | Subsidiary | Citibank etc. | 13-Jun-22 | - | - | - | - | 62,000 |
| SEPR | Subsidiary | BBVA etc. | 13-Jun-22 | - | - | - | - | 150,000 |
| SSA | Subsidiary | SCB etc. | 13-Jun-22 | - | - | - | - | 318,000 |
| SEMAG | Subsidiary | SocGen etc. | 16-Dec-21 | - | - | - | - | 110,000 |
| SETK | Subsidiary | BNP etc. | 13-Jun-22 | 169,280 | - | -66,190 | 103,090 | 837,000 |
| SETK-P | Subsidiary | BNP etc. | 16-Dec-21 | - | 3,436 | - | 3,436 | 100,000 |
| SECE | Subsidiary | Citibank etc. | 16-Dec-21 | - | - | - | - | 74,176 |
| SEEG | Subsidiary | HSBC | 13-Jun-22 | - | - | - | - | 85,000 |
| SEIN | Subsidiary | BNP etc. | 13-Jun-22 | - | - | - | - | 70,000 |
| SJC | Subsidiary | Mizuho Bank etc. | 31-May-22 | - | - | - | - | 891,243 |
| SEUC | Subsidiary | Credit Agricole etc. | 13-Jun-22 | - | - | - | - | 150,000 |
| SEDAM | Subsidiary | Citibank etc. | 13-Jun-22 | - | - | - | - | 141,000 |
| SECA | Subsidiary | BoA | 08-Nov-21 | - | - | - | - | 70,000 |
| SELA | Subsidiary | Citibank | 16-Dec-21 | - | - | - | - | 120,000 |
| SEEH | Subsidiary | HSBC etc. | 13-Jun-22 | - | - | - | - | 712,400 |
| SERK | Subsidiary | SOCGEN etc. | 13-Jun-22 | - | - | - | - | 289,800 |
| SELV | Subsidiary | Citibank | 16-Dec-21 | - | - | - | - | 10,000 |
| SEIL | Subsidiary | Citibank | 16-Dec-21 | - | 10,445 | - | 10,445 | 15,600 |
| SAPL | Subsidiary | BOA etc. | 13-Jun-22 | - | - | - | - | 345,000 |
| SAVINA | Subsidiary | HSBC | 13-Jun-22 | - | - | - | - | 51,000 |
| SCIC | Subsidiary | HSBC etc. | 13-Jun-22 | - | - | - | - | 300,000 |
| SME | Subsidiary | SCB | 08-Nov-21 | - | - | - | - | 110,000 |
| SAMEX | Subsidiary | Citibank | 16-Dec-21 | - | - | - | - | 5,000 |
| SEASA | Subsidiary | Citibank | 16-Dec-21 | - | - | - | - | 2,000 |
| SSAP | Subsidiary | SCB | 08-Nov-21 | - | - | - | - | 35,000 |
| SEPM | Subsidiary | HSBC | 13-Jun-22 | - | - | - | - | 35,000 |
| SESAR | Subsidiary | HSBC | 13-Jun-22 | - | - | - | - | 50,000 |
| AdGear Technologies Inc. | Subsidiary | BOA | 08-Nov-21 | - | - | - | - | 2,000 |
| Harman International Industries, Inc. | Subsidiary | JP Morgan | 13-Jun-22 | - | - | - | - | 100,000 |
| Harman International Japan Co., Ltd. | Subsidiary | MUFG | 08-Nov-21 | - | - | - | - | 25,000 |

| Company | Relationship | Creditor | Guarantee | Transactions | | | | Limit of guarantee |
|---|--------------|----------------|-------------|---------------------|----------|----------|---------------|--------------------|
| | | | Expiry date | Beginning of period | Increase | Decrease | End of period | |
| Harman RUS CIS LLC | Subsidiary | SocGen | 08-Nov-21 | - | - | - | - | 15,000 |
| Harman Holding Limited | Subsidiary | HSBC | 13-Jun-22 | - | - | - | - | 30,000 |
| Harman do Brasil Industria Eletronica e Participacoes Ltda. | Subsidiary | SocGen | 08-Nov-21 | - | - | - | - | 15,000 |
| Harman da Amazonia Industria Eletronica e Participacoes Ltda. | | | | | | | | |
| Harman Finance International, SCA | Subsidiary | JP Morgan etc. | 27-May-22 | 430,499 | - | -14,085 | 416,414 | 416,414 |
| SDN | Subsidiary | SIEL | 17-Feb-23 | 273,243 | 197,820 | - | 471,063 | 471,063 |
| Total | | | | 990,131 | 211,701 | -197,384 | 1,004,448 | 9,166,696 |

※ Information above are prepared in consolidated basis. Debt guarantees for Harman Finance International, SCA, and SDN are provided by Harman International Industries, Inc. and Samsung Display Co., Ltd., respectively.

※ SEC requires Board approval for individual guarantees exceeding 2.5% of total equity. When the guarantee amount is between 0.1% and/or less than 2.5%, the approval decision is delegated to the Management Committee. Samsung Display Co., Ltd requires Board approval for individual guarantees over KRW 10,000 million.

※ SEC claims fees on the debt guarantees depending on the maturity date of each debt guarantee, general loan interest rate, etc. In 2020, the Company claimed approximately USD 345,000 as guarantee fee and, as of the reporting date, has collected the amount. In 2020, Samsung Display Co., Ltd. claimed approximately USD 69,000 as guarantee fee to SDN and, as of the reporting date, has collected the amount.

Refer to the notes to the consolidated financial statements for the information on contingent liabilities.

3. Sanctions and others

A. Sanctions of investigative and judicial agencies

[Summary]

(KRW mil)

| Date | Agency | Subject | Punishment or measure | Amount of monetary sanction | Amount of embezzlement/breach of trust | Relevant laws |
|---------------|---|--|-----------------------|-----------------------------|--|--|
| Apr 18, 2019. | Seoul Central District Court | Employees of SEC | Fine | 100 | - | Article 14 Paragraph 4 and Article 68 Subparagraph 4 of the Monopoly Regulation and Fair Trade Act |
| Dec 9, 2019 | Seoul Central District Court (Appeal in progress) | Employees of SEC | Imprisonment | - | - | Article 155 Paragraph 1, Article 31 Paragraph 1, and Article 30 of the Criminal Act |
| Feb 14, 2020 | Suwon District Court | SEC and employees of SEC | Fine | 12 | - | Articles 23, 24, 29, 67, 68, 70, 71, etc., of the former Occupational Safety and Health Act |
| Jan 25, 2021 | Seoul High Court (Retrial) | Employees of SEC | Imprisonment | - | Approximately 8,681 | Act on the Aggravated Punishment, etc. of Specific Economic Crimes |
| Feb 4, 2021 | Supreme Court of Korea | Employees of SEC | Imprisonment | - | - | Articles 90, 81, etc., of the Trade Union and Labor Relations Adjustment Act |
| | | Subsidiary and employees (Samsung Electronics Service) | Fine, Imprisonment | 50 | - | Articles 90, 81, etc., of the Trade Union and Labor Relations Adjustment Act, Article 10 of the Punishment of Tax Offenses Act |

The Fair Trade Commission on November 21, 2018, filed a complaint against Chairman Kun-hee Lee for omitting Samoo Architects & Engineers and Seoyoung Engineering from Samsung affiliates when submitting required materials in 2014 under Article 14 Paragraph 4 of the Monopoly Regulation and Fair Trade Act, and the prosecution filed a summary indictment.

Chairman Kun-hee Lee on April 18, 2019, was ordered to pay a fine of KRW 100 million by the Seoul Central District Court, and the fine was subsequently paid.

On December 9, 2019, the Seoul Central District Court ruled on allegations that an SEC executive ordered executives and employees of Samsung Biologics and Samsung Bioepis to hide or destroy evidence related to the alleged fraudulent accounting. For violating Article 30, Article 31 Paragraph 1, and Article 155 Paragraph 1 of the Criminal Act, prison sentences were handed down to Executive Vice President K (27 service years) of 1 year and 6 months; Executive Vice President L (31 service years) of 1 year and 6 months; Executive Vice President M (9 service years) of 2 years; Vice President N (16 service years) of 1 year and 6 months and a 3-year suspended sentence; Vice President O (10 service years) of 1 year and 6 months and a 3-year suspended sentence.

An appeal against the decision has been filed. The Company will check on future developments of the court proceedings and relevant matters.

On February 14, 2020, regarding matters related to a CO₂ leak accident at the Giheung plant on September 4, 2018, the Suwon District Court ordered the Company to pay a fine of KRW 7 million and Executive Vice President P (27 service years), the person in general charge of safety and health, to pay KRW 5 million for violating Article 23 (Safety Measures), Article 24 (Health Measures), and Article 29 (Safety and Health Measures in Contracting) of the former Occupational Safety and Health Act, and the fines were subsequently paid.

To prevent recurrences and comply with the relevant law, the Company has strengthened the capabilities of its employees and partner companies to guarantee safety and health.

Regarding matters related to the allegations of violation of the Act on the Aggravated Punishment, etc., of Specific Economic Crimes (embezzlement) by five of the Company's executives (Vice Chairman Jae-yong Lee, former Vice Chairman Gee-sung Choi, former President Choong-ki Chang, former President Sang-jin Park, and former Senior Vice President Seong-soo Hwang) in the case of an influence-peddling scandal involving South Korea's president, the Supreme Court of Korea on August 29, 2019 rejected part of a lower court's ruling and ordered a retrial to the Seoul High Court. On January 18, 2021 at the retrial, the Seoul High Court sentenced Vice Chairman Jae-yong Lee, former Vice Chairman Gee-sung Choi, and former President Choong-ki Chang each to 2 years and 6 months in prison. Former President Sang-jin Park and former Senior Vice President Seong-soo Hwang each received sentences of 2 years and 6 months in prison and a 4-year suspended sentence. The judgements were confirmed on January 25, 2021.

To prevent recurrences, the Company has strengthened its process regarding external contributions newly established the Samsung Compliance Committee, an external and independent organization.

On February 4, 2021, the Supreme Court dismissed an appeal regarding the violation of Articles 90 and 81 of the Trade Union and Labor Relations Adjustment Act by SEC and employees of SEC and confirmed the sentences of 1 year and 4 months for Executive Vice President A (29 service years), 1 year and 2 months and a 2-year suspended sentence for former Executive Vice President B, 10 months and a 2-year suspended sentence for Executive Vice President C (34 service years), 1 year and a 2-year suspended sentence for former Executive Vice President D, 1 year for Senior Vice President E (32 service years), 1 year and 2 months and a 2-year suspended sentence for Senior Vice President F (24 service years), 10 months and a 2-year suspended sentence for Vice President G (27 service years), 10 months and a 2-year suspended sentence for Vice President H (18 service years) as ordered by the Seoul High Court on August 10, 2020; and SEC and former SEC Chairman of the Board (39 service years) were pronounced not guilty. Moreover, regarding the violation of Articles 90 and 81 of the Trade Union and Labor Relations Adjustment Act and violation of Article 10 of the Punishment of Tax Offenses Act with regard to receiving fake tax invoices (amount of violation approximately KRW 1,678 million) by Samsung Electronics Service and employees, the court issued a penalty of KRW 50 million for Samsung Electronics Service (amount of tax collected is approximately KRW 97 million), and confirmed sentencing of prison terms for Samsung Electronics Service's former CEO (4 service years) of 1 year and 4 months, Senior Vice President I (11 service years) of 1 year, Vice President J (21 service years) of 10 months and a 2-year suspended.

To prevent recurrence, the Company has specified the guarantee of labor's three primary rights in the code of conduct and provides education on the prevention of unfair labor practices to all employees.

B. Sanctions of administrative agencies

(1) Sanctions of Fair Trade Commission (FTC)

[Summary]

(KRW mil)

| Date | Agency | Subject | Punishment or measure | Amount of monetary sanction | Reasons and relevant laws |
|--------------|--------|--------------------------|-------------------------------------|-----------------------------|---|
| Oct 4, 2018 | FTC | SEC | Corrective order, penalty surcharge | 488 | Article 3 (Prohibition, etc. against Unfair Labeling or Advertising) Paragraph 1 Subparagraph 2 of the Act on Fair Labeling and Advertising and Article 3 Paragraph 2 of the Enforcement Decree of the same Act |
| Nov 21, 2018 | FTC | Employees of SEC | Prosecution charge | - | Article 14 (Designation of Business Groups Subject to Limitations on Cross Shareholding) Paragraph 4 of the Monopoly Regulation and Fair Trade Act |
| Aug 23, 2019 | FTC | SEC | Corrective measure, fine | 0.5 | Article 5 Paragraph 4 (Duty to Provide Online Completion Service) and Article 10 Paragraph 1 (Cybermall Operators' Indication Duty) of the Act on the Consumer Protection in Electronic Commerce, etc. |
| Jun 22, 2021 | FTC | SEC and employees of SEC | Prosecution charge | - | Article 23 (Prohibition on Unfair Trade Practices) Paragraph 1 Subparagraph 7 of the Monopoly Regulation and Fair Trade Act |

On October 4, 2018, regarding matters related to the advertising of the Company's air purifying products, including air purifiers, the Fair Trade Commission issued a corrective order against the Company and ordered the Company to pay a fine of KRW 488 million for violating Article 3 (Prohibition, etc., against Unfair Labeling or Advertising) Paragraph 1 Subparagraph 2 of the Act on Fair Labeling and Advertising and Article 3 Paragraph 2 of the Enforcement Decree of the same Act, and the Company has subsequently paid the fine. In litigation to cancel the order, the Supreme Court on March 11, 2021 ruled partially in favor of the Company.

The Fair Trade Commission on November 21, 2018, filed a complaint against Chairman Kun-hee Lee for omitting Samoo Architects & Engineers and Seoyoung Engineering from Samsung affiliates when submitting required materials in 2014 under Article 14 (Designation of Business Groups Subject to Limitations on Cross Shareholding) Paragraph 4 of the Monopoly Regulation and Fair Trade Act.

※ Please refer to 『A. Sanctions of investigative and judicial agencies』 for more information, such as the details of the punishment.

On August 23, 2019, regarding matters related to Milk Music, the Fair Trade Commission issued corrective measures against the Company and ordered the Company to pay a fine of KRW 0.5 million under the Act on the Consumer Protection in Electronic Commerce, etc., for violating Article 5 Paragraph 4 (Duty to Provide Online Completion Service) and Article 10 Paragraph 1 (Cybermall Operators' Indication Duty). The Company subsequently paid the fine.

On June 22, 2021, the Fair Trade Commission, regarding matters related to food service transactions with Samsung Welstory, filed a complaint against the Company and the former Head of Future Strategy Office Gee-sung Choi, a retiree, for violating Article 23 (Prohibition on Unfair Trade Practices) Paragraph 1 Subparagraph 7 of the Monopoly Regulation and Fair Trade Act.

※ We plan to disclose the disposition related to the above transaction, such as penalty, after we are notified of the resolution.

To ensure compliance with regulations on fair trade and labeling and advertising, the Company has strengthened its internal management standard and it provides preventive education to employees to prevent unfair trade practices and advertising.

(2) Sanctions of other administrative or public agencies (including financial supervision and tax authorities)

[Summary]

(KRW mil)

| Date | Agency | Subject | Punishment or measure | Amount of monetary sanction | Reasons and relevant laws |
|------------------------------|----------------------------------|---|---|-----------------------------|---|
| Jan 18, 2019 | Yongin Fire Station | SEC (Giheung site) | Fine | 0.5 | Article 20 (Fire Safety Control of Specific Objects of Fire Service) Paragraph 6 of the Act on Fire Prevention and Installation, Maintenance, and Safety Control of Firefighting Systems |
| Jan 3, 2019– Dec 14, 2020 | Ministry of Employment and Labor | SEC (Pyeongtaek, Onyang, Cheonan, Giheung/Hwaseong sites) | Fine | 14.1 | Article 48 (Submission of Hazard Prevention Plans) Paragraph 1 of the former Occupational Safety and Health Act, Article 46 (Implementation of Process-Safety Reports) Paragraph 1, etc., of the Occupational Safety and Health Act |
| Dec 2, 2019– Dec 28, 2020 | Ministry of Employment and Labor | SEC (Gwangju site) | Fine | 386.3 | Article 41 (Preparation and Keeping of Material Safety Data Sheets) Paragraph 3, Article 10 (Record and Report of Industrial Accidents) Paragraph 2, etc., of the former Occupational Safety and Health Act, Article 57 (Prohibition on Concealing Occurrence of Industrial Accidents and Reporting Thereof) Paragraph 3, Article 164 (Retention of Documents) Paragraph 1, etc., of the Occupational Safety and Health Act |
| 2021.03.02 | Ministry of Environment | SEC (Gwangju site) | Cancellation of designation of green enterprise | - | Article 16-3 (Cancellation of Designation of Green Enterprise) Paragraph 1 Subparagraph 1 of the Environmental Technology and Industry Support Act |
| 2020.07.08 | Korea Communications Commission | Subsidiary (Samsung Electronics Sales) | Corrective order, fine | 36 | Article 3 (Prohibition of Discriminative Subsidy Payment) Paragraph 1 and Article 4 (Restriction on Payment of Excessive Subsidies and Public Announcement) Paragraph 5 of the Mobile Device Distribution Improvement Act |
| 2020.09.18 | Ministry of Employment and Labor | Subsidiary (Samsung Electronics Sales) | Suspension of work order, fine | 5 | Article 55 (Measures for Suspension of Work by the Minister of Employment and Labor in Cases of Serious Accidents) and Article 68 (Safety and Health Coordinators) Paragraph 1 of the Occupational Safety and Health Act |
| 2021.04.01 | Ministry of Employment and Labor | Subsidiary (Samsung Electronics Service CS) | Fine | 1 | Article 15 (Reporting, etc. on Insured Status) of the Employment Insurance Act |

With regards to a CO₂ leak accident at the Giheung plant on September 4, 2018, pursuant to the results of a special investigation by the Yongin Fire Station conducted from November 27 through December 6, 2018, the Company was ordered to pay a fine of KRW 0.5 million for violating Article 20 Paragraph 6 of the Occupational Safety and Health Act on January 18, 2019, and the Company has subsequently paid the fine.

To prevent recurrence and strengthen compliance, the Company has built a legal safety assessment evaluation system and conducts regular assessment.

Pursuant to the results of the 2nd process safety management (PSM) inspection on the Pyeongtaek site (P1-2) by the Ministry of Employment and Labor over September 10 through September 13, 2018, the Company was ordered to pay a fine of KRW 10 million for violating Article 48 (Submission, etc. of Plans for Prevention of Harm and Dangers) Paragraph 1 of the former Occupational Safety and Health Act on January 3, 2019 and has subsequently paid the fine.

Pursuant to results of monitoring the implementation of a PSM system on the Onyang site by the Ministry of Employment and Labor on February 19, 2020, the Company was ordered to pay a fine of KRW 0.2 million for violating Article 46 (Implementation etc. Process-Safety Reports) Paragraph 1, etc., of the Occupational Safety and Health Act on February 25, 2020 and has subsequently paid the fine.

Pursuant to results of monitoring the implementation of a PSM system on the Cheonan site by the Ministry of Employment and Labor from May 26–28, 2020, the Company was ordered to pay a fine of KRW 0.9 million for violating Article 46 (Implementation etc. Process-Safety Reports) Paragraph 1, etc., of the Occupational Safety and Health Act on June 29, 2020 and has subsequently paid the fine.

Pursuant to results of monitoring the implementation of a PSM system on the Pyeongtaek site by the Ministry of Employment and Labor from November 16–18, 2020, the Company was ordered to pay a fine of KRW 2.1 million for violating Article 46 (Implementation etc. Process-Safety Reports) Paragraph 1, etc., of the Occupational Safety and Health Act on November 26, 2020 and has subsequently paid the fine.

Pursuant to results of monitoring the implementation of a PSM system on the Giheung·Hwaseong site by the Ministry of Employment and Labor from December 7–11, 2020, the Company was ordered to pay a fine of KRW 0.9 million for violating Article 46 (Implementation etc. Process-Safety Reports) Paragraph 1, etc., of the Occupational Safety and Health Act on December 14, 2020 and has subsequently paid the fine.

The Company took measures regarding the violations above and submitted a report on improvements to the Ministry of Employment and Labor. We also established a PSM Innovation Organization and a PSM Management System which manages activities related to approval, design, 12 key tasks, expertise improvement, etc. We also foster development of on-site process safety experts and conduct voluntary process safety evaluation.

Following the investigation on MSDS warning signs compliance on November 28, 2019 at Gwangju office by the Ministry of Employment and Labor, the Company on December 2, 2019, was ordered to pay a fine of KRW 1.4 million for violating Article 41 (Preparation, Keeping, etc. of Material Safety Data Sheets) Paragraph 3, etc., of the Occupational Safety and Health Act, and has subsequently paid the fine. (Paragraph 3 has since been deleted.) We conducted a company-wide investigation on the handling space of chemical substances and implemented relevant improvement measures. In addition, we are improving the prior evaluation process on new G-EHS chemical substances and providing education for supervisors in departments handling chemical substances.

Regarding the industrial incident at Gwangju site on May 19, 2020, the Company delayed the submission of industrial accident questionnaire to the Gwangju Regional Employment and Labor Office of the Ministry of Employment and Labor and as a result was ordered to pay a fine of KRW 7 million for violating Article 57 (Prohibition of Concealment; Reporting of Incidents) Paragraph 3 of Occupational Safety and Health Act on June 26, 2020, and the Company has subsequently paid the fine.

To prevent the recurrence and strengthen compliance, the Company has provided special education for the on-site environment and safety managers and supervisors.

With regards to the investigation from August 18, 2020 to January 18, 2021 by the Gwangju Regional Employment and Labor Office of Ministry of Employment and Labor on the Gwangju operation, the Company was ordered to pay the following fines regarding industrial incidents that have taken place since 2015: KRW 6 million for violating Article 10 (Recording and Reporting of Industrial Accidents) Paragraph 2 of the Occupational Safety and Health Act on September 1, 2020 (Paragraph 2 has since been deleted); KRW 60.4 million and 11.5 million, respectively, for violating Article 57 (Prohibition of Concealment; Reporting of Incidents) Paragraph 3 and Article 164 (Preservation of Documents) Paragraph 1 of the Occupational Safety and Health Act on September 10 and 23, 2020. The Company has subsequently paid the fines. Other fines include: KRW 20 million for violating Article 57 (Prohibition of Concealment; Reporting of Incidents) Paragraph 3 of the Occupational Safety and Health Act on October 19, 2020; and KRW 280 million for violating Article 10 (Prohibition of Concealment; Reporting of Incidents) Paragraph 2 of the former Occupational Safety and Health Act on December 28, 2020. The Company subsequently paid the fines.

To prevent the recurrence and strengthen compliance, the Company has provided special education for the on-site environment and safety managers and supervisors.

On March 2, 2021, Yeongsangang River Basin Environmental Office of Ministry of Environment, based on its air pollutant measurement, cancelled the Green Enterprise designation on our Gwangju site in pursuant to Article 16-3 (Cancellation of Designation of Green Enterprise) Paragraph 1 Subparagraph 1 of the Environmental Technology and Industry Support Act.

Korea Communications Commission ordered Samsung Electronics Sales to implement corrective measures and to pay a fine of KRW 36 million for violating Article 3 (Prohibition of Discriminative Subsidy Payment) Paragraph 1 and Article 4 (Restriction on Payment of Excessive Subsidies and Public Announcement) Paragraph 5 of the Mobile Device Distribution Improvement Act on July 8, 2020 and have subsequently paid the fine.

In order to prevent reoccurrences and comply with the relevant law, Samsung Electronics Sales strengthened its internal management standard, provided education for executives and employees.

Regarding a fatal accident on September 16, 2020 during the construction of an elevator wall structure, part of the construction process of newly-opening Hongdae branch of Samsung Digital Plaza, a site inspection was conducted on September 17, 2020 and Seoul West District Office of Seoul Regional Employment and Labor Office of Ministry of Employment and Labor on September 18, 2020 ordered Samsung Electronics Sales to suspend construction in pursuant to Article 55 (Suspension, etc. of Work on Occurrence of Serious Accidents) of the Occupational Safety and Health Act. In addition, Samsung Electronics Sales was ordered to pay a fine of KRW 5 million for violating Article 68 (Safety and Health Coordinator) Paragraph 1 of the Occupational Safety and Health Act and has subsequently paid the fine, and the Company appointed a safety and health coordinator.

To prevent reoccurrences and comply with the relevant law, Samsung Electronics Sales provided a special training for on-site safety managers and supervisors.

On April 1, 2021, Samsung Electronics Service CS was ordered by the Jungbu Regional Employment and Labor Office of Ministry of Employment and Labor to pay a fine of KRW 1 million for the delayed report of the attainment of the employment insurance, violating Article 15 (Reporting, etc. on Insured Status) of the Employment Insurance Act, and the Company has subsequently paid the fine.

To prevent reoccurrences and strengthen compliance, Samsung Electronics Service CS is monitoring the revision of the Employment Insurance Act periodically and providing education for managers.

C. Sanctions from Korea Exchange

- N/A

D. Return of short-swing profits

- N/A

4. Subsequent events and other matters

A. Subsequent events

- N/A

B. External contributions

| Contribution | Amount | Details | Date of Board approval |
|--|--|---|------------------------|
| Management plans for Social Contribution Fund for 2019 | KRW 11.73 billion | <ul style="list-style-type: none"> The Social Contribution Fund consists of voluntary contributions of employees and matching funds raised by SEC. SEC plans to contribute KRW 11.73 billion in matching funds for 2019. The contribution will be used for domestic and overseas volunteer programs as well as and local social contribution activities. | Jan 31, 2019 |
| Samsung Dream Scholarship Foundation | KRW 1.12 billion | <ul style="list-style-type: none"> The contribution was made to support education of low-income high school students. | |
| Sponsoring the WorldSkills Competition | EUR 1.5 million (approximately KRW 1.95 billion) | <ul style="list-style-type: none"> The contribution was made to support the Organizing Committee of WorldSkills International in WorldSkills Kazan 2019 as the top sponsor. | Feb 26, 2019 |
| Donation to Chung-nam Samsung Institute | KRW 2.991 billion | <ul style="list-style-type: none"> The contribution was made to improve education of the region. | |
| Foundation of Samsung Welfare, etc. | KRW 73.0 billion | <ul style="list-style-type: none"> The contribution was made to support Dream Class, a program to support learning for underprivileged middle school students (Samsung Welfare Foundation, KRW 19.5 billion) The contribution was made to improve facilities and research infrastructure at Samsung Medical Center and support research for MERS vaccine development (Samsung Life Public Welfare Foundation, KRW 31.0 billion) The contribution was made for the Ho-Am Prize (Ho-Am Foundation, KRW 5.0 billion) The contribution was made to provide funds for legal expenses for faculty members and Samsung scholarships for students (Sungkyunkwan University, KRW 17.5 billion) | Apr 30, 2019 |
| Contribution to the Korea Occupational Safety & Health Agency | KRW 31.0 billion | <ul style="list-style-type: none"> The fund is for building an electronics industry health and safety center and establishing health and safety infrastructure. | |
| Performance incentive to suppliers of the DS division | KRW 77.45 billion | <ul style="list-style-type: none"> The contribution was provided to 296 primary and secondary suppliers of the DS division to prevent work accidents, improve productivity, and promote co-prosperity of the Company and its partner companies. | |
| Financial support for startup program at Daegu, Gyeongbuk Creative Innovation Center | KRW 12.0 billion | <ul style="list-style-type: none"> Vitalize startup ecosystem and contribute to job creation to nurture startups in Korea Donation to Daegu Gyeongbuk University Start-up ※ Daegu Gyeongbuk University Start-up established a fund with the donation from Samsung Electronics. | Jul 31, 2019 |
| Donation to Heemang 2020 Nanum Campaign | KRW 31.0 billion | <ul style="list-style-type: none"> The contribution was made to Community Chest of Korea to fulfill corporate social responsibilities and help the marginalized. | Nov 29, 2019 |
| Samsung Dream Scholarship Foundation | KRW 1.12 billion | <ul style="list-style-type: none"> The contribution was made to support education of low-income high school students. | Jan 30, 2020 |
| Management plans for Social Contribution Fund for 2020 | KRW 11.89 billion | <ul style="list-style-type: none"> The Social Contribution Fund consists of voluntary contributions of employees and matching funds raised by SEC. SEC plans to contribute KRW 11.89 billion in matching funds for 2020. The contribution was made to support adolescent education. | Feb 21, 2020 |
| Donation to Chung-nam Samsung Institute | KRW 2.576 billion | <ul style="list-style-type: none"> The contribution was made to improve education of the region. | |
| Donation to support emergency relief related to COVID-19 | KRW 23.0 billion | <ul style="list-style-type: none"> The contribution was made to support emergency relief measures for persons and communities impacted by COVID-19. | Feb 26, 2020 |
| Donation to Samsung | KRW 51.8 billion | <ul style="list-style-type: none"> The contribution was made to support Dream Class, a program to support learning for underprivileged middle school students (Samsung | Apr 29, 2020 |

| Contribution | Amount | Details | Date of Board approval |
|---|--|--|------------------------|
| Welfare Foundation, etc. | | Welfare Foundation, KRW 10.6 billion) <ul style="list-style-type: none"> The contribution was made to improve facilities and research infrastructure at Samsung Medical Center and support research for MERS vaccine development (Samsung Life Public Welfare Foundation, KRW 26.5 billion) The contribution was made for the Ho-Am Prize (Ho-Am Foundation) The contribution was made to provide funds for legal expenses for faculty members and Samsung scholarships for students (Sungkyunkwan University, KRW 14.7 billion) | |
| Performance incentive to suppliers of the DS division | Approximately KRW 62.0 billion | <ul style="list-style-type: none"> The incentive was provided to prevent safety incidents at sites, enhance productivity, and promote co-growth with suppliers For the first and secondary suppliers of the DS division stationed at the sites | |
| Ho-Am Foundation | KRW 4.1 billion | <ul style="list-style-type: none"> The contribution was made to help award those with significant contributions in the field of academia, art, and human welfare | May 27, 2020 |
| Donation to Heemang 2021 Nanum Campaign | KRW 33.8 billion | <ul style="list-style-type: none"> The contribution was made to Community Chest of Korea to fulfill corporate social responsibilities and help the marginalized. | |
| Contribution to the United Nations Development Programme (Samsung Global Goals) | USD 1,421,154 (approximately KRW 1.57 billion) | <ul style="list-style-type: none"> The contribution was made to the UNDP (United Nations Development Programme) for relief activities in different countries. | Nov 30, 2020 |
| Management plans for Social Contribution Fund for 2021 | KRW 11.61 billion | <ul style="list-style-type: none"> The Fund consists of voluntary contributions of employees and matching funds raised by SEC. SEC plans to contribute KRW 11.61 billion in matching funds in 2021. The contribution will be used for educating adolescents and vulnerable population. | Feb 16, 2021 |
| Donation to Chung-nam Samsung Institute | KRW 2.446 billion | <ul style="list-style-type: none"> The contribution was made to improve education of the region. | |
| Donation to Samsung Welfare Foundation, etc. | KRW 60.1 billion | <ul style="list-style-type: none"> The contribution was made to support Dream Class, a program to support learning for underprivileged middle school students (Samsung Welfare Foundation, KRW 11.5 billion) The contribution was made to support facilities and research infrastructure at Samsung Medical Center and support the operation of emergency helicopters (Samsung Life Public Welfare Foundation, KRW 29.9 billion) The contribution was made to provide funds for legal expenses for faculty members and Samsung scholarships for students (Sungkyunkwan University, KRW 15 billion) The contribution was made to help award those with significant contributions in the field of academia, art, and human welfare (Ho-Am Foundation, KRW 3.7 billion) | Apr 29, 2021 |
| Performance incentive to suppliers of the DS division | Approximately KRW 63.2 billion | <ul style="list-style-type: none"> The incentive was provided to prevent safety incidents at sites, enhance productivity, and promote co-growth with suppliers For the first and secondary suppliers of the DS division stationed at the sites | |

External contributions are based on a resolution of the Board.

C. Acquisition and divestments

The major divestment and transfer of business transactions in the past three business years on a parent basis (separate basis) are as follows. For information on the business combinations and divestitures of subsidiaries, please refer to the notes on the business combination and assets held for sale (assets of disposal group) of the consolidated financial statements.

(1) Details of acquisition

In accordance to the resolution of the Board of Directors on April 30, 2019, the Company acquired PLP business from Samsung Electro-Mechanics Co., Ltd. (location: South Korea; CEO: Kye-hyun Kyung) at a price of KRW 785,000 million on June 1, 2019 to strengthen its semiconductor competitiveness through securing next-generation packaging technology.

Details of the above statement can be found in the “Business Acquisition from Related Parties”, published in DART (<http://dart.fss.or.kr/>) on April 30, 2019.

(KRW 100 mil)

| | Account | Forecast | | Actual | | | |
|--------------|------------------|----------|----------|----------|------------|----------|------------|
| | | 1st Year | 2nd Year | 1st Year | | 2nd Year | |
| | | | | Actual | Difference | Actual | Difference |
| PLP Business | Sales | 101 | 219 | - | - | - | - |
| | Operating Income | -1,273 | -2,155 | -1,095 | 14% | -44 | 98% |
| | Net Income | -1,273 | -2,155 | -1,095 | 14% | -2,146 | 0% |

- ※ No third-party sales is recognized from PLP business as its products are internally transferred within the Company’s manufacturing process.
- ※ Actual operating income and net income for first year of acquisition (seven month period ended December 31, 2019) differs by 14% from the forecast due to several factors such as reduction in wages.
- ※ Actual operating income for the second year (the year ended December 31, 2020) of acquisition differs by 98% from the forecast due to several factors such as reduction in wages.

D. Green management

The Company is actively securing “Designation of Green Enterprise” and “Green Technology Certifications” to follow the Low Carbon Green Growth policy of the Korean government. In particular, greenhouse gas emission and energy consumption generated at our operations are reported to the government, required by relevant law. Also, relevant information are provided transparently to stakeholders through the Sustainability Report, etc.

(Designation of Green Enterprise)

The Company strives to fulfill its responsibility as an eco-friendly enterprise by reducing pollutants, conserving resources and energy, establishing/utilizing a green management system, etc. As of June 30, 2021 (on a separate basis), our business sites in Suwon, Gumi, Giheung, Hwaseong, Pyeongtaek, and Onyang have been designated as green enterprises in accordance with Article 16-2 (Designation, etc., of Green Enterprise) of the Environmental Technology and Industry Support Act. In 1H21, the Green Enterprise designation was cancelled for Gwangju site in pursuant to Article 16-3 (Cancellation of Designation of Green Enterprise) Paragraph 1 Subparagraph 1 of the Environmental Technology and Industry Support Act.

(Green Technology Certification)

The Company is acquiring Green Technology Certifications in accordance with Article 32 (Standardization and Certification and Green Technology Green Industries) Paragraph 2 of the Framework Act on Low Carbon Green Growth. Green technology development is a part of our “Planet First” strategy, which strives to conduct business activities in a manner that respect people and nature. Since the certification system was introduced in 2010, the Company has secured 9 valid Green Technology Certifications as of June 30, 2021. In addition, the Company has acquired ‘Green Technology’ product certificates for 208 models of commercialized products.

Certified Green Technologies as of June 30, 2021 are as follows:

| Division | Certified Green Technologies | No. |
|----------|---|-----|
| CE | Technology to: 1) enhance energy efficiency of dryers using high-efficiency heat pump and heat exchanger; and 2) reduce stand-by power use by monitors etc. | 9 |

Separate basis.

(Greenhouse gas emission and energy consumption management)

The Company is a “controlled entity” according to Article 42 (Coping with Climate Change and Management of Targets for Energy) Paragraph 6 of the Framework Act on Low Carbon, Green Growth. Thus, the Company has been reporting the amount of greenhouse gas emission and energy consumption, verified by a third-party, to the authorities and disclosing it to stakeholders according to Article 44 (Reporting on Quantity of Greenhouse Gases Emitted and Quantity of Energy Consumed) of the same Act since May 2011.

The reported amount of greenhouse gas emission and energy use on a separate basis are provided below:

(Unit: tCO₂-eq, TJ)

| | 2020 | 2019 | 2018 |
|---------------------------------------|------------|------------|------------|
| Greenhouse gas (tCO ₂ -eq) | 12,532,779 | 11,143,405 | 10,752,832 |
| Energy (TJ) | 177,122 | 161,123 | 154,344 |

Separate basis.

Domestic manufacturing facilities, office buildings, buildings owned by the Company, leased buildings, etc.

Reported Greenhouse gas emission excludes ozone depletion substances (ODS).

Amounts may differ based on the result of governmental evaluations on emissions.

From 2015, in accordance with Article 8 (Designation of Business Entities Eligible for Allocation) of the Act on the Allocation and Trading of Greenhouse-Gas Emission Permits, the Company is an eligible business entity under the Act.

XII. Appendix

1. Subsidiaries subject to consolidated financial statements (detailed)

As of June 30, 2021, Samsung Electronics' consolidated subsidiaries numbered 237 with the addition of 2 subsidiaries and reduction of 6 subsidiaries when compared to totals as of December 31, 2020. Below is the list of consolidated subsidiaries.

(KRW mil)

| Subsidiary | Date established | Major business | Assets as of Dec 31, 2019 | Ownership | Classified as major subsidiary (Y/N) |
|--|------------------|---|---------------------------|-----------|--------------------------------------|
| Samsung Electronics America, Inc. (SEA) | Jul 1978 | Electronic goods sales | 36,765,070 | Over 50% | Y |
| Samsung International, Inc. (SII) | Oct 1983 | Electronic goods production | 1,224,995 | Over 50% | Y |
| Samsung Mexicana S.A. de C.V (SAMEX) | Mar 1988 | Electronic goods production | 52,823 | Over 50% | N |
| Samsung Electronics Home Appliances America, LLC (SEHA) | Aug 2017 | Home appliance production | 624,107 | Over 50% | Y |
| Samsung Research America, Inc (SRA) | Oct 1988 | R&D | 612,015 | Over 50% | Y |
| Samsung Next LLC (SNX) | Aug 2016 | Subsidiary management (overseas) | 108,806 | Over 50% | Y |
| Samsung Next Fund LLC (SNXF) | Aug 2016 | Tech/emerging-tech venture firm investments | 116,257 | Over 50% | Y |
| NeuroLogica Corp. | Feb 2004 | Medical device production and sales | 185,235 | Over 50% | Y |
| Samsung HVAC America, LLC | Jul 2001 | Air conditioner sales | 45,827 | Over 50% | N |
| Prismview, LLC | Oct 2007 | LED display panel production and sales | 51,605 | Over 50% | N |
| Joyent, Inc. | Mar 2005 | Cloud services | 178,187 | Over 50% | Y |
| Dacor Holdings, Inc. | Dec 1998 | Subsidiary management (overseas) | 32,027 | Over 50% | N |
| Dacor, Inc. | Mar 1965 | Home appliance production and sales | 32,006 | Over 50% | N |
| Dacor Canada Co. | Jun 2001 | Home appliance sales | 7 | Over 50% | N |
| SmartThings, Inc. | Apr 2012 | Smart home platform | 171,461 | Over 50% | Y |
| TeleWorld Solutions, Inc. (TWS) | May 2002 | Network equipment installation and optimization | 10,003 | Over 50% | N |
| TWS LATAM B, LLC | Jul 2019 | Subsidiary management (overseas) | 0 | Over 50% | N |
| TWS LATAM S, LLC | Jul 2019 | Subsidiary management (overseas) | 0 | Over 50% | N |
| SNB Technologies, Inc. Mexico, S.A. de C.V | Oct 2019 | Network equipment installation and optimization | 0 | Over 50% | N |
| Zhilabs Inc. | Feb 2017 | Network solution sales | 34 | Over 50% | N |
| Samsung Semiconductor, Inc. (SSI) | Jul 1983 | Semiconductor and display panel sales | 9,669,349 | Over 50% | Y |
| Samsung Austin Semiconductor LLC. (SAS) | Feb 1996 | Semiconductor production | 6,912,610 | Over 50% | Y |
| Samsung Oak Holdings, Inc. (SHI) | Jun 2016 | Subsidiary management (overseas) | 307,373 | Over 50% | Y |
| SEMES America, Inc. | Oct 1998 | Semiconductor equipment services | 1,852 | Over 50% | N |
| Samsung Electronics Canada, Inc. (SECA) | Jul 1980 | Electronic goods sales | 1,539,360 | Over 50% | Y |
| AdGear Technologies Inc. | Aug 2010 | Digital advertising platform | 72,955 | Over 50% | N |
| Samsung Eletronica da Amazonia Ltda. (SEDA) | Jan 1995 | Electronic goods production and sales | 6,280,131 | Over 50% | Y |
| Samsung Electronics Mexico S.A. De C.V. (SEM) | Jul 1995 | Electronic goods sales | 1,166,317 | Over 50% | Y |
| Samsung Electronics Digital Appliance Mexico, SA de CV (SEDAM) | Dec 2012 | Home appliance production | 573,111 | Over 50% | Y |

| Subsidiary | Date established | Major business | Assets as of Dec 31, 2019 | Ownership | Classified as major subsidiary (Y/N) |
|--|------------------|--|---------------------------|-----------|--------------------------------------|
| Samsung Electronics Latinoamerica(Zona Libre), S. A. (SELA) | Apr 1989 | Electronic goods sales | 451,092 | Over 50% | Y |
| Samsung Electronics Latinoamerica Miami, Inc. (SEMI) | May 1995 | Electronic goods sales | 368,616 | Over 50% | Y |
| Samsung Electronica Colombia S.A. (SAMCOL) | Mar 1997 | Electronic goods sales | 546,013 | Over 50% | Y |
| Samsung Electronics Argentina S.A. (SEASA) | Jun 1996 | Marketing and services | 45,396 | Over 50% | N |
| Samsung Electronics Chile Limitada (SECH) | Dec 2002 | Electronic goods sales | 623,743 | Over 50% | Y |
| Samsung Electronics Peru S.A.C. (SEPR) | Apr 2010 | Electronic goods sales | 235,626 | Over 50% | Y |
| Samsung Electronics Venezuela, C.A. (SEVEN) | May 2010 | Marketing and services | 53 | Over 50% | N |
| Samsung Electronics Panama. S.A. (SEPA) | Jul 2012 | Consulting | 2,188 | Over 50% | N |
| Harman International Industries, Inc. | Jan 1980 | Subsidiary management (overseas) | 15,417,811 | Over 50% | Y |
| Harman Becker Automotive Systems, Inc. | Jun 1981 | Audio product production, sales, and R&D | 6,224,304 | Over 50% | Y |
| Harman Connected Services, Inc. | Feb 2002 | Connected Service Provider | 1,996,984 | Over 50% | Y |
| Harman Connected Services Engineering Corp. | Sep 2004 | Connected Service Provider | 422 | Over 50% | N |
| Harman da Amazonia Industria Eletronica e Participacoes Ltda. | Jul 2005 | Audio product production and sales | 38,399 | Over 50% | N |
| Harman de Mexico, S. de R.L. de C.V. | Feb 1997 | Audio product production | 114,442 | Over 50% | Y |
| Harman do Brasil Industria Eletronica e Participacoes Ltda. | Nov 1958 | Audio product sales and R&D | 203,382 | Over 50% | Y |
| Harman Financial Group LLC | Jun 2004 | Management Company | 610,931 | Over 50% | Y |
| Harman International Industries Canada Ltd. | May 2005 | Audio product sales | 96 | Over 50% | N |
| Harman International Mexico, S. de R.L. de C.V. | Dec 2014 | Audio product sales | 13,291 | Over 50% | N |
| Harman KG Holding, LLC | Mar 2009 | Subsidiary management (overseas) | 0 | Over 50% | N |
| Harman Professional, Inc. | Jul 2006 | Audio product sales and R&D | 735,105 | Over 50% | Y |
| RT SV CO-INVEST, LP | Feb 2014 | Venture firm investments | 7,170 | Over 50% | N |
| Beijing Integrated Circuit Industry International Fund, L.P | Dec 2014 | Venture firm investments | 24,984 | Over 50% | N |
| China Materialia New Materials 2016 Limited Partnership | Sep 2017 | Venture firm investments | 6,274 | Over 50% | N |
| Samsung Electronics (UK) Ltd. (SEUK) | Jul 1995 | Electronic goods sales | 2,767,563 | Over 50% | Y |
| Samsung Electronics Ltd. (SEL) | Jan 1999 | Subsidiary management (overseas) | 6,512 | Over 50% | N |
| Samsung Semiconductor Europe Limited (SSEL) | Apr 1997 | Semiconductor and display panel sales | 87,256 | Over 50% | Y |
| Samsung Electronics GmbH (SEG) | Dec 1984 | Electronic goods sales | 2,687,535 | Over 50% | Y |
| Samsung Electronics Holding GmbH (SEHG) | Feb 1982 | Subsidiary management (overseas) | 993,490 | Over 50% | Y |
| Samsung Semiconductor Europe GmbH (SSEG) | Dec 1987 | Semiconductor and display panel sales | 887,060 | Over 50% | Y |
| Samsung Electronics France S.A.S (SEF) | Jan 1988 | Electronic goods sales | 1,688,580 | Over 50% | Y |
| Samsung Electronics Italia S.P.A. (SEI) | Apr 1991 | Electronic goods sales | 1,287,050 | Over 50% | Y |
| Samsung Electronics Iberia, S.A. (SESA) | Jan 1989 | Electronic goods sales | 1,094,002 | Over 50% | Y |
| Samsung Electronics Portuguesa, Unipessoal, Lda. (SEP) (Formerly Samsung Electronics Portuguesa S.A.) | Sep 1982 | Electronic goods sales | 222,273 | Over 50% | Y |
| Samsung Electronics Hungarian Private Co. Ltd. (SEH) | Oct 1989 | Electronic goods production and sales | 2,230,457 | Over 50% | Y |
| Samsung Electronics Europe Logistics B.V. (SELS) | May 1991 | Logistics | 1,700,033 | Over 50% | Y |

| Subsidiary | Date established | Major business | Assets as of Dec 31, 2019 | Ownership | Classified as major subsidiary (Y/N) |
|--|------------------|--|---------------------------|-----------|--------------------------------------|
| Samsung Electronics Benelux B.V. (SEBN) | Jul 1995 | Electronic goods sales | 2,145,488 | Over 50% | Y |
| Samsung Electronics Europe Holding Cooperatief U.A. (SEEH) | Oct 2008 | Subsidiary management (overseas) | 11,495,430 | Over 50% | Y |
| Samsung Electronics Nordic Aktiebolag (SENA) | Mar 1992 | Electronic goods sales | 1,315,256 | Over 50% | Y |
| Samsung Electronics Slovakia s.r.o (SESK) | Jun 2002 | TV and monitor production | 1,428,228 | Over 50% | Y |
| Samsung Display Slovakia s.r.o. (SDSK) | Mar 2007 | Display panel processing | 38,086 | Over 50% | N |
| Samsung Electronics Polska, SP.Zo.o (SEPOL) | Apr 1996 | Electronic goods sales | 979,474 | Over 50% | Y |
| Samsung Electronics Poland Manufacturing SP.Zo.o (SEPM) | Feb 2010 | Home appliance production | 415,727 | Over 50% | Y |
| Samsung Electronics Romania LLC (SEROM) | Sep 2007 | Electronic goods sales | 302,523 | Over 50% | Y |
| Samsung Electronics Austria GmbH (SEAG) | Jan 2002 | Electronic goods sales | 455,973 | Over 50% | Y |
| Samsung Electronics Switzerland GmbH (SESG) | May 2013 | Electronic goods sales | 301,953 | Over 50% | Y |
| Samsung Electronics Czech and Slovak s.r.o. (SECZ) | Jan 2010 | Electronic goods sales | 254,632 | Over 50% | Y |
| Samsung Electronics Baltics SIA (SEB) | Oct 2001 | Electronic goods sales | 127,453 | Over 50% | Y |
| Samsung Electronics Greece S.M.S.A (SEGR) | Apr 2010 | Electronic goods sales | 102,008 | Over 50% | Y |
| Samsung Electronics Air Conditioner Europe B.V. (SEACE) | Apr 2017 | Air conditioner sales | 101,242 | Over 50% | Y |
| Samsung Nanoradio Design Center (SNDK) | Feb 2004 | R&D | 29,495 | Over 50% | N |
| Samsung Denmark Research Center ApS (SDRC) | Sep 2012 | R&D | 26,942 | Over 50% | N |
| Samsung Cambridge Solution Centre Limited (SCSC) | Sep 2012 | R&D | 147,315 | Over 50% | Y |
| Zhilabs, S.L. | Nov 2008 | Network solution R&D and sales | 10,010 | Over 50% | N |
| Foodient Ltd. | Mar 2012 | R&D | 3,103 | Over 50% | N |
| Samsung Electronics Rus Company LLC (SERC) | Oct 2006 | Electronic goods sales | 1,244,802 | Over 50% | Y |
| Samsung Electronics Rus Kaluga LLC (SERK) | Jul 2007 | TV production | 1,124,492 | Over 50% | Y |
| Samsung Electronics Ukraine Company LLC (SEUC) | Sep 2008 | Electronic goods sales | 274,305 | Over 50% | Y |
| Samsung Electronics Central Eurasia LLP (SECE) | Sep 2008 | Electronic goods sales | 191,721 | Over 50% | Y |
| Samsung Electronics Overseas B.V. (SEO) | Jan 1997 | Electronic goods sales | 93,508 | Over 50% | Y |
| Samsung R&D Institute Rus LLC (SRR) | Nov 2011 | R&D | 45,548 | Over 50% | N |
| Samsung Electronics Caucasus Co. Ltd (SECC) | Oct 2014 | Marketing | 1,985 | Over 50% | N |
| AKG Acoustics GmbH | Mar 1947 | Audio product production and sales | 337,305 | Over 50% | Y |
| AMX UK Limited | Mar 1993 | Audio product sales | 0 | Over 50% | N |
| A&R Cambridge Limited | Dec 1993 | Audio product sales | 0 | Over 50% | N |
| Harman Audio Iberia Espana Sociedad Limitada | Nov 2012 | Audio product sales | 414 | Over 50% | N |
| Harman Automotive UK Limited | Oct 2012 | Audio product production | 0 | Over 50% | N |
| Harman Becker Automotive Systems GmbH | Jul 1990 | Audio product production, sales, and R&D | 3,787,210 | Over 50% | Y |
| Harman Becker Automotive Systems Italy S.R.L. | Dec 2005 | Audio product sales | 1,179 | Over 50% | N |
| Harman Becker Automotive Systems Manufacturing Kft | Aug 1994 | Audio product R&D and production | 2,923,599 | Over 50% | Y |
| Harman Belgium SA | Apr 1967 | Audio product sales | 2,440 | Over 50% | N |

| Subsidiary | Date established | Major business | Assets as of Dec 31, 2019 | Ownership | Classified as major subsidiary (Y/N) |
|---|------------------|---------------------------------------|---------------------------|-----------|--------------------------------------|
| Harman Connected Services AB. | Oct 1984 | Connected Service Provider | 28,428 | Over 50% | N |
| Harman Finland Oy | Jul 1998 | Connected Service Provider | 506 | Over 50% | N |
| Harman Connected Services GmbH | Dec 2005 | Connected Service Provider | 45,711 | Over 50% | N |
| Harman Connected Services Limited | Dec 1992 | Connected Service Provider | 0 | Over 50% | N |
| Harman Connected Services Poland Sp.zoo | Jun 2007 | Connected Service Provider | 8,992 | Over 50% | N |
| Harman Connected Services UK Ltd. | Sep 2008 | Connected Service Provider | 60,783 | Over 50% | N |
| Harman Consumer Nederland B.V. | Dec 1995 | Audio product sales | 420,982 | Over 50% | Y |
| Harman Deutschland GmbH | Mar 1998 | Audio product sales | 16,097 | Over 50% | N |
| Harman Finance International GP S.a.r.l | Apr 2015 | Subsidiary management (overseas) | 0 | Over 50% | N |
| Harman France SNC | Nov 1995 | Audio product sales | 151,704 | Over 50% | Y |
| Harman Holding GmbH & Co. KG | Jun 2002 | Management Company | 4,833,116 | Over 50% | Y |
| Harman Hungary Financing Ltd. | Jun 2012 | Financing Company | 34,400 | Over 50% | N |
| Harman Inc. & Co. KG | Jun 2012 | Subsidiary management (overseas) | 3,898,359 | Over 50% | Y |
| Harman International Estonia OU | May 2015 | R&D | 95 | Over 50% | N |
| Harman International Industries Limited | Mar 1980 | Audio product sales and R&D | 90,302 | Over 50% | Y |
| Harman International Romania SRL | Feb 2015 | R&D | 22,223 | Over 50% | N |
| Harman Finance International, SCA | Apr 2015 | Financing Company | 485,628 | Over 50% | Y |
| Harman International s.r.o | Feb 2015 | Audio product production | 19 | Over 50% | N |
| Harman Management GmbH | Apr 2002 | Subsidiary management (overseas) | 0 | Over 50% | N |
| Harman Professional Kft | Dec 2014 | Audio product R&D and production | 58,925 | Over 50% | N |
| Martin Manufacturing (UK) Ltd | May 1985 | Audio product production | 0 | Over 50% | N |
| Harman Professional Denmark ApS | Jul 1987 | Audio product sales and R&D | 46,116 | Over 50% | N |
| Red Bend Software Ltd. | Aug 2004 | Software design | 0 | Over 50% | N |
| Red Bend Software SAS | Oct 2002 | Software design | 7,190 | Over 50% | N |
| Studer Professional Audio GmbH | Nov 2003 | Audio product sales and R&D | 8,988 | Over 50% | N |
| Harman Connected Services OOO | Nov 1998 | Connected Service Provider | 12,683 | Over 50% | N |
| Harman RUS CIS LLC | Aug 2011 | Audio product sales | 124,474 | Over 50% | Y |
| Samsung Gulf Electronics Co., Ltd. (SGE) | May 1995 | Electronic goods sales | 1,092,268 | Over 50% | Y |
| Samsung Electronics Turkey (SETK) | Dec 1984 | Electronic goods sales | 610,865 | Over 50% | Y |
| Samsung Electronics Industry and Commerce Ltd. (SETK-P) | Feb 2021 | Electronic goods production | - | Over 50% | N |
| Samsung Electronics Levant Co.,Ltd. (SELV) | Jul 2009 | Electronic goods sales | 336,819 | Over 50% | Y |
| Samsung Electronics Maghreb Arab (SEMAG) | Nov 2009 | Electronic goods sales | 237,299 | Over 50% | Y |
| Samsung Electronics Egypt S.A.E (SEEG) | Jul 2012 | Electronic goods production and sales | 751,563 | Over 50% | Y |
| Samsung Electronics Israel Ltd. (SEIL) | Sep 2012 | Marketing | 18,594 | Over 50% | N |
| Samsung Electronics Tunisia S.A.R.L (SETN) | Sep 2012 | Marketing | 4,744 | Over 50% | N |

| Subsidiary | Date established | Major business | Assets as of Dec 31, 2019 | Ownership | Classified as major subsidiary (Y/N) |
|---|------------------|---------------------------------------|---------------------------|-----------|--------------------------------------|
| Samsung Electronics Pakistan(Private) Ltd. (SEPAK) | Nov 2012 | Marketing | 2,665 | Over 50% | N |
| Samsung Electronics Saudi Arabia Ltd. (SESAR) | Nov 2019 | Electronic goods sales | 251,516 | Over 50% | Y |
| Samsung Semiconductor Israel R&D Center, Ltd. (SIRC) | Oct 2007 | R&D | 90,163 | Over 50% | Y |
| Corephotonics Ltd. | Jan 2012 | R&D | 10,963 | Over 50% | N |
| Samsung Electronics South Africa(Pty) Ltd. (SSA) | Jun 1994 | Electronic goods sales | 434,304 | Over 50% | Y |
| Samsung Electronics South Africa Production (pty) Ltd. (SSAP) | Jul 2014 | TV and monitor production | 85,433 | Over 50% | Y |
| Samsung Electronics West Africa Ltd. (SEWA) | Mar 2010 | Marketing | 22,737 | Over 50% | N |
| Samsung Electronics East Africa Ltd. (SEEA) | Dec 2011 | Marketing | 15,275 | Over 50% | N |
| Global Symphony Technology Group Private Ltd. | Jan 2002 | Subsidiary management (overseas) | 41,320 | Over 50% | N |
| Harman Connected Services Morocco | Apr 2012 | Connected Service Provider | 2,879 | Over 50% | N |
| Harman Industries Holdings Mauritius Ltd. | Oct 2009 | Subsidiary management (overseas) | 80,469 | Over 50% | Y |
| Red Bend Ltd. | Feb 1998 | Audio product production | 93,757 | Over 50% | Y |
| Samsung Asia Pte. Ltd. (SAPL) | Jul 2006 | Subsidiary management (overseas) | 9,552,755 | Over 50% | Y |
| Samsung Electronics Singapore Pte. Ltd. (SESP) | Oct 2020 | Electronic goods sales | 0 | Over 50% | N |
| Samsung Malaysia Electronics Sdn. Bhd. (SME) | May 2003 | Electronic goods sales | 397,704 | Over 50% | Y |
| Samsung Electronics Display (M) Sdn. Bhd. (SDMA) | Mar 1995 | Electronic goods production | 23,975 | Over 50% | N |
| Samsung Electronics (M) Sdn. Bhd. (SEMA) | Sep 1989 | Home appliance production | 213,160 | Over 50% | Y |
| Samsung Vina Electronics Co., Ltd. (SAVINA) | Jan 1995 | Electronic goods sales | 299,818 | Over 50% | Y |
| Samsung Electronics Vietnam Co., Ltd. (SEV) | Mar 2008 | Electronic goods production | 12,623,956 | Over 50% | Y |
| Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT) | Mar 2013 | Telecom product production | 15,500,024 | Over 50% | Y |
| Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC) | Feb 2015 | Electronic goods production and sales | 2,609,150 | Over 50% | Y |
| Samsung Display Vietnam Co., Ltd. (SDV) | Jul 2014 | Display panel production | 7,400,563 | Over 50% | Y |
| PT Samsung Electronics Indonesia (SEIN) | Aug 1991 | Electronic goods production and sales | 966,723 | Over 50% | Y |
| PT Samsung Telecommunications Indonesia (STIN) | Mar 2003 | Electronic goods sales and service | 49,717 | Over 50% | N |
| Thai Samsung Electronics Co., Ltd. (TSE) | Oct 1988 | Electronic goods production and sales | 2,920,299 | Over 50% | Y |
| Laos Samsung Electronics Sole Co., Ltd (LSE) | Sep 2016 | Marketing | 666 | Over 50% | N |
| Samsung Electronics Philippines Corporation (SEPCO) | Mar 1996 | Electronic goods sales | 289,076 | Over 50% | Y |
| Samsung Electronics Australia Pty. Ltd. (SEAU) | Nov 1987 | Electronic goods sales | 596,587 | Over 50% | Y |
| Samsung Electronics New Zealand Limited (SENZ) | Sep 2013 | Electronic goods sales | 122,711 | Over 50% | Y |
| Samsung India Electronics Private Ltd. (SIEL) | Aug 1995 | Electronic goods production and sales | 6,250,492 | Over 50% | Y |
| Samsung Display Noida Private Limited (SDN) | Jul 2019 | Display panel production | 346,865 | Over 50% | Y |
| Samsung R&D Institute India-Bangalore Private Limited (SRI-Bangalore) | May 2005 | R&D | 399,137 | Over 50% | Y |
| Samsung R&D Institute BanglaDesh Limited (SRBD) | Aug 2010 | R&D | 18,640 | Over 50% | N |
| Samsung Nepal Services Pvt. Ltd (SNSL) | Nov 2017 | Services | 305 | Over 50% | N |
| Samsung Japan Corporation (SJC) | Dec 1975 | Semiconductor and display panel sales | 1,668,902 | Over 50% | Y |

| Subsidiary | Date established | Major business | Assets as of Dec 31, 2019 | Ownership | Classified as major subsidiary (Y/N) |
|---|------------------|---------------------------------------|---------------------------|-----------|--------------------------------------|
| Samsung R&D Institute Japan Co. Ltd. (SRJ) | Aug 1992 | R&D | 162,609 | Over 50% | Y |
| Samsung Electronics Japan Co., Ltd. (SEJ) | Sep 2008 | Electronic goods sales | 1,222,552 | Over 50% | Y |
| Harman Connected Services Corp. India Pvt. Ltd. | Apr 2002 | Connected Service Provider | 314,232 | Over 50% | Y |
| Harman International (India) Private Limited | Jan 2009 | Audio product sales and R&D | 237,749 | Over 50% | Y |
| Harman International Industries PTY Ltd. | Dec 2014 | Subsidiary management (overseas) | 0 | Over 50% | N |
| Harman International Japan Co., Ltd. | Jun 1991 | Audio product sales and R&D | 67,816 | Over 50% | N |
| Harman Singapore Pte. Ltd. | Aug 2007 | Audio product sales | 9,514 | Over 50% | N |
| Samsung (CHINA) Investment Co., Ltd. (SCIC) | Mar 1996 | Electronic goods sales | 15,438,819 | Over 50% | Y |
| Samsung Electronics Hong Kong Co., Ltd. (SEHK) | Sep 1988 | Electronic goods sales | 1,377,388 | Over 50% | Y |
| Samsung Electronics Taiwan Co., Ltd. (SET) | Nov 1994 | Electronic goods sales | 1,580,003 | Over 50% | Y |
| Samsung Electronics Huizhou Co., Ltd. (SEHZ) | Dec 1992 | Electronic goods production | 1,428,868 | Over 50% | Y |
| Tianjin Samsung Electronics Co., Ltd. (TSEC) | Apr 1993 | TV and monitor production | 417,423 | Over 50% | Y |
| Suzhou Samsung Electronics Co., Ltd. (SSEC) | Apr 1995 | Home appliance production | 570,871 | Over 50% | Y |
| Samsung Suzhou Electronics Export Co., Ltd. (SSEC-E) | Apr 1995 | Home appliance production | 499,221 | Over 50% | Y |
| Samsung Electronics Suzhou Computer Co., Ltd. (SESC) | Sep 2002 | Electronic goods production and R&D | 830,015 | Over 50% | Y |
| Tianjin Samsung Telecom Technology Co., Ltd. (TSTC) | Mar 2001 | Telecom product production | 581,611 | Over 50% | Y |
| Shenzhen Samsung Electronics Telecommunication Co., Ltd. (SSET) | Feb 2002 | Telecom product production | 42,469 | Over 50% | N |
| Beijing Samsung Telecom R&D Center (SRC-Beijing) | Sep 2000 | R&D | 125,807 | Over 50% | Y |
| Samsung Electronics China R&D Center (SRC-Nanjing) | May 2004 | R&D | 68,937 | Over 50% | N |
| Samsung Mobile R&D Center China- Guangzhou (SRC-Guangzhou) | Jan 2010 | R&D | 90,436 | Over 50% | Y |
| Samsung R&D Institute China-Shenzhen (SRC-Shenzhen) | Mar 2013 | R&D | 36,475 | Over 50% | N |
| Shanghai Samsung Semiconductor Co., Ltd. (SSS) | Oct 2001 | Semiconductor and display panel sales | 7,678,989 | Over 50% | Y |
| Samsung (China) Semiconductor Co., Ltd. (SCS) | Sep 2012 | Semiconductor production | 14,348,735 | Over 50% | Y |
| Samsung SemiConductor Xian Co., Ltd. (SSCX) | Apr 2016 | Semiconductor and display panel sales | 779,561 | Over 50% | Y |
| Samsung Electronics Suzhou Semiconductor Co., Ltd. (SESS) | Dec 1994 | Semiconductor processing | 1,197,268 | Over 50% | Y |
| Tianjin Samsung LED Co., Ltd. (TSLED) | May 2009 | LED production | 536,956 | Over 50% | Y |
| Samsung Semiconductor (China) R&D Co., Ltd. (SSCR) | Apr 2003 | R&D | 56,016 | Over 50% | N |
| Samsung Display Dongguan Co., Ltd. (SDD) | Nov 2001 | Display panel production | 1,767,663 | Over 50% | Y |
| Samsung Display Tianjin Co., Ltd. (SDT) | Jun 2004 | Display panel production | 1,262,887 | Over 50% | Y |
| SEMES (XIAN) Co., Ltd. | Jul 2013 | Semiconductor equipment services | 2,358 | Over 50% | N |
| Harman (China) Technologies Co., Ltd. | Mar 2011 | Audio product production | 114,676 | Over 50% | Y |
| Harman (Suzhou) Audio and Infotainment Systems Co., Ltd. | Mar 2013 | Audio product sales | 11,901 | Over 50% | N |
| Harman Automotive Electronic Systems (Suzhou) Co., Ltd. | Sep 2006 | Audio product R&D and production | 273,657 | Over 50% | Y |
| Harman Commercial (Shanghai) Co., Ltd. | Oct 2010 | Audio product sales | 417 | Over 50% | N |
| Harman Connected Services Solutions (Chengdu) Co., Ltd. | Aug 2007 | Connected Service Provider | 21,854 | Over 50% | N |

| Subsidiary | Date established | Major business | Assets as of Dec 31, 2019 | Ownership | Classified as major subsidiary (Y/N) |
|--|------------------|--|---------------------------|-----------|--------------------------------------|
| Harman Holding Limited | May 2007 | Audio product sales | 467,068 | Over 50% | Y |
| Harman International (China) Holdings Co., Ltd. | Jun 2009 | Audio product sales and R&D | 575,708 | Over 50% | Y |
| Harman Technology (Shenzhen) Co., Ltd. | Sep 2004 | Audio product sales and R&D | 48,692 | Over 50% | N |
| Samsung Display | Apr 2012 | Display panel production and sales | 50,039,755 | Over 50% | Y |
| SU Materials | Aug 2011 | Display panel component production | 34,845 | Over 50% | N |
| STECO | Jun 1995 | Semiconductor component production | 164,027 | Over 50% | Y |
| SEMES | Jan 1993 | Semiconductor/FPD manufacturing equipment production and sales | 1,596,649 | Over 50% | Y |
| Samsung Electronics Service | Oct 1998 | Electronics goods repair services | 514,221 | Over 50% | Y |
| Samsung Electronics Service CS | Oct 2018 | Customer management services | 21,200 | Over 50% | N |
| Samsung Electronics Sales | Jul 1996 | Electronic goods sales | 1,135,295 | Over 50% | Y |
| Samsung Electronics Logitech | Apr 1998 | Total logistics services | 349,516 | Over 50% | Y |
| Samsung Medison | Jul 1985 | Medical device production and sales | 370,529 | Over 50% | Y |
| Mirero System | Jan 1994 | Semiconductor software development and supply | 26,030 | Over 50% | N |
| Dowoo Insys | Mar 2010 | Display panel component production | 50,518 | Over 50% | N |
| GF Co., Ltd. | Oct 2015 | Display panel component production | 3,173 | Over 50% | N |
| Harman Korea | Jan 2005 | Semiconductor software development and supply | 18,843 | Over 50% | N |
| SVIC #21 Venture Capital Union | Nov 2011 | Tech/emerging-tech venture firm investments | 100,891 | Over 50% | Y |
| SVIC #22 Venture Capital Union | Nov 2011 | Tech/emerging-tech venture firm investments | 81,530 | Over 50% | Y |
| SVIC #26 Venture Capital Union | Nov 2014 | Tech/emerging-tech venture firm investments | 83,941 | Over 50% | Y |
| SVIC #27 Venture Capital Union | Sep 2014 | Tech/emerging-tech venture firm investments | 42,249 | Over 50% | N |
| SVIC #28 Venture Capital Union | Feb 2015 | Tech/emerging-tech venture firm investments | 366,921 | Over 50% | Y |
| SVIC #29 Venture Capital Union | Apr 2015 | Tech/emerging-tech venture firm investments | 56,642 | Over 50% | N |
| SVIC #32 Venture Capital Union | Aug 2016 | Tech/emerging-tech venture firm investments | 291,176 | Over 50% | Y |
| SVIC #33 Venture Capital Union | Nov 2016 | Tech/emerging-tech venture firm investments | 342,053 | Over 50% | Y |
| SVIC #37 Venture Capital Union | Nov 2017 | Tech/emerging-tech venture firm investments | 40,056 | Over 50% | N |
| SVIC #40 Venture Capital Union | Jun 2018 | Tech/emerging-tech venture firm investments | 37,697 | Over 50% | N |
| SVIC #42 Venture Capital Union | Nov 2018 | Tech/emerging-tech venture firm investments | 8,558 | Over 50% | N |
| SVIC #43 Venture Capital Union | Dec 2018 | Tech/emerging-tech venture firm investments | 2,106 | Over 50% | N |
| SVIC #45 Venture Capital Union | May 2019 | Tech/emerging-tech venture firm investments | 101,781 | Over 50% | Y |
| SVIC #48 Venture Capital Union | Dec 2019 | Tech/emerging-tech venture firm investments | 55,235 | Over 50% | N |
| SVIC #52 Venture Capital Union | May 2021 | Tech/emerging-tech venture firm investments | - | Over 50% | N |
| Private Equity Fund for Semiconductor Growth | Mar 2017 | Semiconductor industry investments | 75,082 | Over 50% | Y |
| Private Equity Fund for Co-existence of System Semiconductor Firms | Apr 2020 | Semiconductor industry investments | 40,036 | Over 50% | N |

Companies with over KRW 75 billion in total assets as of December 31, 2020 are classified as major subsidiaries.

See 『II. Businesses Overview』 for detailed information about major business segments.

(Changes in subsidiaries)

| | Americas | Europe/ CIS | MEA/ Africa | Asia ex China | China | Domestic | Total | Increase | Decrease |
|--------------------------|----------|----------------|----------------|------------------|-------|----------|-------|--|--|
| As of Dec 31, 2018 | 56 | 79 | 21 | 35 | 36 | 25 | 252 | - | - |
| Changes in 2019 | (2) | (4) | (2) | (5) | (2) | 3 | (12) | <p>[Europe/CIS: 1] Foodient Ltd.</p> <p>[MEA/Africa: 2] Corephotronics Ltd. Samsung Electronics Saudi Arabia Ltd. (SESAR)</p> <p>[Asia ex China: 1] Samsung Display Noida Private Limited(SDN)</p> <p>[Domestic: 4] SVIC #45 Venture Capital Union SVIC #48 Venture Capital Union Dowoo Insys GF Co., Ltd.</p> | <p>[Americas: 2] Harman Investment Group, LLC Red Bend Software Inc.</p> <p>[Europe/CIS: 5] Samsung France Research Center SARL(SFRC) Innoetics E.P.E. Duran Audio B.V. Harman International SNC Harman Professional France SAS</p> <p>[MEA/Africa: 4] Broadsense Ltd. iOnRoad Ltd iOnRoad Technologies Ltd Towersec Ltd.</p> <p>[Asia ex China: 6] Harman Connected Services Japan Co., Ltd. Red Bend Software Japan Co., Ltd. Studer Japan Ltd. Harman International Singapore Pte. Ltd. AMX Products And Solutions Private Limited Samsung Medison India Private Ltd. (SMIN)</p> <p>[China: 2] Samsung Electronics (Beijing) Service Company Limited (SBSC) Harman Connected Services Solutions (Beijing) Co., Ltd.</p> <p>[Domestic: 1] Red Bend Software Inc.</p> |
| As of Dec 31 2019 | 54 | 75 | 19 | 30 | 34 | 28 | 240 | - | - |
| Changes in 2020 | 1 | - | - | - | (1) | 1 | 1 | <p>[Americas: 4] TeleWorld Solutions, Inc. (TWS) TWS LATAM B, LLC TWS LATAM S, LLC SNB Technologies, Inc. Mexico, S.A. de C.V</p> <p>[Asia ex China: 1] Samsung Electronics Singapore Pte. Ltd. (SESP)</p> <p>[Domestic: 1] Private Equity Fund for Co-existence of System Semiconductor Firms</p> | <p>[Americas: 3] Harman Connected Services South America S.R.L. EverythingDacor.com, Inc. Distinctive Appliances of California, Inc.</p> <p>[Asia ex China: 1] Martin Professional Pte. Ltd.</p> <p>[China: 1] Samsung Tianjin Mobile Development Center (SRC-Tianjin)</p> |
| As of Dec 31 2020 | 55 | 75 | 19 | 30 | 33 | 29 | 241 | - | - |
| Changes in 2021 | (3) | (1) | 1 | - | (2) | 1 | (4) | <p>[MEA/Africa: 1] Samsung Electronics Industry and Commerce Ltd. (SETK-P)</p> <p>[Domestic: 1] SVIC #52 Venture Capital Union</p> | <p>[Americas: 3] Viv Labs. Inc. Stellus Technologies, Inc. SigMast Communications Inc.</p> <p>[Europe/CIS: 1] Arcam Limited</p> <p>[China: 2] Samsung Suzhou Module Co., Ltd. (SSM) Samsung Suzhou LCD Co., Ltd. (SSL)</p> |
| As of Jun 30 2021 | 52 | 74 | 20 | 30 | 31 | 30 | 237 | - | - |

2. Affiliates & subsidiaries (detailed)

A. Domestic Affiliates

As of June 30, 2021, Samsung Group is consisted of 59 domestic affiliates. Among the Samsung Group's 59 domestic affiliates, sixteen (16) affiliates including Samsung Electronics are listed, and forty-four (43) affiliates are unlisted.

[As of June 30, 2021]

| Listing | No. of affiliates | Name of affiliates |
|----------|-------------------|--|
| Listed | 16 | Samsung C&T; Samsung Electronics; Samsung SDI; Samsung Electro-mechanics; Samsung Fire & Marine Insurance; Samsung Heavy Industries; Samsung Life Insurance; Multicampus; Samsung Securities; Samsung SDS; Samsung Card; Samsung Engineering; S1; Cheil Worldwide; Hotel Shilla; Samsung Biologics |
| Unlisted | 43 | Seoul Lakeside CC; Samoo Architects & Engineers; CVnet Corporation; Samsung Bioepis; Samsung Display; Samsung Corning Advanced Glass; SU Materials; STECO; SEMES; Samsung Electronics Service; Samsung Electronics Sales; Samsung Electronics Logitech; Suwon Samsung Bluewings FC; Samsung Medison; Samsung Claim Adjustment Service; Samsung Fire & Marine Insurance Service; Samsung Fire & Marine Insurance Financial Service; Samsung Electronics Service CS; Samsung Futures; Samsung Asset Management; Samsung Life Service; Samsung SRA Asset Management; Samsung Life Financial Service; SD Flex; Cheil Fashion Retail Co., Ltd.; Samsung Welstory; SECUI; STM; S-Core; OpenHands; Miracom; Samsung Card Customer Service; Human TSS; S-1CRM; Shilla Stay; HDC Shilla Duty Free LTD; Samsung Economic Research Institute (SERI); Samsung Lions; Samsung Venture Investment Corporation; Samsung Active Asset Management; Samsung Hedge Asset Management; Harman International Korea; SBTM |
| Total | 59 | |

B. Foreign Affiliates

[As of June 30, 2021]

| Listing | No. of affiliates | Name of affiliate | Country |
|----------------------------------|-------------------|--|----------|
| Unlisted | 592 | SAMOO HU Designer and Engineering Services Limited | Hungary |
| | | SAMOO DESIGNERS & ENGINEERS INDIA PRIVATE LIMITED | India |
| | | SAMOO (KL) SDN. BHD. | Malaysia |
| | | Meadowland Distribution | USA |
| | | Samsung Green repower, LLC | USA |
| | | Samsung Solar Construction Inc. | USA |
| | | QSSC, S.A. de C.V. | Mexico |
| | | Samsung Solar Energy LLC | USA |
| | | Equipment Trading Solutions Group, LLC | USA |
| | | FLOWFY COMMERCE SERVICE LLC | USA |
| | | SP Armow Wind Ontario LP | Canada |
| | | SRE GRW EPC GP Inc. | Canada |
| | | SRE GRW EPC LP | Canada |
| | | SRE SKW EPC GP Inc. | Canada |
| | | SRE SKW EPC LP | Canada |
| | | SRE WIND PA GP INC. | Canada |
| | | SRE WIND PA LP | Canada |
| | | SRE GRS Holdings GP Inc. | Canada |
| | | SRE GRS Holdings LP | Canada |
| | | SRE K2 EPC GP Inc. | Canada |
| | | SRE K2 EPC LP | Canada |
| | | SRE KS HOLDINGS GP INC. | Canada |
| | | SRE KS HOLDINGS LP | Canada |
| | | SP Belle River Wind LP | Canada |
| | | SRE Armow EPC GP Inc. | Canada |
| | | SRE Armow EPC LP | Canada |
| | | North Kent Wind 1 LP | Canada |
| | | SRE Wind GP Holding Inc. | Canada |
| | | South Kent Wind LP Inc. | Canada |
| | | Grand Renewable Wind LP Inc. | Canada |
| | | SRE North Kent 2 LP Holdings LP | Canada |
| | | SRE Solar Development GP Inc. | Canada |
| | | SRE Solar Development LP | Canada |
| | | SRE Windsor Holdings GP Inc. | Canada |
| | | SRE Southgate Holdings GP Inc. | Canada |
| | | SRE Solar Construction Management GP Inc. | Canada |
| | | SRE Solar Construction Management LP | Canada |
| | | SRE DEVELOPMENT GP INC. | Canada |
| | | SRE BRW EPC GP INC. | Canada |
| | | SRE BRW EPC LP | Canada |
| SRE North Kent 1 GP Holdings Inc | Canada | | |
| SRE North Kent 2 GP Holdings Inc | Canada | | |
| SRE Belle River GP Holdings Inc | Canada | | |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|--|----------------|
| | | SRE NK1 EPC GP Inc | Canada |
| | | SRE NK1 EPC LP | Canada |
| | | SRE Summerside Construction GP Inc. | Canada |
| | | SRE Summerside Construction LP | Canada |
| | | SOLAR PROJECTS SOLUTIONS,LLC | USA |
| | | Monument Power, LLC | USA |
| | | PLL Holdings LLC | USA |
| | | PLL E&P LLC | USA |
| | | Parallel Petroleum LLC | USA |
| | | Grand Renewable Solar GP Inc. | Canada |
| | | KINGSTON SOLAR GP INC. | Canada |
| | | SP Armow Wind Ontario GP Inc | Canada |
| | | South Kent Wind GP Inc. | Canada |
| | | Grand Renewable Wind GP Inc. | Canada |
| | | North Kent Wind 1 GP Inc | Canada |
| | | SP Belle River Wind GP Inc | Canada |
| | | Samsung Solar Energy 1 LLC | USA |
| | | Samsung Solar Energy 2 LLC | USA |
| | | Samsung Solar Energy 3, LLC | USA |
| | | CS SOLAR LLC | USA |
| | | SST SOLAR, LLC | USA |
| | | POSS-SLPC, S.R.O | Slovakia |
| | | Solluce Romania 1 B.V. | Romania |
| | | S.C. Otelinox S.A | Romania |
| | | LJG GREEN SOURCE ENERGY ALPHA S.R.L. | Romania |
| | | WARIS GIGIH ENGINEERING AND TECHNOLOGY SDN. BHD. | Malaysia |
| | | Samsung Chemtech Vina LLC | Vietnam |
| | | Samsung C&T Thailand Co., Ltd | Thailand |
| | | PT. INSAM BATUBARA ENERGY | Indonesia |
| | | Malaysia Samsung Steel Center Sdn.Bhd | Malaysia |
| | | S&G Biofuel PTE.LTD | Singapore |
| | | PT. Gandaerah Hendana | Indonesia |
| | | PT. Inecda | Indonesia |
| | | SAMSUNG TRADING (SHANGHAI) CO., LTD | China |
| | | Samsung Precision Stainless Steel(pinghu) Co.,Ltd. | China |
| | | Samsung Japan Corporation | Japan |
| | | Samsung R&D Institute Japan Co. Ltd. | Japan |
| | | Samsung Electronics America, Inc. | USA |
| | | Samsung Electronics Canada, Inc. | Canada |
| | | Samsung Electronics Mexico S.A. De C.V. | Mexico |
| | | Samsung Electronics Ltd. | United Kingdom |
| | | Samsung Electronics (UK) Ltd. | United Kingdom |
| | | Samsung Electronics Holding GmbH | Germany |
| | | Samsung Electronics Iberia, S.A. | Spain |
| | | Samsung Electronics France S.A.S | France |
| | | Samsung Electronics Hungarian Private Co. Ltd. | Hungary |
| | | Samsung Electronics Italia S.P.A. | Italy |
| | | Samsung Electronics Europe Logistics B.V. | Netherlands |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|--|----------------|
| | | Samsung Electronics Benelux B.V. | Netherlands |
| | | Samsung Electronics Overseas B.V. | Netherlands |
| | | Samsung Electronics Polska, SP.Zo.o | Poland |
| | | Samsung Electronics Portuguesa, Unipessoal, Lda. | Portugal |
| | | Samsung Electronics Nordic Aktiebolag | Sweden |
| | | Samsung Electronics Austria GmbH | Austria |
| | | Samsung Electronics Slovakia s.r.o | Slovakia |
| | | Samsung Electronics Europe Holding Cooperatief U.A. | Netherlands |
| | | Samsung Electronics Display (M) Sdn. Bhd. | Malaysia |
| | | Samsung Electronics (M) Sdn. Bhd. | Malaysia |
| | | Samsung Vina Electronics Co., Ltd. | Vietnam |
| | | Samsung Asia Pte. Ltd. | Singapore |
| | | Samsung India Electronics Private Ltd. | India |
| | | Samsung R&D Institute India-Bangalore Private Limited | India |
| | | Samsung Electronics Australia Pty. Ltd. | Australia |
| | | PT Samsung Electronics Indonesia | Indonesia |
| | | Thai Samsung Electronics Co., Ltd. | Thailand |
| | | Samsung Malaysia Electronics (SME) Sdn. Bhd. | Malaysia |
| | | Samsung Electronics Hong Kong Co., Ltd. | Hong Kong |
| | | Suzhou Samsung Electronics Co., Ltd. | China |
| | | Samsung (CHINA) Investment Co., Ltd. | China |
| | | Samsung Electronics Suzhou Semiconductor Co., Ltd. | China |
| | | Samsung Electronics Huizhou Co., Ltd. | China |
| | | Tianjin Samsung Electronics Co., Ltd. | China |
| | | Samsung Electronics Taiwan Co., Ltd. | Taiwan |
| | | Tianjin Samsung Telecom Technology Co., Ltd. | China |
| | | Shanghai Samsung Semiconductor Co., Ltd. | China |
| | | Samsung Electronics Suzhou Computer Co., Ltd. | China |
| | | Shenzhen Samsung Electronics Telecommunication Co., Ltd. | China |
| | | Samsung Semiconductor (China) R&D Co., Ltd. | China |
| | | Samsung (China) Semiconductor Co., Ltd. | China |
| | | Samsung SemiConductor Xian Co., Ltd. | China |
| | | Samsung Gulf Electronics Co., Ltd. | Utd.Arab Emir. |
| | | Samsung Electronics Egypt S.A.E | Egypt |
| | | Samsung Electronics South Africa(Pty) Ltd. | South Africa |
| | | Samsung Electronics Latinoamerica(Zona Libre), S. A. | Panama |
| | | Samsung Eletronica da Amazonia Ltda. | Brazil |
| | | Samsung Electronics Argentina S.A. | Argentina |
| | | Samsung Electronics Chile Limitada | Chile |
| | | Samsung Electronics Rus Company LLC | Russian Fed. |
| | | Samsung Electronics Rus Kaluga LLC | Russian Fed. |
| | | Tianjin Samsung LED Co., Ltd. | China |
| | | Samsung Biologics America, Inc. | USA |
| | | SAMSUNG BIOEPIS UK LIMITED | United Kingdom |
| | | Samsung Bioepis NL B.V. | Netherlands |
| | | Samsung Bioepis CH GmbH | Switzerland |
| | | Samsung Bioepis PL Sp z o.o. | Poland |
| | | SAMSUNG BIOEPIS AU PTY LTD | Australia |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|--|-------------|
| | | SAMSUNG BIOEPIS NZ LIMITED | New Zealand |
| | | SAMSUNG BIOEPIS TW Limited | Taiwan |
| | | Samsung Bioepis HK Limited | Hong Kong |
| | | SAMSUNG BIOEPIS IL LTD | Israel |
| | | SAMSUNG BIOEPIS BR PHARMACEUTICAL LTDA | Brazil |
| | | Intellectual Keystone Technology LLC | USA |
| | | Samsung Display Slovakia, s.r.o. | Slovakia |
| | | Samsung Display Vietnam Co., Ltd. | Vietnam |
| | | Samsung Display Noida Private Limited | India |
| | | Samsung Display Dongguan Co., Ltd. | China |
| | | Samsung Display Tianjin Co., Ltd. | China |
| | | Novaled GmbH | Germany |
| | | SEMES America, Inc. | USA |
| | | SEMES (XIAN) Co., Ltd. | China |
| | | NeuroLogica Corp. | USA |
| | | Dacor Holdings, Inc. | USA |
| | | Samsung HVAC America, LLC | USA |
| | | SmartThings, Inc. | USA |
| | | Samsung Oak Holdings, Inc. | USA |
| | | Joyent, Inc. | USA |
| | | TeleWorld Solutions, Inc. | USA |
| | | Prismview, LLC | USA |
| | | Samsung Semiconductor, Inc. | USA |
| | | Samsung Research America, Inc | USA |
| | | Samsung Electronics Home Appliances America, LLC | USA |
| | | Samsung International, Inc. | USA |
| | | Harman International Industries, Inc. | USA |
| | | Dacor, Inc. | USA |
| | | Dacor Canada Co. | Canada |
| | | TWS LATAM B, LLC | USA |
| | | TWS LATAM S, LLC | USA |
| | | SNB Technologies, Inc. Mexico S.A. de C.V | Mexico |
| | | Samsung Austin Semiconductor LLC. | USA |
| | | AdGear Technologies Inc. | Canada |
| | | SAMSUNG NEXT LLC | USA |
| | | SAMSUNG NEXT FUND LLC | USA |
| | | Samsung Mexicana S.A. de C.V | Mexico |
| | | Samsung Electronics Digital Appliance Mexico, SA de CV | Mexico |
| | | Harman International Japan Co., Ltd. | Japan |
| | | Harman International Industries Canada Ltd. | Canada |
| | | Harman Becker Automotive Systems, Inc. | USA |
| | | Harman Professional, Inc. | USA |
| | | Harman Connected Services, Inc. | USA |
| | | Harman Financial Group LLC | USA |
| | | Harman Belgium SA | Belgium |
| | | Harman France SNC | France |
| | | Red Bend Software SAS | France |
| | | Harman Inc. & Co. KG | Germany |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|---|----------------|
| | | Harman KG Holding, LLC | USA |
| | | Harman Becker Automotive Systems Italy S.R.L. | Italy |
| | | Harman Finance International, SCA | Luxembourg |
| | | Harman Finance International GP S.a.r.l | Luxembourg |
| | | Harman Industries Holdings Mauritius Ltd. | Mauritius |
| | | Harman International Mexico, S. de R.L. de C.V. | Mexico |
| | | Harman International Estonia OU | Estonia |
| | | AMX UK Limited | United Kingdom |
| | | Harman Singapore Pte. Ltd. | Singapore |
| | | Harman da Amazonia Industria Eletronica e Participacoes Ltda. | Brazil |
| | | Harman do Brasil Industria Eletronica e Participacoes Ltda. | Brazil |
| | | Harman Connected Services Engineering Corp. | USA |
| | | Harman Connected Services AB. | Sweden |
| | | Harman Connected Services UK Ltd. | United Kingdom |
| | | Harman Connected Services Corp. India Pvt. Ltd. | India |
| | | Global Symphony Technology Group Private Ltd. | Mauritius |
| | | Harman International (India) Private Limited | India |
| | | Harman de Mexico, S. de R.L. de C.V. | Mexico |
| | | Samsung Semiconductor Europe Limited | United Kingdom |
| | | Samsung Semiconductor Europe GmbH | Germany |
| | | Samsung Electronics GmbH | Germany |
| | | Samsung Electronics Czech and Slovak s.r.o. | Czech Republic |
| | | SAMSUNG ELECTRONICS BALTICS SIA | Latvia |
| | | Samsung Electronics West Africa Ltd. | Nigeria |
| | | Samsung Electronics East Africa Ltd. | Kenya |
| | | Samsung Electronics Saudi Arabia Ltd. | Saudi Arabia |
| | | Samsung Electronics Israel Ltd. | Israel |
| | | Samsung Electronics Tunisia S.A.R.L | Tunisia |
| | | Samsung Electronics Pakistan(Private) Ltd. | Pakistan |
| | | Samsung Electronics South Africa Production (pty) Ltd. | South Africa |
| | | Samsung Electronics Turkey | Turkey |
| | | Samsung Electronics Industry and Commerce Ltd. | Turkey |
| | | Samsung Semiconductor Israel R&D Center, Ltd. | Israel |
| | | Samsung Electronics Levant Co.,Ltd. | Jordan |
| | | Samsung Electronics Maghreb Arab | Morocco |
| | | Samsung Electronics Venezuela, C.A. | Venezuela |
| | | Samsung Electronics Peru S.A.C. | Peru |
| | | Samsung Electronics Ukraine Company LLC | Ukraine |
| | | Samsung R&D Institute Rus LLC | Russian Fed. |
| | | Samsung Electronics Central Eurasia LLP | Kazakhstan |
| | | Samsung Electronics Caucasus Co. Ltd | Azerbaijan |
| | | Corephotonics Ltd. | Israel |
| | | Zhilabs Inc. | USA |
| | | Samsung Nanoradio Design Center | Sweden |
| | | Harman Professional Denmark ApS | Denmark |
| | | Studer Professional Audio GmbH | Switzerland |
| | | Martin Professional Japan Ltd. | Japan |
| | | Harman International s.r.o | Czech Republic |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|---|----------------|
| | | Harman International Romania SRL | Romania |
| | | Harman Becker Automotive Systems GmbH | Germany |
| | | Harman Deutschland GmbH | Germany |
| | | Harman Becker Automotive Systems Manufacturing Kft | Hungary |
| | | Harman RUS CIS LLC | Russian Fed. |
| | | Harman Holding GmbH & Co. KG | Germany |
| | | Harman Management GmbH | Germany |
| | | Harman Hungary Financing Ltd. | Hungary |
| | | Harman Connected Services OOO | Russian Fed. |
| | | Harman Professional Kft | Hungary |
| | | Harman Consumer Nederland B.V. | Netherlands |
| | | Red Bend Ltd. | Israel |
| | | Harman International Industries Limited | United Kingdom |
| | | AKG Acoustics GmbH | Austria |
| | | Harman Audio Iberia Espana Sociedad Limitada | Spain |
| | | Harman Holding Limited | Hong Kong |
| | | Harman Finland Oy | Finland |
| | | Harman Connected Services GmbH | Germany |
| | | Harman Connected Services Poland Sp.zoo | Poland |
| | | Harman Connected Services Solutions (Chengdu) Co., Ltd. | China |
| | | Harman Automotive UK Limited | United Kingdom |
| | | Martin Manufacturing (UK) Ltd | United Kingdom |
| | | Harman Connected Services Limited | United Kingdom |
| | | A&R Cambridge Limited | United Kingdom |
| | | Harman International Industries PTY Ltd. | Australia |
| | | Harman Connected Services Morocco | Morocco |
| | | Samsung Electronics Switzerland GmbH | Switzerland |
| | | Samsung Electronics Romania LLC | Romania |
| | | Zhilabs, S.L. | Spain |
| | | Porta Nuova Varesine Building 2 S.r.l. | Italy |
| | | Samsung Electronics Poland Manufacturing SP.Zo.o | Poland |
| | | Samsung Electronics Greece S.M.S.A | Greece |
| | | Samsung Electronics Air Conditioner Europe B.V. | Netherlands |
| | | FOODIENT LTD. | United Kingdom |
| | | Samsung Denmark Research Center ApS | Denmark |
| | | Samsung Cambridge Solution Centre Limited | United Kingdom |
| | | iMarket Asia Co., Ltd. | Hong Kong |
| | | Samsung Electronics Japan Co., Ltd. | Japan |
| | | Samsung Electronics Singapore Pte. Ltd. | Singapore |
| | | Samsung Electronics New Zealand Limited | New Zealand |
| | | Samsung Electronics Philippines Corporation | Philippines |
| | | Samsung R&D Institute BanglaDesh Limited | Bangladesh |
| | | Samsung Electronics Vietnam Co., Ltd. | Vietnam |
| | | Samsung Electronics Vietnam THAINGUYEN Co., Ltd. | Vietnam |
| | | Samsung Electronics HCMC CE Complex Co., Ltd. | Vietnam |
| | | Samsung Electro-Mechanics(Thailand) Co., Ltd. | Thailand |
| | | Samsung Nepal Services Pvt, Ltd | Nepal |
| | | PT Samsung Telecommunications Indonesia | Indonesia |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|--|----------------|
| | | Laos Samsung Electronics Sole Co., Ltd | Laos |
| | | Samsung Suzhou Electronics Export Co., Ltd. | China |
| | | Samsung Mobile R&D Center China-Guangzhou | China |
| | | Samsung R&D Institute China-Shenzhen | China |
| | | Beijing Samsung Telecom R&D Center | China |
| | | Samsung Electronics China R&D Center | China |
| | | Harman (Suzhou) Audio and Infotainment Systems Co., Ltd. | China |
| | | Harman Technology (Shenzhen) Co., Ltd. | China |
| | | Harman (China) Technologies Co., Ltd. | China |
| | | Harman Commercial (Shanghai) Co., Ltd. | China |
| | | Harman International (China) Holdings Co., Ltd. | China |
| | | Harman Automotive Electronic Systems (Suzhou) Co., Ltd. | China |
| | | Red Bend Software Ltd. | United Kingdom |
| | | Samsung Electronics Latinoamerica Miami, Inc. | USA |
| | | Samsung Electronica Colombia S.A. | Colombia |
| | | Samsung Electronics Panama. S.A. | Panama |
| | | Samsung SDI Japan Co., Ltd. | Japan |
| | | Samsung SDI America, Inc. | USA |
| | | Samsung SDI Hungary., Zrt. | Hungary |
| | | Samsung SDI Europe GmbH | Germany |
| | | Samsung SDI Battery Systems GmbH | Austria |
| | | Samsung SDI Vietnam Co., Ltd. | Vietnam |
| | | Samsung SDI Energy Malaysia Sdn, Bhd. | Malaysia |
| | | Samsung SDI India Private Limited | India |
| | | Samsung SDI(Hong Kong) Ltd. | Hong Kong |
| | | Samsung SDI China Co., Ltd. | China |
| | | Samsung SDI-ARN (Xi'An) Power Battery Co., Ltd. | China |
| | | Samsung SDI (Tianjin) Battery Co.,Ltd. | China |
| | | SAMSUNG SDI WUXI CO.,LTD. | China |
| | | Samsung SDI(Wuxi) Battery Systems Co., Ltd. | China |
| | | Tianjin Samsung SDI Co., Ltd. | China |
| | | Samsung Electro-Mechanics Japan Co., Ltd. | Japan |
| | | Samsung Electro-Mechanics America, Inc. | USA |
| | | Samsung Electro-Mechanics GmbH | Germany |
| | | Samsung Electro-Mechanics Philippines, Corp. | Philippines |
| | | Calamba Premier Realty Corporation | Philippines |
| | | Samsung Electro-Mechanics Pte Ltd. | Singapore |
| | | Samsung Electro-Mechanics Vietnam Co., Ltd. | Vietnam |
| | | Samsung Electro-Mechanics Software India Bangalore Private Limited | India |
| | | Dongguan Samsung Electro-Mechanics Co., Ltd. | China |
| | | Tianjin Samsung Electro-Mechanics Co., Ltd. | China |
| | | Samsung High-Tech Electro-Mechanics(Tianjin) Co., Ltd. | China |
| | | Samsung Electro-Mechanics (Shenzhen) Co., Ltd. | China |
| | | Kunshan Samsung Electro-Mechanics Co., Ltd. | China |
| | | Batino Realty Corporation | Philippines |
| | | Samsung Fire & Marine Management Corporation | USA |
| | | SAMSUNG FIRE & MARINE INSURANCE COMPANY OF EUROPE LTD. | United Kingdom |
| | | PT. Asuransi Samsung Tugu | Indonesia |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|--|----------------|
| | | SAMSUNG VINA INSURANCE COMPANY LIMITED | Vietnam |
| | | Samsung Reinsurance Pte. Ltd. | Singapore |
| | | Samsung Property & Casualty Insurance Company(China), Ltd | China |
| | | Samsung Fire & Marine Insurance Management Middle East Limited | Utd.Arab Emir. |
| | | Camellia Consulting Corporation | USA |
| | | Samsung Heavy Industries India Pvt.Ltd. | India |
| | | SAMSUNG HEAVY INDUSTRIES (M) SDN.BHD | Malaysia |
| | | Samsung Heavy Industries(Ningbo) Co., Ltd | China |
| | | Samsung Heavy Industries(Rongcheng) Co., Ltd | China |
| | | Rongcheng Gaya Heavy Industries Co., Ltd | China |
| | | SAMSUNG HEAVY INDUSTRIES NIGERIA LIMITED | Nigeria |
| | | Samsung Heavy Industries Mozambique LDA | Mozambique |
| | | Samsung Heavy Industries Rus LLC | Russian Fed. |
| | | SHI - MCI FZE | Nigeria |
| | | THAI SAMSUNG LIFE INSURANCE CO., LTD. | Thailand |
| | | Beijing Samsung Real Estate Co.. Ltd | China |
| | | Samsung Asset Management (New York), Inc. | USA |
| | | Samsung Global SME Private Equity Manager Fund Co., Ltd. | Cayman Islands |
| | | Samsung Asset Management(London) Ltd. | United Kingdom |
| | | Samsung Private Equity Manager I Co., Ltd. | Cayman Islands |
| | | Samsung Asset Management (Hong Kong) Ltd. | Hong Kong |
| | | Samsung Asset Management (Beijing) Ltd. | China |
| | | COLOMBO VIA DELLA SPIGA S.R.L | Italy |
| | | MYODO METAL CO., LTD. | Japan |
| | | Samsung C&T Japan Corporation | Japan |
| | | Samsung C&T America Inc. | USA |
| | | Samsung E&C America, INC. | USA |
| | | Samsung Renewable Energy Inc. | Canada |
| | | Samsung C&T Oil & Gas Parallel Corp. | USA |
| | | Samsung C&T Lima S.A.C. | Peru |
| | | Samsung C&T Deutschland GmbH | Germany |
| | | Samsung C&T U.K. Ltd. | United Kingdom |
| | | Samsung C&T ECUK Limited | United Kingdom |
| | | Whessoe engineering Limited | United Kingdom |
| | | SAM investment Manzanilo.B.V | Netherlands |
| | | Samsung C&T (KL) Sdn.,Bhd. | Malaysia |
| | | Samsung C&T Malaysia SDN. BHD | Malaysia |
| | | Erdsam Co., Ltd. | Hong Kong |
| | | Samsung E&C India Private Limited | India |
| | | Samsung C&T Corporation India Private Limited | India |
| | | Samsung C&T Singapore Pte., Ltd. | Singapore |
| | | SAMSUNG C&T Mongolia LLC. | Mongolia |
| | | Samsung C&T Eng.&Const. Mongolia LLC. | Mongolia |
| | | S&WOO CONSTRUCTION PHILIPPINES,INC. | Philippines |
| | | VSSC STEEL CENTER LIMITED LIABILITY COMPANY | Vietnam |
| | | Samsung C&T Hongkong Ltd. | Hong Kong |
| | | Samsung C&T Taiwan Co., Ltd. | Taiwan |
| | | SAMSUNG C&T (SHANGHAI) CO., LTD. | China |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|---|----------------|
| | | Samsung C&T (Xi'an) Co., Ltd. | China |
| | | SAMSUNG C&T CORPORATION SAUDI ARABIA | Saudi Arabia |
| | | SAM Gulf Investment Limited | Utd.Arab Emir. |
| | | Samsung C&T Chile Copper SpA | Chile |
| | | SCNT Power Kelar Inversiones Limitada | Chile |
| | | Samsung C&T Corporation Rus LLC | Russian Fed. |
| | | Cheil Industries Corp., USA | USA |
| | | CHEIL INDUSTRIES ITALY SRL | Italy |
| | | Samsung Fashion Trading Co. ,Ltd | China |
| | | SAMSUNG C&T CORPORATION VIETNAM CO., LTD | Vietnam |
| | | Samsung C&T Corporation UEM Construction JV Sdn Bhd | Malaysia |
| | | WELSTORY VIETNAM COMPANY LIMITED | Vietnam |
| | | Shanghai Ever-Hongjun Business Mgt Service Co.,LTD | China |
| | | Shanghai Welstory Food Company Limited | China |
| | | LANGUAGE TESTING INTERNATIONAL, INC. | USA |
| | | PENGTAI CHINA CO.,LTD. | China |
| | | PengTai Taiwan Co., Ltd. | Taiwan |
| | | PENGTAI E-COMMERCE CO.,LTD | China |
| | | PENGTAI MARKETING SERVICE CO.,LTD. | China |
| | | Medialytics Inc. | China |
| | | Beijing Pengtai Baozun E-commerce Co., Ltd. | China |
| | | iMarket China Co., Ltd. | China |
| | | Samsung Securities (America), Inc. | USA |
| | | Samsung Securities (Europe) Limited. | United Kingdom |
| | | Samsung Securities (Asia) Limited. | Hong Kong |
| | | Samsung SDS Global SCL America, Inc. | USA |
| | | SAMSUNG SDS GSCL Canada., Ltd. | Canada |
| | | Samsung SDS America, Inc. | USA |
| | | Neo EXpress Transportation (NEXT), Inc. | USA |
| | | Samsung SDS Europe, Ltd. | United Kingdom |
| | | Samsung SDS Global SCL Hungary, Kft. | Hungary |
| | | Samsung SDS Global SCL Slovakia, S.R.O. | Slovakia |
| | | Samsung SDS Global SCL Poland Sp. Z.o.o. | Poland |
| | | Samsung GSCL Sweden AB | Sweden |
| | | Samsung SDS Global SCL France SAS | France |
| | | Samsung SDS Global SCL Greece Societe Anonyme | Greece |
| | | Samsung SDS Global SCL Baltics, SIA | Latvia |
| | | Samsung SDS Global SCL Italy S.R.L. A Socio Unico | Italy |
| | | Samsung SDS Global Supply Chain Logistics Spain S.L.U | Spain |
| | | Samsung SDS Global SCL Netherlands Cooperatief U.A. | Netherlands |
| | | Samsung SDS Global SCL Germany GmbH | Germany |
| | | Samsung SDS Global SCL Austria GmbH | Austria |
| | | Samsung SDS Global SCL Romania S.R.L | Romania |
| | | Samsung SDS Asia Pacific Pte, Ltd. | Singapore |
| | | Samsung Data Systems India Private Limited | India |
| | | Samsung SDS India Private Limited | India |
| | | VASCO Supply Chain Solutions Private Limited | India |
| | | Samsung SDS Vietnam Co., Ltd. | Vietnam |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|---|-----------------|
| | | PT. Samsung SDS Global SCL Indonesia | Indonesia |
| | | Samsung SDS Global SCL Philippines Co., Ltd.Inc. | Philippines |
| | | Samsung SDS Global SCL Thailand Co.,Ltd | Thailand |
| | | Samsung SDS Global SCL Malaysia SDN.BHD. | Malaysia |
| | | SAMSUNG SDS Global SCL Austraila Pty.,Ltd. | Australia |
| | | SDS-ACUTECH CO., Ltd. | Thailand |
| | | ALS SDS Joint Stock Company | Vietnam |
| | | SDS-MP Logistics Joint Stock Company | Vietnam |
| | | Samsung SDS China Co., Ltd. | China |
| | | Samsung SDS Global SCL Hong Kong Co., Ltd. | Hong Kong |
| | | SAMSUNG SDS Global SCL Egypt | Egypt |
| | | Samsung SDS Global SCL South Africa (PTY) Ltd. | South Africa |
| | | Samsung SDS Global SCL Nakliyat ve Lojistik Anonim Sirketi | Turkey |
| | | Samsung SDS Global Supply Chain Logistics Middle East DWC-LLC | Utd.Arab Emir. |
| | | Samsung SDS Latin America Solucoes Em Tecnologia Ltda. | Brazil |
| | | SAMSUNG SDS Glogal SCL Latin America Logistica Ltda | Brazil |
| | | INTE-SDS Logistics S.A. de C.V. | Mexico |
| | | Samsung SDS Global SCL Rus Limited Liability Company | Russian Fed. |
| | | MIRACOM INC ASIA PACIFIC LIMITED | Hong Kong |
| | | Samsung SDS Mexico, S.A. DE C.V. | Mexico |
| | | Samsung SDS Global SCL Panama S. A. | Panama |
| | | Samsung SDS Global SCL Chile Limitada | Chile |
| | | Samsung SDS Global SCL Peru S.A.C. | Peru |
| | | Samsung SDS Global SCL Colombia S.A.S. | Colombia |
| | | Samsung SDS Global SCL Beijing Co., Ltd | China |
| | | Samsung SDS Global Development Center Xi'an | China |
| | | Samsung Engineering America Inc. | USA |
| | | Samsung Engineering Hungary Ltd. | Hungary |
| | | Samsung Engineering Italy S.R.L. | Italy |
| | | Samsung Engineering (Malaysia) SDN. BHD. | Malaysia |
| | | PT Samsung Engineering Indonesia Co., Ltd. | Indonesia |
| | | Samsung Engineering (Thailand) Co., Ltd. | Thailand |
| | | Samsung Engineering India Private Limited | India |
| | | Samsung Engineering Vietnam Co., Ltd. | Vietnam |
| | | Samsung Engineering Construction(Shanghai) Co., Ltd | China |
| | | Samsung Engineering Construction Xi' an Co., Ltd. | China |
| | | Samsung Saudi Arabia Co., Ltd. | Saudi Arabia |
| | | Muharrag Wastewater Services Company W.L.L. | Bahrain |
| | | Muharrag STP Company B.S.C. | Bahrain |
| | | Muharrag Holding Company 1 Ltd. | Utd.Arab Emir. |
| | | Samsung Ingenieria Mexico Construccion Y Operacion S.A. De C.V. | Mexico |
| | | Samsung Engineering Trinidad Co., Ltd. | Trinidad,Tobago |
| | | Samsung Ingenieria Manzanillo, S.A. De C.V. | Mexico |
| | | Grupo Samsung Ingenieria Mexico, S.A. De C.V. | Mexico |
| | | Samsung Ingenieria Energia S.A. De C.V. | Mexico |
| | | Samsung Engineering Bolivia S.A | Bolivia |
| | | Samsung Ingenieria DUBA S.A. de C.V. | Mexico |
| | | Samsung Engineering Kazakhstan L.L.P. | Kazakhstan |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|---|----------------|
| | | SEA Construction, LLC | USA |
| | | SEA Louisiana Construction, L.L.C. | USA |
| | | Samsung EPC Company Ltd. | Saudi Arabia |
| | | Muharraq Holding Company 2 Ltd. | Utd.Arab Emir. |
| | | Asociados Constructores DBNR, S.A. de C.V. | Mexico |
| | | S-1 CORPORATION HUNGARY LLC | Hungary |
| | | S-1 CORPORATION VIETNAM CO., LTD | Vietnam |
| | | Samsung Beijing Security Systems | China |
| | | PENGTAI INTERACTIVE ADVERTISING CO.,LTD | China |
| | | Cheil USA Inc. | USA |
| | | Cheil Central America Inc. | USA |
| | | Iris Worldwide Holdings Limited | United Kingdom |
| | | CHEIL EUROPE LIMITED | United Kingdom |
| | | Cheil Germany GmbH | Germany |
| | | Cheil France SAS | France |
| | | CHEIL SPAIN S.L | Spain |
| | | Cheil Benelux B.V. | Netherlands |
| | | Cheil Nordic AB | Sweden |
| | | Cheil India Private Limited | India |
| | | Cheil (Thailand) Ltd. | Thailand |
| | | Cheil Singapore Pte. Ltd. | Singapore |
| | | CHEIL VIETNAM COMPANY LIMITED | Vietnam |
| | | Cheil Integrated Marketing Philippines, Inc. | Philippines |
| | | CHEIL MALAYSIA SDN. BHD. | Malaysia |
| | | Cheil New Zealand Limited | New Zealand |
| | | CHEIL CHINA | China |
| | | Cheil Hong Kong Ltd. | Hong Kong |
| | | Caishu (Shanghai) Business Consulting Co., Ltd | China |
| | | Cheil MEA FZ-LLC | Utd.Arab Emir. |
| | | Cheil South Africa (Pty) Ltd | South Africa |
| | | CHEIL KENYA LIMITED | Kenya |
| | | Cheil Communications Nigeria Ltd. | Nigeria |
| | | Cheil Worldwide Inc./Jordan LLC. | Jordan |
| | | Cheil Ghana Limited | Ghana |
| | | Cheil Egypt LLC | Egypt |
| | | Cheil Brasil Comunicacoes Ltda. | Brazil |
| | | Cheil Mexico, S.A. de C.V. | Mexico |
| | | Cheil Chile SpA. | Chile |
| | | Cheil Peru S.A.C. | Peru |
| | | CHEIL ARGENTINA S.A. | Argentina |
| | | Cheil Rus LLC | Russian Fed. |
| | | Cheil Ukraine LLC | Ukraine |
| | | Cheil Kazakhstan LLC | Kazakhstan |
| | | Samsung Hospitality America Inc. | USA |
| | | Shilla Travel Retail Pte. Ltd. | Singapore |
| | | Samsung Shilla Business Service Beijing Co., Ltd. | China |
| | | Shilla Travel Retail Hong Kong Limited | Hong Kong |
| | | Shilla Travel Retail Taiwan Limited | Taiwan |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|---|-----------------|
| | | HDC SHILLA (SHANGHAI) CO., LTD | China |
| | | Samsung Hospitality U.K. Inc. | United Kingdom |
| | | Samsung Hospitality Europe GmbH | Germany |
| | | SAMSUNG HOSPITALITY ROMANIA SRL | Romania |
| | | Samsung Hospitality Vietnam Co., Ltd. | Vietnam |
| | | Samsung Hospitality Philippines Inc. | Philippines |
| | | Samsung Hospitality India Private Limited | India |
| | | Iris (USA) Inc. | USA |
| | | Iris Atlanta, Inc. | USA |
| | | Iris Experience, Inc. | USA |
| | | Iris Latin America, Inc. | USA |
| | | Iris Worldwide San Diego, Inc. | USA |
| | | 89 Degrees, Inc. | USA |
| | | Irisnation Latina No.2, S. de R.L. de C.V. | Mexico |
| | | Irisnation Latina, S. de R.L. de C.V. | Mexico |
| | | Pricing Solutions Ltd | Canada |
| | | The Barbarian Group LLC | USA |
| | | McKinney Ventures LLC | USA |
| | | Iris Nation Worldwide Limited | United Kingdom |
| | | Iris Americas, Inc. | USA |
| | | Iris Canada Holdings Ltd | Canada |
| | | Iris London Limited | United Kingdom |
| | | Iris Promotional Marketing Ltd | United Kingdom |
| | | Iris Ventures 1 Limited | United Kingdom |
| | | Founded Partners Limited | United Kingdom |
| | | Iris Products (Worldwide) Limited | United Kingdom |
| | | Iris Korea Limited | United Kingdom |
| | | Iris Digital Limited | United Kingdom |
| | | Iris Amsterdam B.V. | Netherlands |
| | | Datalytics Limited | United Kingdom |
| | | Iris Ventures (Worldwide) Limited | United Kingdom |
| | | Iris Culture Limited | United Kingdom |
| | | Concise Consultants Limited | United Kingdom |
| | | Atom42 Ltd | United Kingdom |
| | | WDMP Limited | United Kingdom |
| | | Pricing Solutions (UK) Limited | United Kingdom |
| | | Iris Services Limited Dooel Skopje | Macedonia |
| | | Irisnation Singapore Pte. Ltd. | Singapore |
| | | Iris Worldwide Integrated Marketing Private Limited | India |
| | | Iris Sydney PTY Ltd | Australia |
| | | Iris Worldwide (Thailand) Limited | Thailand |
| | | Iris Beijing Advertising Company Limited | China |
| | | Iris Partners LLP | United Kingdom |
| | | Holdings BR185 Limited | Brit.Virgin Is. |
| | | Iris Germany GmbH | Germany |
| | | Founded, Inc. | USA |
| | | Pepper NA, Inc. | USA |
| | | Pepper Technologies Pte. Ltd. | Singapore |

| Listing | No. of affiliates | Name of affiliate | Country |
|---------|-------------------|---|----------------|
| | | Beattie McGuinness Bungay Limited | United Kingdom |
| | | Cheil Italia S.r.l | Italy |
| | | Cheil Austria GmbH | Austria |
| | | Centrade Integrated SRL | Romania |
| | | Centrade Cheil HU Kft. | Hungary |
| | | Centrade Cheil Adriatic D.O.O. | Serbia/Monten. |
| | | Experience Commerce Software Private Limited | India |
| | | Pengtai Greater China Company Limited | Hong Kong |
| | | PT. CHEIL WORLDWIDE INDONESIA | Indonesia |
| | | Cheil Philippines Inc. | Philippines |
| | | Tianjin Samsung International Travel Service Co., Ltd | China |
| | | Shilla Retail Limited | Macau |
| | | Shilla Travel Retail Duty Free HK Limited | Hong Kong |
| | | One Agency FZ-LLC | Utd.Arab Emir. |
| | | One RX Project Management Design and Production Limited Company | Turkey |
| | | One RX India Private Limited | India |
| | | ONE RX INTERIOR DECORATION L.L.C | Utd.Arab Emir. |
| | | ONE AGENCY PRINTING L.L.C | Utd.Arab Emir. |
| | | One Agency South Africa (Pty) Ltd | South Africa |
| | | Brazil 185 Participacoes Ltda | Brazil |
| | | Iris Router Marketing Ltda | Brazil |

3. Equity investments in other corporations (detailed)

The total book value of equity investments in other corporations as of June 30, 2021 is KRW 57,917 billion (for the purpose of management participation, etc.)

[As of June 30, 2021]

(1,000 shares, KRW million, %)

| Listing | Company | Acquisition date | Objective | Acquisition cost | Beginning balance | | | Increase/decrease | | | Ending balance | | | Current financial stats | |
|----------|------------------------------|------------------|--------------------------|------------------|-------------------|----------------|------------|----------------------|---------|-----------|----------------|----------------|------------|-------------------------|-------------------|
| | | | | | Qty | Owner-ship (%) | Book value | Acquisition/disposal | | Valuation | Qty | Owner-ship (%) | Book value | Total assets | Net income (loss) |
| | | | | | | | | Qty | Amount | | | | | | |
| Listed | Samsung Electro-Mechanics | Jan 1977 | Management participation | 250 | 17,693 | 23.7 | 445,244 | - | - | - | 17,693 | 23.7 | 445,244 | 9,225,498 | 623,811 |
| Listed | Samsung SDI | Jan 1977 | Management participation | 304 | 13,463 | 19.6 | 1,242,605 | - | - | - | 13,463 | 19.6 | 1,242,605 | 21,534,232 | 630,966 |
| Listed | Samsung Heavy Industries | Sep 1977 | Management participation | 125 | 100,693 | 16.0 | 708,882 | - | - | -33,229 | 100,693 | 16.0 | 675,653 | 12,922,171 | 1,492,700 |
| Listed | Hotel Shilla | Dec 1979 | Management participation | 252 | 2,005 | 5.1 | 164,988 | - | - | 29,470 | 2,005 | 5.1 | 194,458 | 2,893,842 | -283,346 |
| Listed | Cheil Worldwide | Sep 1988 | Management participation | 185 | 29,038 | 25.2 | 491,599 | - | - | - | 29,038 | 25.2 | 491,599 | 2,242,464 | 158,280 |
| Listed | Samsung SDS | Jul 1992 | Management participation | 6,160 | 17,472 | 22.6 | 560,827 | - | - | - | 17,472 | 22.6 | 560,827 | 9,154,919 | 452,909 |
| Listed | Samsung BioLogics | Apr 2011 | Management participation | 30,000 | 20,837 | 31.5 | 443,193 | - | - | - | 20,837 | 31.5 | 443,193 | 6,424,201 | 240,975 |
| Unlisted | Samsung Display | Apr 2012 | Management participation | 16,009,547 | 221,969 | 84.8 | 18,509,307 | - | - | - | 221,969 | 84.8 | 18,509,307 | 50,039,755 | 1,798,100 |
| Unlisted | STECO | Jun 1995 | Management participation | 24,000 | 2,590 | 70.0 | 35,861 | - | - | - | 2,590 | 70.0 | 35,861 | 164,027 | 9,295 |
| Unlisted | SEMES | Dec 1992 | Management participation | 1,000 | 2,173 | 91.5 | 71,906 | - | - | - | 2,173 | 91.5 | 71,906 | 1,596,649 | 201,985 |
| Unlisted | Samsung Electronics Service | Jan 1998 | Management participation | 30,000 | 6,000 | 99.3 | 48,121 | - | - | - | 6,000 | 99.3 | 48,121 | 514,221 | -7,959 |
| Unlisted | Samsung Electronics Sales | Dec 2000 | Management participation | 3,100 | 1,767 | 100.0 | 247,523 | - | - | - | 1,767 | 100.0 | 247,523 | 1,135,295 | 21,995 |
| Unlisted | Samsung Electronics Logitech | Apr 1999 | Management participation | 76 | 1,011 | 100.0 | 46,669 | - | - | - | 1,011 | 100.0 | 46,669 | 349,516 | 21,068 |
| Unlisted | Samsung Medison | Feb 2011 | Management participation | 286,384 | 87,350 | 68.5 | 302,283 | - | - | - | 87,350 | 68.5 | 302,283 | 370,529 | 1,538 |
| Unlisted | SERI | May 1991 | Management participation | 320 | 3,576 | 29.8 | 24,942 | - | - | - | 3,576 | 29.8 | 24,942 | 144,572 | 430 |
| Unlisted | Samsung Venture Investment | Nov 1999 | Management participation | 4,900 | 980 | 16.3 | 22,060 | - | - | 245 | 980 | 16.3 | 22,305 | 132,460 | 10,175 |
| Unlisted | SVIC #21 | Nov 2011 | Management participation | 19,800 | 1 | 99.0 | 80,888 | 0 | 356 | - | 1 | 99.0 | 81,244 | 100,891 | 861 |
| Unlisted | SVIC #22 | Nov 2011 | Management participation | 19,800 | 1 | 99.0 | 93,624 | 0 | -18,166 | - | 1 | 99.0 | 75,458 | 81,530 | -17,022 |

| Listing | Company | Acquisition date | Objective | Acquisition cost | Beginning balance | | | Listing | | | Company | | | Current financial stats | |
|----------|--|------------------|--------------------------|------------------|-------------------|----------------|------------|----------------------|---------|-----------|------------|----------------|------------|-------------------------|-------------------|
| | | | | | Qty | Owner-ship (%) | Book value | Acquisition/disposal | | Valuation | Qty | Owner-ship (%) | Book value | Total assets | Net income (loss) |
| | | | | | | | | Qty | Amount | | | | | | |
| Unlisted | SVIC #26 | Nov 2014 | Management participation | 19,800 | 1 | 99.0 | 98,577 | 0 | -2,134 | - | 1 | 99.0 | 96,443 | 83,941 | -50,147 |
| Unlisted | SVIC #27 | Sep 2014 | Management participation | 5,940 | 0 | 99.0 | 43,785 | - | - | - | 0 | 99.0 | 43,785 | 42,249 | -6,528 |
| Unlisted | SVIC #28 | Feb 2015 | Management participation | 7,425 | 2 | 99.0 | 168,980 | 0 | 659 | - | 2 | 99.0 | 169,639 | 366,921 | 33,542 |
| Unlisted | SVIC #32 | Aug 2016 | Management participation | 19,800 | 2 | 99.0 | 182,606 | 0 | -11,465 | - | 2 | 99.0 | 171,141 | 291,176 | 64,353 |
| Unlisted | SVIC #33 | Nov 2016 | Management participation | 4,950 | 2 | 99.0 | 173,307 | 0 | 3,584 | - | 2 | 99.0 | 176,891 | 342,053 | 135,637 |
| Unlisted | SVIC #42 | Nov 2018 | Management participation | 4,950 | 0 | 99.0 | 11,048 | 0 | 305 | - | 0 | 99.0 | 11,353 | 8,558 | -1,583 |
| Unlisted | SVIC #45 | May 2019 | Management participation | 19,800 | 1 | 99.0 | 113,417 | 0 | 26,836 | - | 1 | 99.0 | 140,253 | 101,781 | -10,873 |
| Unlisted | SVIC #45 | May 2021 | Management participation | 9,900 | - | - | - | 0 | 9,900 | - | 0 | 99.0 | 9,900 | - | - |
| Unlisted | Semiconductor Growth Fund | Mar 2017 | Management participation | 500 | 50,000,000 | 66.7 | 50,000 | - | - | - | 50,000,000 | 66.7 | 50,000 | 75,082 | -316 |
| Unlisted | System LSI Mutual benefit private equity trust | Apr 2020 | Management participation | 25,000 | 25,000,000 | 62.5 | 25,000 | - | - | - | 25,000,000 | 62.5 | 25,000 | 40,036 | -407 |
| Listed | iMarket Korea | Dec 2000 | Management participation | 1,900 | 647 | 1.8 | 5,658 | - | - | 1,689 | 647 | 1.9 | 7,347 | 1,110,821 | 28,800 |
| Listed | KT Skylife | Dec 2001 | Simple investment | 3,344 | 240 | 0.5 | 2,114 | - | - | 466 | 240 | 0.5 | 2,580 | 919,476 | 58,190 |
| Listed | Yongpyong Resort | May 2007 | Simple investment | 1,869 | 400 | 0.8 | 1,702 | - | - | 706 | 400 | 0.8 | 2,408 | 911,905 | -17,562 |
| Listed | ATech Solution | Nov 2009 | Simple investment | 26,348 | 1,592 | 15.9 | 19,263 | - | - | 6,607 | 1,592 | 15.9 | 25,870 | 182,295 | 2,911 |
| Listed | Wonik Holdings | Dec 2013 | Management participation | 15,411 | 1,759 | 2.3 | 11,153 | - | - | 739 | 1,759 | 2.3 | 11,892 | 1,607,661 | 96,913 |
| Listed | Wonik IPS | Apr 2016 | Management participation | 16,214 | 1,851 | 3.8 | 81,904 | - | - | 9,902 | 1,851 | 3.8 | 91,806 | 1,099,641 | 97,819 |
| Listed | Dongjin Semichem | Nov 2017 | Management participation | 48,277 | 2,468 | 4.8 | 90,078 | - | - | -19,373 | 2,468 | 4.8 | 70,705 | 960,792 | 85,258 |
| Listed | Soulbrain Holdings | Nov 2017 | Management participation | 30,752 | 462 | 2.2 | 20,825 | - | - | -3,741 | 462 | 2.2 | 17,084 | 1,339,378 | 1,444,437 |
| Listed | Soulbrain | Jul 2020 | Management participation | 24,866 | 373 | 4.8 | 101,668 | - | - | 21,058 | 373 | 4.8 | 122,726 | 717,745 | 64,883 |
| Listed | S&S Tech | Aug 2020 | Management participation | 65,933 | 1,716 | 8.0 | 74,651 | - | - | -18,706 | 1,716 | 8.0 | 55,945 | 185,991 | 10,996 |
| Listed | YIK Corp | Aug 2020 | Management participation | 47,336 | 9,602 | 11.9 | 60,010 | - | - | 960 | 9,602 | 11.9 | 60,970 | 280,796 | 20,467 |
| Listed | KCTech | Nov 2020 | Management participation | 20,720 | 1,022 | 4.9 | 31,433 | - | - | -1,431 | 1,022 | 4.9 | 30,002 | 407,295 | 42,590 |

| Listing | Name of company | Acquisition date | Objective | Acquisition cost | Beginning balance | | | Increase/decrease | | | Ending balance | | | Current financial stats | |
|----------|-----------------------------|------------------|--------------------------|------------------|-------------------|----------------|------------|----------------------|--------|-----------|----------------|----------------|------------|-------------------------|-------------------|
| | | | | | Qty | Owner-ship (%) | Book value | Acquisition/disposal | | Valuation | Qty | Owner-ship (%) | Book value | Total Assets | Net income (loss) |
| | | | | | | | | Qty | Amount | | | | | | |
| Listed | lotvacuum | Nov 2020 | Management participation | 18,990 | 1,268 | 7.7 | 24,086 | - | - | -3,169 | 1,268 | 7.4 | 20,917 | 227,581 | 4,008 |
| Listed | NEW POWER PLASMA | Nov 2020 | Management participation | 12,739 | 2,141 | 4.9 | 14,109 | - | - | -771 | 2,141 | 4.9 | 13,338 | 476,930 | 30,343 |
| Listed | FineSemitech | Mar 2021 | Management participation | 43,009 | - | - | - | 1,523 | 43,009 | -1,965 | 1,523 | 7.0 | 41,044 | 224,226 | 18,687 |
| Unlisted | The Korea Economic Daily | May 1987 | Simple investment | 150 | 72 | 0.4 | 365 | - | - | - | 72 | 0.4 | 365 | 518,088 | 35,124 |
| Unlisted | Korea Business Banking | Jan 1995 | Simple investment | 5,000 | 1,000 | 17.2 | 3,040 | - | - | 26 | 1,000 | 17.2 | 3,066 | 85,905 | 1,365 |
| Unlisted | Cyber Bank | Dec 2000 | Simple investment | 8,000 | 1,083 | 7.5 | 0 | - | - | - | 1,083 | 7.5 | 0 | 0 | 0 |
| Unlisted | FineChips | Dec 2001 | Simple investment | 10 | 2 | 3.2 | 10 | - | - | - | 2 | 3.2 | 10 | 10,682 | 1,667 |
| Unlisted | Inkel | Nov 2006 | Simple investment | 130 | 0 | 0.0 | 0 | - | - | - | 0 | 0.0 | 0 | 92,839 | -4,750 |
| Unlisted | Intellectual Discovery | May 2011 | Simple investment | 5,000 | 357 | 10.7 | 1,922 | - | - | - | 357 | 10.7 | 1,922 | 51,670 | 3,923 |
| Unlisted | Maltani Corp. | Apr 2012 | Simple investment | 16,544 | 45 | 15.0 | 9,121 | - | - | -492 | 45 | 15.0 | 8,629 | 72,010 | 1,731 |
| Unlisted | Pantech | Jun 2013 | Simple investment | 53,000 | 53,000 | 10.0 | 0 | - | - | - | 53,000 | 10.0 | 0 | 43,812 | -16,267 |
| Unlisted | AI Research Institute | Jul 2016 | Simple investment | 3,000 | 600 | 14.3 | 3,000 | - | - | - | 600 | 14.3 | 3,000 | 15,273 | -1,810 |
| Unlisted | Mico Ceramics | Nov 2020 | Management participation | 21,667 | 747 | 15.7 | 21,667 | - | - | 523 | 747 | 15.7 | 22,190 | 119,719 | 8,569 |
| Unlisted | Shinsung Eng & Construction | Jul 2010 | Simple investment | 1 | 0 | 0.0 | 0 | - | - | - | 0 | 0.0 | 0 | 205,649 | 3,583 |
| Unlisted | Woobang | Jul 2010 | Simple investment | 0 | 1 | 0.0 | 0 | - | - | - | 1 | 0.0 | 0 | 692,809 | 54,371 |
| Unlisted | Sambo Computer | Sep 2012 | Simple investment | 0 | 0 | 0.0 | 0 | - | - | - | 0 | 0.0 | 0 | 44,816 | 4,901 |
| Unlisted | Daewoo Development | Dec 2012 | Simple investment | 0 | 0 | 0.0 | 0 | - | - | - | 0 | 0.0 | 0 | 330,806 | 6,409 |
| Unlisted | Daewoo Songdo Development | Dec 2012 | Simple investment | 0 | 9 | 0.0 | 0 | - | - | - | 9 | 0.0 | 0 | 19,369 | -350 |
| Unlisted | Zyle Motor Sales | Dec 2012 | Simple investment | 0 | 1 | 0.0 | 0 | - | - | - | 1 | 0.0 | 0 | 316,041 | 20,038 |
| Unlisted | Sungwon Construction | Apr 2014 | Simple investment | 0 | 1 | 0.0 | 0 | - | - | - | 1 | 0.0 | 0 | 27,744 | -627 |
| Unlisted | Inhee | Apr 2014 | Simple investment | 0 | 0 | 0.1 | 0 | - | - | - | 0 | 0.1 | 0 | 2,972 | -6,039 |
| Unlisted | Point Anybeam | Dec 2019 | Simple investment | 61 | 12 | 3.5 | 61 | - | - | - | 12 | 3.5 | 61 | 1,727 | -209 |

| Listing | Name of company | Acquisition date | Objective | Acquisition cost | Beginning BALANCE | | | Increase/decrease | | | Ending balance | | | Current Financial stats | |
|----------|------------------------------|------------------|--------------------------|------------------|-------------------|----------------|------------|----------------------|--------|-----------|----------------|----------------|------------|-------------------------|-------------------|
| | | | | | Qty | Owner-ship (%) | Book value | Acquisition/disposal | | Valuation | Qty | Owner-ship (%) | Book value | Total assets | Net income (loss) |
| | | | | | | | | Qty | Amount | | | | | | |
| Unlisted | JNT | Feb 2011 | Simple investment | 1,800 | 0 | 24.0 | 1,758 | - | - | - | 0 | 24.0 | 1,758 | 3,503 | -1,336 |
| Unlisted | Daishin Aju IB | Aug 2011 | Simple investment | 258 | 0 | 3.0 | 681 | 0 | -45 | - | 0 | 3.0 | 636 | 12,980 | -171 |
| Unlisted | TS | Nov 2011 | Simple investment | 1,700 | 0 | 20.5 | 0 | 0 | 0 | - | - | - | - | - | - |
| Unlisted | L&S | Jul 2012 | Simple investment | 848 | 0 | 7.5 | 309 | 0 | -44 | - | 0 | 7.5 | 265 | 14,200 | 19,441 |
| Unlisted | KTCNP-GC | Dec 2013 | Simple investment | 960 | 0 | 3.6 | 1,816 | - | - | - | 0 | 3.6 | 1,816 | 97,660 | -22,314 |
| Unlisted | POSCO Social Enterprise Fund | Dec 2013 | Simple investment | 600 | 0 | 10.0 | 240 | - | - | - | 0 | 10.0 | 240 | 2,242 | -94 |
| Unlisted | SEA | Jul 1978 | Management participation | 59,362 | 492 | 100.0 | 17,166,557 | - | - | - | 492 | 100.0 | 17,166,557 | 36,765,070 | 1,623,555 |
| Unlisted | SECA | Aug 1992 | Management participation | 3,823 | 0 | 100.0 | 90,922 | - | - | - | 0 | 100.0 | 90,922 | 1,539,360 | 24,835 |
| Unlisted | SEDA | Jan 1994 | Management participation | 13,224 | 77,205,709 | 87.0 | 647,620 | - | - | - | 77,205,709 | 87.0 | 647,620 | 6,280,131 | 819,561 |
| Unlisted | SEM | Jul 1995 | Management participation | 3,032 | 3,837 | 63.6 | 165,638 | - | - | - | 3,837 | 63.6 | 165,638 | 1,166,317 | 61,216 |
| Unlisted | SELA | Apr 1989 | Management participation | 319 | 40 | 100.0 | 86,962 | - | - | - | 40 | 100.0 | 86,962 | 481,023 | 25,369 |
| Unlisted | SEASA | Jun 1996 | Management participation | 4,696 | 21,854 | 98.0 | 6,779 | - | - | - | 21,854 | 98.0 | 6,779 | 45,396 | 4,851 |
| Unlisted | SECH | Dec 2002 | Management participation | 597 | 0 | 4.1 | 597 | - | - | - | 0 | 4.1 | 597 | 623,743 | 19,563 |
| Unlisted | SEUK | Jul 1995 | Management participation | 33,908 | 109,546 | 100.0 | 433,202 | - | - | - | 109,546 | 100.0 | 433,202 | 2,767,563 | 133,016 |
| Unlisted | SEL | Dec 1998 | Management participation | 8,280 | 4,393 | 100.0 | 0 | - | - | - | 4,393 | 100.0 | 0 | 6,512 | 0 |
| Unlisted | SEHG | Feb 1982 | Management participation | 28,042 | 0 | 100.0 | 354,846 | - | - | - | 0 | 100.0 | 354,846 | 993,490 | 106,190 |
| Unlisted | SEF | Aug 1991 | Management participation | 230 | 2,700 | 100.0 | 234,115 | - | - | - | 2,700 | 100.0 | 234,115 | 1,688,580 | 61,596 |
| Unlisted | SEI | May 1993 | Management participation | 862 | 677 | 100.0 | 143,181 | - | - | - | 677 | 100.0 | 143,181 | 1,287,050 | 46,819 |
| Unlisted | SESA | Jan 1989 | Management participation | 3,276 | 8,021 | 100.0 | 142,091 | - | - | - | 8,021 | 100.0 | 142,091 | 1,094,002 | 28,742 |
| Unlisted | SEP | Sep 1982 | Management participation | 204 | 1,751 | 100.0 | 37,616 | - | - | - | 1,751 | 100.0 | 37,616 | 222,273 | 6,413 |
| Unlisted | SEH | May 1991 | Management participation | 1,954 | 753 | 100.0 | 650,157 | - | - | - | 753 | 100.0 | 650,157 | 2,230,457 | 148,056 |
| Unlisted | SELS | May 1991 | Management participation | 18,314 | 1,306 | 100.0 | 24,288 | - | - | - | 1,306 | 100.0 | 24,288 | 1,700,033 | 20,623 |

| Listing | Name of company | Acquisition date | Objective | Acquisition cost | Beginning balance | | | Increase/decrease | | | Ending balance | | | Current financial stats | |
|----------|-----------------|------------------|--------------------------|------------------|-------------------|----------------|------------|----------------------|--------|-----------|----------------|----------------|------------|-------------------------|-------------------|
| | | | | | Qty | Owner-ship (%) | Book value | Acquisition/disposal | | Valuation | Qty | Owner-ship (%) | Book value | Total assets | Net income (loss) |
| | | | | | | | | Qty | Amount | | | | | | |
| Unlisted | SEBN | Jul 1995 | Management participation | 236 | 539,138 | 100.0 | 914,751 | - | - | - | 539,138 | 100.0 | 914,751 | 2,145,488 | 58,579 |
| Unlisted | SEEH | Jan 2008 | Management participation | 4,214 | 0 | 100.0 | 1,369,992 | - | - | - | 0 | 100.0 | 1,369,992 | 11,495,430 | 16,150 |
| Unlisted | SENA | Mar 1992 | Management participation | 392 | 1,000 | 100.0 | 69,372 | - | - | - | 1,000 | 100.0 | 69,372 | 1,315,256 | 43,423 |
| Unlisted | SESK | Jun 2002 | Management participation | 8,976 | 0 | 55.7 | 263,767 | - | - | - | 0 | 55.7 | 263,767 | 1,428,228 | 62,271 |
| Unlisted | SEPOL | Apr 1996 | Management participation | 5,462 | 106 | 100.0 | 78,267 | - | - | - | 106 | 100.0 | 78,267 | 979,474 | 56,998 |
| Unlisted | SEAG | Jan 2002 | Management participation | 40 | 0 | 100.0 | 32,162 | - | - | - | 0 | 100.0 | 32,162 | 455,973 | 19,341 |
| Unlisted | SERC | Jan 2006 | Management participation | 24,877 | 0 | 100.0 | 188,290 | - | - | - | 0 | 100.0 | 188,290 | 1,244,802 | 119,980 |
| Unlisted | SERK | Jul 2007 | Management participation | 4,600 | 0 | 100.0 | 204,555 | - | - | - | 0 | 100.0 | 204,555 | 1,124,492 | 93,207 |
| Unlisted | SEO | Jan 1997 | Management participation | 120 | 0 | 100.0 | -10,043 | - | - | - | 0 | 100.0 | -10,043 | 93,508 | 777 |
| Unlisted | SGE | May 1995 | Management participation | 827 | 0 | 100.0 | 32,836 | - | - | - | 0 | 100.0 | 32,836 | 1,092,268 | 2,200 |
| Unlisted | SEEG | Jul 2012 | Management participation | 23 | 0 | 0.1 | 39 | - | - | - | 0 | 0.1 | 39 | 751,563 | 136,950 |
| Unlisted | SSA | Dec 1998 | Management participation | 263 | 2,000 | 100.0 | 32,622 | - | - | - | 2,000 | 100.0 | 32,622 | 434,304 | 18,322 |
| Unlisted | SAPL | Jul 2006 | Management participation | 793 | 877,133 | 100.0 | 981,483 | - | - | - | 877,133 | 100.0 | 981,483 | 9,552,755 | 968,504 |
| Unlisted | SME | May 2003 | Management participation | 4,796 | 17,100 | 100.0 | 7,644 | - | - | - | 17,100 | 100.0 | 7,644 | 397,704 | 13,099 |
| Unlisted | SDMA | Mar 1995 | Management participation | 21,876 | 71,400 | 75.0 | 18,741 | - | - | - | 71,400 | 75.0 | 18,741 | 23,975 | -741 |
| Unlisted | SEMA | Sep 1989 | Management participation | 4,378 | 16,247 | 100.0 | 103,402 | - | - | - | 16,247 | 100.0 | 103,402 | 213,160 | 22,402 |
| Unlisted | SAVINA | Jan 1995 | Management participation | 5,839 | 0 | 100.0 | 28,365 | - | - | - | 0 | 100.0 | 28,365 | 299,818 | 27,986 |
| Unlisted | SEIN | Aug 1991 | Management participation | 7,463 | 46 | 100.0 | 118,909 | - | - | - | 46 | 100.0 | 118,909 | 966,723 | 54,763 |
| Unlisted | TSE | Jan 1988 | Management participation | 1,390 | 11,020 | 91.8 | 279,163 | - | - | - | 11,020 | 91.8 | 279,163 | 2,920,299 | 160,264 |
| Unlisted | SEAU | Nov 1987 | Management participation | 392 | 53,200 | 100.0 | 111,964 | - | - | - | 53,200 | 100.0 | 111,964 | 596,587 | 34,804 |
| Unlisted | SIEL | Aug 1995 | Management participation | 5,414 | 216,787 | 100.0 | 75,263 | - | - | - | 216,787 | 100.0 | 75,263 | 6,250,492 | 611,571 |
| Unlisted | SRI-B | May 2005 | Management participation | 7,358 | 17 | 100.0 | 31,787 | - | - | - | 17 | 100.0 | 31,787 | 399,137 | 48,399 |

| Listing | Name of company | Acquisition date | Objective | Acquisition cost | Beginning balance | | | Increase/decrease | | | Ending balance | | | Current financial stats | |
|----------|----------------------|------------------|--------------------------|------------------|-------------------|----------------|------------|----------------------|----------|-----------|----------------|----------------|------------|-------------------------|-------------------|
| | | | | | Qty | Owner-ship (%) | Book value | Acquisition/disposal | | Valuation | Qty | Owner-ship (%) | Book value | Total assets | Net income (loss) |
| | | | | | | | | Qty | Amount | | | | | | |
| Unlisted | SJC | Dec 1975 | Management participation | 273 | 1,560 | 100.0 | 253,108 | - | - | - | 1,560 | 100.0 | 253,108 | 1,668,902 | 7,684 |
| Unlisted | SRJ | Aug 1992 | Management participation | 3,120 | 122 | 100.0 | 117,257 | - | - | - | 122 | 100.0 | 117,257 | 162,609 | 3,634 |
| Unlisted | SCIC | Mar 1996 | Management participation | 23,253 | 0 | 100.0 | 640,452 | - | - | - | 0 | 100.0 | 640,452 | 15,438,819 | 127,051 |
| Unlisted | SEHK | Sep 1988 | Management participation | 349 | 274,250 | 100.0 | 79,033 | - | - | - | 274,250 | 100.0 | 79,033 | 1,377,388 | 17,584 |
| Unlisted | SET | Nov 1994 | Management participation | 456 | 27,270 | 100.0 | 112,949 | - | - | - | 27,270 | 100.0 | 112,949 | 1,580,003 | 22,910 |
| Unlisted | SEHZ | Dec 1992 | Management participation | 792 | 0 | 89.6 | 255,535 | 0 | -255,535 | - | 0 | 89.6 | 0 | 1,428,868 | 10,177 |
| Unlisted | TSEC | Apr 1993 | Management participation | 15,064 | 0 | 48.2 | 103,134 | - | - | - | 0 | 48.2 | 103,134 | 417,423 | -154,881 |
| Unlisted | SSEC | Apr 1995 | Management participation | 32,128 | 0 | 69.1 | 130,551 | - | - | - | 0 | 69.1 | 130,551 | 570,871 | 70,569 |
| Unlisted | SESC | Sep 2002 | Management participation | 5,471 | 0 | 73.7 | 34,028 | - | - | - | 0 | 73.7 | 34,028 | 830,015 | -2,717 |
| Unlisted | TSTC | Mar 2001 | Management participation | 10,813 | 0 | 90.0 | 260,092 | - | - | - | 0 | 90.0 | 260,092 | 581,611 | 6,440 |
| Unlisted | SSET | Feb 2002 | Management participation | 6,009 | 0 | 100.0 | 41,182 | - | - | - | 0 | 100.0 | 41,182 | 42,469 | 1,144 |
| Unlisted | SSS | Jan 2001 | Management participation | 1,200 | 0 | 100.0 | 19,189 | - | - | - | 0 | 100.0 | 19,189 | 7,678,989 | 271,691 |
| Unlisted | SCS | Sep 2012 | Management participation | 111,770 | 0 | 100.0 | 5,275,760 | - | - | - | 0 | 100.0 | 5,275,760 | 14,348,735 | 1,100,619 |
| Unlisted | SSCX | Apr 2016 | Management participation | 1,141 | 0 | 100.0 | 1,141 | - | - | - | 0 | 100.0 | 1,141 | 779,561 | 35,288 |
| Unlisted | SESS | Dec 1994 | Management participation | 18,875 | 0 | 100.0 | 504,313 | - | - | - | 0 | 100.0 | 504,313 | 1,197,268 | 81,762 |
| Unlisted | TSLED | Apr 2012 | Management participation | 119,519 | 0 | 100.0 | 119,519 | - | - | - | 0 | 100.0 | 119,519 | 536,956 | 36,630 |
| Unlisted | SSCR | Sep 2006 | Management participation | 3,405 | 0 | 100.0 | 9,332 | - | - | - | 0 | 100.0 | 9,332 | 56,016 | 5,752 |
| Unlisted | TSST Japan | Mar 2004 | Management participation | 1,639 | 30 | 49.0 | 0 | - | - | - | 30 | 49.0 | 0 | 237 | -33 |
| Unlisted | STE | Jan 1996 | Management participation | 4,206 | 2 | 49.0 | 0 | - | - | - | 2 | 49.0 | 0 | 6,189 | 0 |
| Unlisted | Semiconductor Portal | Dec 2002 | Simple investment | 38 | 0 | 1.2 | 10 | - | - | - | 0 | 1.2 | 10 | 2,041 | 60 |
| Unlisted | Nanosys | Aug 2010 | Simple investment | 4,774 | 1,747 | 1.3 | 2,387 | 253 | - | - | 2,000 | 1.0 | 2,387 | 27,733 | -9,709 |
| Unlisted | One-Blue | Jul 2011 | Management participation | 1,766 | 0 | 16.7 | 1,766 | - | - | - | 0 | 16.7 | 1,766 | 21,163 | 564 |

| Listing | Name of company | Acquisition date | Objective | Acquisition cost | Beginning balance | | | Increase/decrease | | | Ending balance | | | Current financial stats | |
|----------|-----------------|------------------|-------------------|------------------|-------------------|----------------|------------|----------------------|--------|-----------|----------------|----------------|------------|-------------------------|-------------------|
| | | | | | Qty | Owner-ship (%) | Book value | Acquisition/disposal | | Valuation | Qty | Owner-ship (%) | Book value | Total assets | Net income (loss) |
| | | | | | | | | Qty | Amount | | | | | | |
| Unlisted | TidalScale | Aug 2013 | Simple investment | 1,112 | 2,882 | 4.3 | 1,112 | - | - | - | 2,882 | 4.3 | 1,112 | 6,173 | -7,641 |
| Unlisted | Sentiance | Dec 2012 | Simple investment | 3,422 | 7 | 7.2 | 3,422 | - | - | - | 7 | 7.2 | 3,422 | 6,457 | -4,566 |
| Unlisted | Mantis Vision | Jan 2014 | Simple investment | 1,594 | 355 | 2.1 | 1,980 | - | - | - | 355 | 2.1 | 1,980 | 31,758 | -20,478 |
| Unlisted | Leman | Aug 2014 | Simple investment | 1,019 | 17 | 3.4 | 1,019 | - | - | - | 17 | 3.4 | 1,019 | 3,584 | -3,919 |
| Unlisted | Keyssa | Jan 2016 | Simple investment | 3,332 | 1,235 | 1.9 | 3,332 | - | - | - | 1,235 | 1.9 | 3,332 | 6,371 | -16,193 |
| Unlisted | SensiFree | Jan 2016 | Simple investment | 2,111 | 666 | 9.5 | 2,111 | - | - | - | 666 | 9.5 | 2,111 | 1,610 | -2,173 |
| Unlisted | Unispectral | Feb 2016 | Simple investment | 1,112 | 2,308 | 7.9 | 2,130 | - | - | - | 2,308 | 7.9 | 2,130 | 1,273 | -2,521 |
| Unlisted | Quobyte | Apr 2016 | Simple investment | 2,865 | 729 | 11.8 | 2,865 | - | - | - | 729 | 11.8 | 2,865 | 2,483 | -650 |
| Unlisted | Afero | May 2016 | Simple investment | 5,685 | 723 | 5.5 | 5,685 | - | - | - | 723 | 5.5 | 5,685 | 4,926 | -4,101 |
| Unlisted | Graphcore | Jun 2016 | Simple investment | 3,494 | 12,000 | 3.3 | 3,494 | - | - | - | 12,000 | 1.4 | 3,494 | 279,496 | -148,852 |
| Unlisted | Soundhound | Dec 2016 | Simple investment | 7,059 | 306 | 1.1 | 7,059 | - | - | - | 306 | 1.1 | 7,059 | 119,637 | -38,507 |
| Unlisted | Aimotive | Dec 2017 | Simple investment | 3,302 | 2 | 3.2 | 3,302 | - | - | - | 2 | 3.2 | 3,302 | 47,351 | -8,200 |
| Unlisted | Fasetto | Jan 2019 | Simple investment | 6,701 | 475 | 5.2 | 12,554 | - | - | - | 475 | 5.2 | 12,554 | 5,436 | -12,689 |
| Unlisted | Innovium | Sep 2020 | Simple investment | 11,705 | 987 | 0.9 | 11,705 | - | - | - | 987 | 0.9 | 11,705 | 195,883 | -56,116 |

Based on separate financial statements

Ownership percentage is calculated based on the number of common shares issued

The Company measures fair value of financial instruments (equity shares) in accordance with K-IFRS.

The Company annually evaluates if there is indication of impairment that investment in subsidiaries or affiliates may be impaired, and estimates the recoverable amount of assets with indication of impairment.

Financial stats of Sungwon Construction are as of December 31 2016; financial stats of Daewoo Songdo Development are as of December 31 2017; financial stats of Mantis Vision, Soundhound are as of December 31 2018, due to difficulties in obtaining the most recent financial data.

4. R&D results (detailed)

| CE Division | |
|---------------------------------------|--|
| Research project | Details |
| Visual Display | |
| QLED 8K TV February 2019–June 2020 | <ul style="list-style-type: none"> □ Flat QLED 8K TV (65/75/85") <ul style="list-style-type: none"> - Blends well with walls: flat design and Infinity screen; no border between screen and bezel—a world's first. - Innovative form factor: metal stand which gives a floating impression - QLED 8K enables picture quality close to real life, high resolution via AI upscaling, True Reality picture quality in any given environment - Multi-sound channel and Object Tracking Sound+ synchronize video and sound, maximizing surround sound experience - Wide range of content, multimedia experiences, and entertainment-specific functions provide convenient and colorful experiences |
| Neo QLED 8K March 2021–June 2021 | <ul style="list-style-type: none"> □ Ultra high-resolution, slim 8K TV based on Mini LED technology (65 · 75 · 85") <ul style="list-style-type: none"> - Q900 (65 · 75 · 85") / Q800 (65 · 75 · 85") / Q700 (65 · 75") - QLED 8K resolution offers viewing experience as if looking at real-life objects, with enhanced contrast of sophisticated Mini LED |
| Neo QLED 4K March 2021 | <ul style="list-style-type: none"> □ Mini LED-based products come in 3 series and up to 5 sizes (50 · 55 · 65 · 75 · 85") <ul style="list-style-type: none"> - Q85 (55 · 65 · 75 · 85") - Q90 (50 · 55 · 65 · 75 · 85") - Q95 (55 · 65 · 75 · 85") □ Slim design by adopting Mini LED, premium look with bezel-less/metal design <ul style="list-style-type: none"> - New LED with Quantum Nano-Layer Multi-Cell structure, enabling slim design, high luminance efficiency, luminance profile control |
| QLED 4K TV March 2021 | <ul style="list-style-type: none"> □ Flat QLED 4K TV (43 · 50 · 55 · 60 · 65 · 70 · 75 · 82 · 85") □ Specs and features <ul style="list-style-type: none"> - Flagship QLED maximizes viewing experience with the highest picture quality within 4K (AI/brightness/viewing angle) and sound quality (OTS) - Maximizes immersive experience with the highest level of brightness contrast, free viewing angle, life-like color, and optimal brightness - Optimal viewing experience by identifying user context based on voice recognition and AI technologies |
| UHD TV March 2021 | <ul style="list-style-type: none"> □ Flat UHD TV (43 · 50 · 55 · 58 · 65 · 70 · 75 · 82 · 85") □ Specs and features <ul style="list-style-type: none"> - UHD Smart TV with slim, bezel-less design provides colors close to real-life - UHD picture quality expresses picture quality of original content through Dynamic Crystal Color and Dual LED - Provides a multi-media screen experience, rich content, and complete smart experience via smart home experience |
| Lifestyle TV June 2021 | <ul style="list-style-type: none"> □ The SERO (43") <ul style="list-style-type: none"> - Simple, modern vertical screen that rotates 360 degrees with flat-type speaker - Easily installed in any living space, mobile floor stand included □ The Frame (43 · 50 · 55 · 65 · 75 · 85") <ul style="list-style-type: none"> - Design resembles a real picture frame; completes a picture frame experience - Exhibit various famous paintings and pictures; adopted lifestyle design which blends in with the interior - Additional introduction of 85" to meet the needs for ultra-large Lifestyle products □ The Serif (43 · 49 · 55") <ul style="list-style-type: none"> - I-shaped serif font design; distinct from other products; works as beautiful interior design object □ Outdoor TV (55 · 65 · 75") <ul style="list-style-type: none"> - Differentiated product tailored to a lifestyle of relaxing and enjoying entertainment outdoors □ The Premiere (100–130") <ul style="list-style-type: none"> - Ultra-short-throw laser projector with high-resolution, providing the best Smart UX/OTT experience in the industry - Complements any environment with blended design, can be placed directly in front of a wall and has an easily adjustable screen size. - Complete experience of our TV models including the differentiated picture quality and sound |
| Sound Bar March 2020 | <ul style="list-style-type: none"> □ Soundbar <ul style="list-style-type: none"> - Bar-shaped audio product well suited to TVs - Adopted AI solution enabling voice recognition - Adopted 3D surround system, creating enriching sounds close to first-hand experiences |
| LCD monitor January 2021–June 2021 | <ul style="list-style-type: none"> □ Space monitor <ul style="list-style-type: none"> - Application of integrated arm stand that minimizes space needed for the monitor □ Neo QLED Gaming monitor (49") <ul style="list-style-type: none"> - Strengthened black gamut based on enhanced brightness contrast by applying Neo QLED - More immersive gaming experience with 1000R curvature—the world's highest □ High-resolution QHD monitor (34") <ul style="list-style-type: none"> - Offers picture solution comfortable to the eye with Intelligent Eye Care solution, etc. □ LCD Smart monitor <ul style="list-style-type: none"> - Enjoy VOD services without using a PC via Smart TV services (Netflix, YouTube, etc.) |

CE Division

| Research project | Details |
|-----------------------------------|--|
| Signage October 2019-June 2021 | <ul style="list-style-type: none"> □ LCD-based B2B Smart Signage (LFD, Video Wall, etc.) (49 · 55 · 65 · 75 · 85 · 98") □ Indoor/outdoor signage using LED □ All-in-one Kiosk (24"), all additional equipment embedded <ul style="list-style-type: none"> - Payment platform for developing Tizen payment module and ordering app, antibacterial finishing □ Flip-edu (75 · 85") interactive feature for education |
| Home appliances | |
| Refrigerators October 2020 | <ul style="list-style-type: none"> □ Bespoke refrigerator <ul style="list-style-type: none"> - T-Type · Kimchi · BMF · Ladder 1Door (24" R/F/Kimchi) · 18" New 1Door - Customers can configure designs in many ways, easy design changes - Can set up combinations of fridge/freezer/kimchi refrigerators between similar models, Kitchen Fit models available □ Chef Collection refrigerator <ul style="list-style-type: none"> - High-end, premium refrigerator - Premium Bespoke design and new CMF - Features water & ice solution: Auto fill pitcher, auto ice maker (dual mode: cocktail Ice, standard Ice) - FDSR energy efficiency grade 1 □ Cube refrigerator <ul style="list-style-type: none"> - Multi Cube refrigerator: customized design and storage (different temperatures for storing wine, beer, and cosmetic products) - Peltier System identifies and creates optimal temperature (between 5–18 ℃) - Double Glass System blocks UV and maintains the right temperature - Wi-Fi Control enables real-time monitoring and control - RM(Remote Management) Function: remote assessment and repair, provides information on expiration date of beverages in the fridge |
| Washer June 2021 | <ul style="list-style-type: none"> □ Bespoke washer & dryer <ul style="list-style-type: none"> - Bespoke flat design that perfectly fits into your space - Korea's highest capacity all-in-one Control UX design - AI clothing care (AI tailored washing and drying) from washing to drying - Hygiene management solution from 99.9% sterilization to dehumidification of laundry room □ Agitator washer <ul style="list-style-type: none"> - Entrance to the North American market for Agitator (occupied 50% of the Top Loader market) - Implementation of ActiveWave™ Agitator which enables heavy washing along with the reduction of noise, vibration, and entanglement - Implementation of Active Water Jet which enables pretreating of soiled or heavily stained clothes |
| Air conditioner April 2021 | <ul style="list-style-type: none"> □ Wind-Free™ Gallery Floor-standing (56.9 · 62.6 · 75.5 · 81.8 · 92.5 m²) <ul style="list-style-type: none"> - Developed next-gen wind-free platform with the highest level of energy efficiency (56.9 m² single duct model achieved energy efficiency grade 2) - Equipped with wind-free panel 1.5 times larger than previous model and strong booster wind - Booster purification: Filter with 99.95% dust collection efficiency, Design resembling that of furniture, fits comfortably into the surroundings □ Wind-Free™ Gallery Wide air conditioner (24.4 · 29.3 · 39.6 · 49.5 m²) <ul style="list-style-type: none"> - Secured cost competitiveness by developing new integrated QMD-based platform, strengthened product competitiveness - 12% larger fans cools air faster - Wind-free ultra-energy-efficient technology saves up to 77% on electricity - PM1.0 wind-free filtration system removing particles as small as ultra-fine dust □ Bespoke Window Fit air conditioner (17m², green/blue/pink/beige/gray) <ul style="list-style-type: none"> - Convenient self-installation with the integrated indoor/outdoor unit - Strong rotational cooling with double wings which quickly circulate cold air - Twin inverter compressor that enables low noise and vibration level of 37dB, as quiet as a library - Up to 70% lower power consumption in silent mode |
| Vacuums May 2021 | <ul style="list-style-type: none"> □ Bespoke Jet stick vacuum (up to 210W suction) <ul style="list-style-type: none"> - Embedded auto-empty dustbin, smart display of information via LCD Display - Wet Brush dispenses water, thinner cotton-flannel brush □ Jet Bot AI Robot Vacuum <ul style="list-style-type: none"> - Seamless navigation with the realization of world's best object recognition capability (up to 1 cm3) by developing Active 3D sensor and applying it—a world's first - AI autonomous navigation that recognizes house structure and types of objects - Strong suction with jet cyclone and digital inverter motor - Integrated Clean Station which automatically empties dustbin when the Jet Bot starts charging - More convenient cleaning with SmartThings (AI Smart Control) □ Bespoke slim stick vacuum <ul style="list-style-type: none"> - Up to 150W suction with a strong cyclone and digital inverter mode - Self-standing, convenient emptying of the dustbin without having to bend over (Pop & Shoot) - Easy cleaning without pressure on the wrist (ergonomic design) |

CE Division

| Research project | Details |
|---|---|
| Cooking appliances March 2021 | <ul style="list-style-type: none"> □ Bespoke Qooker <ul style="list-style-type: none"> - Multi-cook function allows cooking multiple dishes with different heat sources, temperatures, and cooking times. - Cook more than one dish and finish at the same time with Multi-cook mode - Collaborated with eight food companies to apply Qooker-exclusive algorithm - Easy automatic cooking with just one scan using SmartThings - Oven interior material changed from enamel to STS for more heat-efficient, sophisticated design. |
| Water Purifier March 2021 | <ul style="list-style-type: none"> □ Water Purifier for homes <ul style="list-style-type: none"> - Modularized water purifier upgradable and customizable to customer's lifestyle; includes auto-care feature - May be modularized to users' needs (ambient/cold/hot water) - Smart AI care, filter received highest number of NSF certification for tankless water purifier - Bespoke water purifier, customized to users' lifestyle and space |
| Clothing Care Machine February 2019-May 2021 | <ul style="list-style-type: none"> □ Bespoke Air Dresser (18 · 24") <ul style="list-style-type: none"> - AI drying and washing cycle connection - Long clothing care zone, holds 5 hangers, compared to 3 for 18" model - Real-care (inner-garment care, low noise level), real purification with ultra-fine dust filter, real odor elimination with odor decomposing filter, real-sanitization with jet steam, wrinkle care, real dehumidification dehumidifies the room even with the door closed □ Shoe Dresser <ul style="list-style-type: none"> - Powerful odor elimination with Air Wash and UV odor decomposing filter - Low temperature, delicate drying to make your everyday shoes a pleasure to wear. - 99.9% sterilization with the application of a Xenon UVC disinfection system—a first for home appliances in Korea - Tailored care and management of various types of shoes with Jet Shoe Tree |
| Air purifier December 2020 | <ul style="list-style-type: none"> □ Bespoke Cube air purifier <ul style="list-style-type: none"> - Premium air purifier in Bespoke lineup - Use one of the three specialized filters as needed: sterilization, deodorization, pet - Customizable to the space, interior, and lifestyle - Mountable on walls to fit the interior without compromising dust-removing function with cubic filtration feature |
| Air-purification ventilation system September 2020 | <ul style="list-style-type: none"> □ Air-purification ventilation system <ul style="list-style-type: none"> - Ventilation capacity 33 m², Airflow 40–50CMH - Ventilates and purifies air indoors by linking ventilation system with air-purification module - Individual air-purification for each separate space, circulation & wind-free purification - Sensors detecting CO₂, etc. enables automatic ventilation depending on air quality change |

IM Division

| Research project | Details |
|--|---|
| Mobile | |
| Galaxy Foldable September 2019– September 2020 | <ul style="list-style-type: none"> □ Galaxy Fold (September 2019) <ul style="list-style-type: none"> - Creating a new market and securing market share by developing world's first in-foldable smart phone <ul style="list-style-type: none"> · 7.3" QXGA+(1,536×2,152) 1.5R in-foldable display · Secured standard technology by developing hinge for in-foldable phones—a world's first (released Feb 2019) - Offers new user experience tailored to foldable smart phones <ul style="list-style-type: none"> · Can use up to three apps with multi-active window function, offering unrivaled multitasking environment · When folding or unfolding the phone, provides app using experience with smooth changes between screens with minimal interruption □ Galaxy Z flip (February 2020) <ul style="list-style-type: none"> - Design: New style with innovative foldable display - Screen: Main 6.7" flexible ultra-thin glass (2,636 x 1080) - cover 1.1"super AMOLED (300 x 112) - Size (W x H x D): (unfolded) 73.6mm x 167.3mm x 6.9–7.2mm (folded) 73.6mm x 87.4mm x 15.4–17.3mm - Platform (H/W, S/W): SDM855+, Android 10.0 - Ultra-thin glass technology allows foldable glass display—a first among Galaxy models—and enhances durability - Easy to carry with a new form factor allowing compact size by flip fold - Free-stop feature enables users to freely control the angle of the flip, allowing Flex Mode experience - Screen ratio 21.9:9 enhances suitability of multi active window □ Galaxy Z Fold 2 (September 2020) <ul style="list-style-type: none"> - Screen: Main display 7.6", cover display 6.2" - Size (W x H x D): (folded) 68mm x 159.2mm x 13.8 (~16.8) mm - Platform (H/W, S/W): SDM 865 Plus, Android 10, One UI 2.5 - Supports ultra-high speed 5G and 12MP camera - Infinity Flex Display supports flex mode - Dynamic AMOLED 2X display with 120Hz flexible scan rate - Samsung Ultra Thin Glass - Supports wireless Samsung DeX and UWB - Evolved multi-active window enabling simultaneous use of three apps maximum - Provides app continuity from cover display to main display |
| Galaxy S January 2021 | <ul style="list-style-type: none"> □ Galaxy S10e · S10 · S10+ · S10 5G (5.8/6.1/6.4/6.7") (March 2019, 5G: April 2019) <ul style="list-style-type: none"> - Design: Full Front Punch Hole Infinity Display - Platform (H/W, S/W): Exynos9820, SDM855, Android 9 - World's first model using commercialized 5G technology - Combination of triple cameras delivers zoom, tele, ultra wide function: wide (12M)+tele (12M)+ultra wide (16M) - Supports HDR10+ video shooting on mobile for the first time in the world - Dynamic AMOLED display delivers near-original colors, supports HDR - On-screen fingerprint recognition sensor using ultrasound □ Galaxy S20 · S20+ · S20 Ultra 5G (March 2020) <ul style="list-style-type: none"> - Design: Best Fit in hand compact, yet large screen design - Screen: S20 6.2", S20+ 6.7", S20 U 6.9" - Size (W x H x D): S20 69.1mm x 151.7mm x 7.9mm; S20+ 73.7 x 161.9 x 7.8mm; S20 U 76.0 x 166.9 x 8.8mm - Platform (H/W, S/W): Exynos990 · SDM865, Android 10.0, One UI 2.1 - Smartphone that will change the future of mobile and pictures: significantly higher resolution and 8K video recording allows taking pictures and videos in unprecedented quality and easy and swift sharing with 5G - Pictures and videos with significantly higher resolution: S20 · S20+ 64MP, S20 U 108MP - 100x zoom, the highest space zoom yet in smartphones: S20 U 108MP - Take higher quality, clearer and brighter pictures and videos even at night with three times bigger sensor (using AI technology) - Take videos in 8K, the highest quality yet in smartphones - Super steady feature reduces blur from shaking but captures dynamic movements - Single take allows the best pictures and videos with a single shot □ Galaxy S20 FE (October 2020) <ul style="list-style-type: none"> - Makes S series experience available to more customers - Screen: 6.5" FHD+ sAMOLED Infinity-O (2,400 x 1,080) - Size (W x H x D): 74.5mm x 159.8mm x 8.4mm - Platform (H/W, S/W): Exynos990, SDM865, Android 10.0, One UI 2.5 - New entry-level flagship product equipped with premium features enhances market influence and provides experiences for various functions optimal to customers - Provides major S20 features: 120Hz display, same specs for camera and battery, same AP with flagship models, One UI 2.5 UX |

IM Division

| Research project | Details |
|----------------------------|---|
| | <ul style="list-style-type: none"> □ Galaxy S21 5G · S21+ 5G · S21 Ultra 5G (January 2021) <ul style="list-style-type: none"> - Design: Iconic and premium full metal camera housing, bezel-less design - Screen: S21 5G 6.2", S21+ 5G 6.7", S21 Ultra 5G 6.8" - Size (W x H x D): S21 5G 71.2mm x 151.7mm x 7.9mm, S21+ 5G 75.6mm x 161.5mm x 7.8 mm, S21 Ultra 5G 75.6mm x 165.1mm x 8.9 mm - Platform (H/W, S/W): Exynos2100 SDM888, Android 11.0, One UI 3.1 - Supports ultra-high speed 5G, Wi-Fi 6E, high-resolution camera <ul style="list-style-type: none"> · Camera: S21 Ultra 108MP, S21 · S21+ 64MP, Multi Camera Recording function · Dynamic AMOLED 2X Infinity-O display with maximum adaptive frequency of 120Hz · Connects to SmartTag for easy registration and finding of objects · Supports Digital Car Key service (S21+ 5G · S21 Ultra 5G only) · Supports S Pen (S21 Ultra 5G only) |
| Galaxy Note August 2020 | <ul style="list-style-type: none"> □ Galaxy Note10 · 10+ (6.3/6.8") (August 2019) <ul style="list-style-type: none"> - Design: Full Front Punch Hole Infinity Display - Platform (H/W, S/W): Exynos9825, SDM855, Android 9.0 - Upgraded S Pen <ul style="list-style-type: none"> · Enhanced usability with higher battery capacity and improved BT latency · Camera controls (can take pictures, change mode, change zoom, etc.), change volume, run apps, operate stopwatch - Note 10+: Quad camera supports high-resolution and maximum viewing angle shooting under wide range of illuminance <ul style="list-style-type: none"> · Wide (12M) + tele (12M) + Ultra Wide (16M) + VGA □ Galaxy Note20 · 20 Ultra (6.7 · 6.9") (August 2020) <ul style="list-style-type: none"> - Size (W x H x D): Note20 75.2mm x 161.6mm x 8.3 mm, Note20 Ultra 77.2mm x 164.8mm x 8.1 mm - Platform (H/W, S/W): Exynos 990 · SDM 865 Plus, Android 10, One UI 2.5 - Supports high-speed 5G and Wi-Fi 6 - First in the Galaxy lineup to support Ultra Wide Band (Note 20 Ultra) - 108MP camera (Note 20 Ultra), 64MP camera (Note 20) - Maximum 120Hz scan rate display (Note 20 Ultra) - First to support wireless Samsung DeX - Supports S pen and Samsung Note; easy-to-use and perfectly resembling pen-writing experience; supports MS Xbox Game |
| Galaxy Tab May 2021 | <ul style="list-style-type: none"> □ Galaxy Tab S7 · S7+ (August 2020) <ul style="list-style-type: none"> - Design: Premium Tablet (display, pen, performance) - Screen: 12.4" WQXGA AMOLED (16:10, 2800x1752/120Hz), 11" WQXGA LTPS TFT (16:10, 2,560x1,600/120Hz) - Size (W x H x D): 285.0mm x 185.0mm x 5.7mm (12.4"), 253.8 x 165.3 x 6.3mm (11") - Platform (H/W, S/W): SDM865+, Android 10, One UI 2.5 - Secured premium competitiveness by developing a thin large-display metal design - The first tablet that supports 5G (mmWave) for global carriers and the four major carriers in the US - Enhanced usability of Samsung Notes with 120Hz display and optimal pen latency (9ms) - N-generation AP maximizes performance (seamless multi-tasking & gaming experience) □ Galaxy Tab S7 FE (May 2021) <ul style="list-style-type: none"> - Screen: 12.4" WQXGA (2560x1600) - Size (W x H x D) & weight: 284.8mm x 185.0mm x 6.3mm, 608g (based on the LTE model) - Immersive display with 12.4" large-screen display and slim bezel - Long play time (10,090mAh, up to 13 hours of video play) - Rich sound with the application of Dolby Atmos <ul style="list-style-type: none"> · Simple conversion of handwriting to text · Direct input with S Pen into the input box - Enhanced function of PENUP Drawing <ul style="list-style-type: none"> · Applies layer structure and provides coloring and live drawing - Lightweight keyboard cover (330g) - Delivery of clear voice with 50% reduction of background noise through 3 Mic - Stronger device connectivity <ul style="list-style-type: none"> · Second screen: using tablet as a supplementary monitor of PC · Hands off: sending and continuing what you were doing on your phone to your tablet (Internet, Samsung Notes) · Copy & paste: copy & paste of texts and images between Phone-Tablet · Auto switching: auto-buds switching between Phone-Tablet |

IM Division

| Research project | Details |
|---------------------------|---|
| Galaxy A May 2021 | <ul style="list-style-type: none"> □ Galaxy A52 LTE · 5G (March 2021) <ul style="list-style-type: none"> - Offers enhanced user experience and increased competitiveness via strengthened core features - 6.5" FHD+ sAMOLED HD (2,400 x 1,080) - Size (W x H x D): 75.1mm x 159.9mm x 8.4mm - Platform (H/W, S/W): SDM750G (5G)/SDM720G (LTE), Android 11, One UI 3.1 - Supreme smooth UX/Dynamic refresh rate and Brightest (6.5" sAMOLED with 120Hz (5G)/90Hz (LTE), 800nit) - High-resolution 64MP Quad Camera (64M OIS/12M UW/5M Depth/5M Macro) - Powerful AP with High Capacity Battery (4,500mAh) |
| | <ul style="list-style-type: none"> □ Galaxy A72 (March 2021) <ul style="list-style-type: none"> - Offers enhanced user experience and increase competitiveness via strengthened core features - 6.7" FHD+ sAMOLED HD (2,400 x 1,080) - Size (W x H x D): 77.4mm x 165.0mm x 8.4mm - Platform (H/W, S/W): SDM720G, Android 11, One UI 3.1 - High refresh Rate Brightest Display (6.7" FHD+ sAMOLED with 90Hz, 800nit) - Advanced High-res/Multi Camera, More detail with blur-less (64M OIS/12M UW/8M Tele/5M Macro) - Long-lasting Battery with bigger capacity (5,000mAh) |
| | <ul style="list-style-type: none"> □ Galaxy A32 LTE · 5G (LTE: March 2021; 5G: January 2021) <ul style="list-style-type: none"> - Offer enhanced user experience and increase competitiveness by strengthening core features - LTE 6.4" FHD+ sAMOLED (2,400 x 1,080)/5G 6.5" HD+ TFT (1,600 x 720) - Size (W x H x D): LTE 73.6mm x 158.9mm x 8.4mm/5G 76.1mm x 164.2mm x 9.1mm - Platform (H/W, S/W): LTE MT6769T/5G MT6853V, Android 11, One UI 3.1 - LTE <ul style="list-style-type: none"> · Brightest Display: 800nit Super AMOLED · High Resolution Camera: 64MP Quad (64M W/8M UW/5M Macro/5M Depth) · High Capacity Battery: 5,000mAh - 5G <ul style="list-style-type: none"> · Rich Camera Experience of 48MP Quad, Penta Mode Camera (48M W/8M UW/5M Macro/2M Depth) · High Capacity Battery: 5000mAh |
| | <ul style="list-style-type: none"> □ Galaxy Quantum2 A82 (April 2021) <ul style="list-style-type: none"> - 6.7" QHD+ (3,200 x 1,440) - Size (W x H x D) & Weight: 161.9mm x 73.8mm x 8.1mm, 176g - Platform (H/W, S/W): SDM855+, Android 11, One UI 3.1 - Applied QRNG security chip set - Supports expansive large-screen and smooth screen transition of 120Hz - Powerful camera that enables photographing on a professional level (ultra-wide 12MP, main 64MP, close-up 5MP) |
| Galaxy Book April 2021 | <ul style="list-style-type: none"> □ Galaxy Book Flex 2 (December 2020) <ul style="list-style-type: none"> - Design: 2-in-1 PC with S Pen, QLED display - Screen: 15.6" FHD QLED (16:9, 1920 x 1080), 13.3" FHD QLED (16:9, 1920 x 1080) - Size (W x H x D): (15.6") 355.0mm x 227.2mm x 14.9mm (13.3") 302.6mm x 202.9mm x 12.9mm - Platform, OS: Intel 11th generation CPU, Windows 10 - QLED: Color Volume 100%, Super Bright Outdoor Mode Max 600nit - S Pen: Samsung Notes, Clip Studio, Gesture - SSD: Powerful performance & Latest Gen4 SSD |
| | <ul style="list-style-type: none"> □ Galaxy Book Flex2 5G (December 2020) <ul style="list-style-type: none"> - 13.3" QLED FHD Up to 600nit Brightness, Color Volume 100% - Size (W x H x D): 304.9mm x 202.3mm x 13.9–14.9mm - Platform, OS: 11th-generation Intel CPU, Intel Iris Xe Graphics, Windows 10 - Supports ultra-fast 5G (Sub-6GHz) <ul style="list-style-type: none"> Connects to state-of-the art wireless LAN 802.11 ax (Wi-Fi6) - Double Camera <ul style="list-style-type: none"> · World-facing camera (13M AF) and front-facing camera (1M) Camera - Long battery life (20 hours battery life, based on MM14) - Comes with S-Pen, allowing quick expression of inspiration (Digitizer) - Stronger connection to Tablets, Phones <ul style="list-style-type: none"> · Air Command: Offers the same Galaxy UX, quick opening and setting of S Pen · Link to Windows: Smartphone apps opens seamlessly on PCs · Samsung Notes: Links between Phone-Tablet-PC |

IM Division

| Research project | Details |
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| | <ul style="list-style-type: none"> □ Galaxy Book Go (April 2021) <ul style="list-style-type: none"> - 14" FHD (1920 x 1080) - Size (W x H x D) & Weight: 323.9mm x 224.8mm x 14.9mm, 1,380g - Platform: 2nd-generation Snapdragon 7C, Windows 10 - Supports LTE that enables the Internet anywhere anytime - Slim design optimized for portability (14.9mm thick) - Rich sound with the application of Dolby Atmos - Long play time (up to 18 hours of battery life) - Stronger connectivity between Tablet-Phone <ul style="list-style-type: none"> • Quick Share: easy share of files between phone and tablet • Second Screen: using tablet as a supplementary monitor of PC • Galaxy Book Smart Switch: simple sending of data from the previous notebook SmartThings: linking smart devices |
| Galaxy Watch -June 2020 | <ul style="list-style-type: none"> □ Galaxy Watch3 BT (June 2020) <ul style="list-style-type: none"> - Design: Premium smart watch resembling the design of a traditional watch - Display: 1.4" (45mm), 1.2" (41mm) OLED (360 x 360) - Size (W x H x D): 45.0 x 46.2 x 11.1 (45mm) 41.0 x 42.5 x 11.3 (41mm) - Platform (H/W, S/W): Exynos9110, Tizen 5.5 - Expanding portfolio to titanium models (high-end segment, derivative project in process) - Identifying and have included differentiated health-related services - Blood pressure, ECG, fall detection features commercialized globally |
| Galaxy buds January 2020-January 2021 | <ul style="list-style-type: none"> □ Galaxy Buds+ (January 2020) <ul style="list-style-type: none"> - Design: Canal-type TWS (True Wireless Stereo) - Platform (HW, SW): MCU (BCM43015), OS (RTOS), BT 5.0 - Battery: Earbuds (85mAh x 2), cradle (270mAh) - Powerful mid to low keys and highest sound quality with application of 2-way speaker (woofer & tweeter) - 2 outer beamforming mic and 1 inner mic optimizes phone call sound - Improved errors in proximity sensor by adding grip sensor - Longest play time compared to products in the same class, with upgraded battery: 22 hours for streaming (earbuds 11H & cradle 11H) □ Galaxy Buds Live (July 2020) <ul style="list-style-type: none"> - Design: Open-type TWS with innovative design and high-quality sound - Size (W x H x D): 16.5mm x 27.3mm x 14.9mm (earbuds), 50.0mm x 50.2mm x 27.8mm (cradle) - Platform (H/W, S/W): BCM43015, RTOS - Ergonomic design that fits ears perfectly, provides all-day comfort sitting softly inside the ear. - Open type Active Noise Cancellation reduces background noises but let you hear what you want to hear. - Large-size 12mm speakers and Bass Duct deliver rich, spacious live sound - Three built-in mics and a Voice Pickup Unit enables the best call quality □ Galaxy Buds Pro (January 2021) <ul style="list-style-type: none"> - Design: Premium TWS, in-ear type with Intelligent ANC feature - Size (W x H x D): (earbuds) 20.5mm x 19.5mm x 20.8mm, (cradle) 50mm x 50.2mm x 27.8mm - Platform (H/W, S/W): BCM43015, RTOS - 2Way (woofer + tweeter) 11mm speaker offers enhanced sound quality <ul style="list-style-type: none"> • High-quality phone call sound with 3 mics and accelerometer (voice pickup sensor) • In-ear type, Intelligent ANC and voice detect function instantly switches from ANC to Ambient sound when it hears your voice • 3D Audio provides a truly immersive experience resembling that of a movie theater - IPx7-level water resistant |
| Network | |
| RAN S/W Package April 2019-June 2021 | <ul style="list-style-type: none"> □ SVR18.3 5G S/W package (April 2019) <ul style="list-style-type: none"> - S/W Package to commercialize domestic 5G NR for the first time in the world <ul style="list-style-type: none"> • Commercialized 5G NSA by using LTE network links in the Seoul and the capital area • Supports 5G base station (3.5GHz, 28GHz, 39GHz 5G Massive MIMO) □ SVR21B NR vDU SW PKG (June 2021) <ul style="list-style-type: none"> - TDD-based C-Band vDU • Flexible base station upgrade without H/W change and resource allocation * vDU (virtual DU): realizing the function of 5G base station by developing commercial server-based S/W |
| Core S/W Package March 2020 | <ul style="list-style-type: none"> □ SVR19B 5G core S/W package (March 2020) <ul style="list-style-type: none"> - Developed containerized-based 5G Core Network Function <ul style="list-style-type: none"> • Efficient and quick service distribution and maintenance cost reduction possible by flexibly containerizing host OS resource |

| IM Division | |
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| Research project | Details |
| Base stations September 2019–February 2021 | <ul style="list-style-type: none"> □ Developed 5G NR DU (September 2019) <ul style="list-style-type: none"> - New dual CPU based main card and first 5G SoC modem using channel card - Single HW can accommodate a combination of LTE, NR above and NR below products, offering different channels at the same time - Supports high capacity, low power consumption (including power saving) and virtualization/non virtualization S/W structure □ Developed 26GHz 5G NR RFIC Chip (February 2020) <ul style="list-style-type: none"> - 2nd generation RFIC Chip, following SEC's 1st generation products (28GHz/39GHz) <ul style="list-style-type: none"> · 2nd generation has improved evm function, power efficiency, and mass production □ Developed FSU10 (May 2020) <ul style="list-style-type: none"> - FSU (fronthaul switch unit) to support vRAN business - Makes spectrum sharing between LTE and NR (below 6GHz) possible <ul style="list-style-type: none"> · One RU fits both LTE DU and NR vRAN via spectrum sharing □ Developed NR Indoor AU (August 2020) <ul style="list-style-type: none"> - Our first 5G In-building Solution AU product - Small form-factor enables low-power consumption, indoor installation on walls, pillars, and ceilings □ Developed NR C-Band MMU (3.7G 64T64R 200W MMU) (Dec 2020) <ul style="list-style-type: none"> - First ever TDD-based MMU (Massive MIMO Unit) that operates in C-BAND in North America - Supports broadband IBW 280M, thus any carrier with C-Band across the country may use the product □ Developed MMU Beam Forming SoC (Feb 2021) <ul style="list-style-type: none"> - SoC performs functions that Beam Forming FPGA, within MMU board, performs - 30% more power efficient than previous model (Maximum power consumption: less than 40W) |

| DS Division | |
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| Research project | Details |
| Memory | |
| DRAM for mobile July 2019–February 2020 | <ul style="list-style-type: none"> □ Mass production of 2nd generation 10-nano class (1y) 12Gb LPDDR5 DRAM for mobile, with highest speed and capacity in the world <ul style="list-style-type: none"> - Next-generation mobile solution with better speed, capacity, and power efficiency - Contributed to introducing 5G smartphones with 1.3 times the speed (5,500Mbps), and 30% lower power consumption - 12Gb LPDDR5-based line up (6GB, 12GB) provided for the first time □ World's first mass production of 16GB LPDDR5 mobile DRAM: highest speed and capacity in the world <ul style="list-style-type: none"> - Performance improved by 30%, capacity by 2 times, and 20% less power consumption vs 8GB LPDDR4X - Gaming performance (picture quality, haptic feedback) same or better than PCs possible with smartphones |
| DRAM for server August 2019–March 2021 | <ul style="list-style-type: none"> □ Mass Production of 1st generation 10-nano class (1x) 256GB 3DS DDR4 DRAM for servers, highest capacity in the world <ul style="list-style-type: none"> - World's first mass production of 256GB DRAM with ultra-high performance and capacity - 2 times the capacity and 30% increase in power efficiency compared to 128GB □ Development of 3rd generation 10-nano class (1z) 8Gb DDR4 DRAM—world's best <ul style="list-style-type: none"> - Secured ultra-fast, ultra-power-efficient solutions for mass production of DDR5 · LPDDR5 - Efficiency up by more than 20% compared to 2nd generation (1y-nano) DRAM - Expand portion of 1z-nano DRAM lineup in the next-generation products by mass production beginning in September in Pyeongtaek □ Development of high-capacity DDR5 memory applying HKMG process—an industry first <ul style="list-style-type: none"> - Realization of 512GB DDR5 module with the application of High-K Metal Gate and 8-stack TSV - Reduced power consumption by around 13% and more than double performance compared to the existing process - Planning to apply it in the next-generation computing, super computers, and high capacity data centers |
| HBM DRAM October 2019–February 2021 | <ul style="list-style-type: none"> □ Development of 12-stack 3DS TSV PKG, with world's highest HBM DRAM capacity <ul style="list-style-type: none"> - Development of highest performance and capacity 12GB HBM DRAM for supercomputers—industry's first - 1.5 times the capacity and convenience of system design improved with 8GB package - Strengthened leadership in next-generation HPC DRAM by breakthrough in package technology - Plan to mass produce 24GB HBM, the industry's highest, to meet customer needs □ Rollout of ultra-fast DRAM for AI and next-generation super computer for the first time in the world (16GB HBM2E 'Flashbolt') <ul style="list-style-type: none"> - Stacked 8 10-nano (1y) 16Gb DRAM, enabling 16GB, the highest capacity - Able to send 82 Full HD movies (410GB) at 3.2Gb/sec - Continue to lead market expansion by supplying 2nd generation HBM2 and 3rd generation HBM2E at the same time □ Developed world's first AI HBM-PIM with an AI engine <ul style="list-style-type: none"> - More than two times the performance compared to previous HBM2, system energy reduced by approximately 70%. - Unveiled academic paper in Feb 2021 at conference held by ISSCC, which has the highest reputation in the semiconductor industry - Enables application without changing the system by using existing memory interface - Cooperate with data center and AI customers on standardization of PIM and establishing eco system. |

DS Division

| Research project | Details |
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| eStorage February 2019–March 2020 | <ul style="list-style-type: none"> □ Mass production of next-generation smartphone memory, eUFS 3.0—a world’s first <ul style="list-style-type: none"> - Embedded 5th generation (9x-layers) cell stacked 512Gb 3 bit V-NAND for the first time in the industry - Reading and writing 2 times faster compared to eUFS 2.0 - Securing early foothold and high growth in next-generation ultra-high-resolution mobile market □ Industry’s only mass production of 1TB eUFS 2.1, with a writing speed of 1200MB/s <ul style="list-style-type: none"> - 3 times the performance compared to 512GB eUFS 3.0 (continued writing speed of 410MB/s) - Smartphone memory storage (1200MB/s) is 2 times faster than PC (SSD 540MB/s) |
| SSD for PC July 2019 | <ul style="list-style-type: none"> □ Mass production of 6th-generation (1xx) 256Gb V-NAND-based PC SSD—fastest in the world <ul style="list-style-type: none"> - Exclusive mass production of higher than 100 layers cell single process stacked V-NAND - 1.2 times the speed and productivity higher by more than 20% - Lead the storage market with competitive edge in ultra-fast, ultra-power-efficient products |
| SSD for server August 2019–June 2021 | <ul style="list-style-type: none"> □ Mass production of 5th generation (9x-layer) V-NAND-based 30.72TB NVMe SSD for servers— highest speed and capacity in the world <ul style="list-style-type: none"> - Secured next-generation SSD solution with improved speed, capacity, and efficiency - Introduced 8GB/s PCIe Gen4 SSD with 2.2 times the speed - Exclusively offers top 3 SW (Never Die SSD, FIP, ML) solution □ Mass production of high-performance OCP SSD specialized for data centers <ul style="list-style-type: none"> - Mass production of OCP SSD, the first in the industry for 6th-generation V-NAND - Satisfies performance, power efficiency, reliability, and security demanded by the data center industry - Contributes to cost reduction and carbon emission reduction with industry’s most power efficient feature □ Mass production of industry’s highest performing SAS 24Gbps SSD for server <ul style="list-style-type: none"> - Supports speed that is around two times faster than the previous generation SSD - Provides high capacity from 800GB to 30.72TB based on 6th generation V-NAND - Expected to reduce server operation cost and carbon emission via a 40% improvement in power efficiency □ Industry’s first mass production of next-generation ZNS SSD for company server <ul style="list-style-type: none"> - Applies ZNS technology, which categorizes and saves data by zone depending on characteristics - Lifespan and maximum utilization of SSD capacity increased compared to existing SSDs - Contributes to enhancing the efficiency of next-generation servers—in areas such as AI, big data, and IoT—as well as storage systems, while expanding the foundation for ZNS SSD through various open source projects |
| Brand SSD January 2020–March 2021 | <ul style="list-style-type: none"> □ Launched ‘T7 Touch’, premium portable SSD—highest performance in the industry <ul style="list-style-type: none"> - 5th generation 512Gb V-NAND with world’s highest performance and NVMe controller with ultra-fast embedded interface - Supports reading and writing speed of 1,050MB/s and 1,000MB/s, respectively, up to 9.5 times faster than external HDD (110MB/s) and about 2 times faster than the previous model (SEC’s portable SSD T5) □ Global launch of high-capacity 4-bit SSD ‘870 QVO’ <ul style="list-style-type: none"> - Introduced 4 SATA SSD models including 1/2/4TB and 8TB model, the highest in the industry - Provides optimal solution to customers with need for high-performance/high-capacity computing environment, with quick data-process speed close to the maximum speed of SATA interface - Boasts high speed/capacity, reasonable price, launched in 40 countries in several phases □ Global launch of PCIe-Gen4-applied SSD ‘980 PRO’, boasting highest performance in the industry <ul style="list-style-type: none"> - Provides ultra-high resolution via consumer SSD with the highest-speed in the industry - Continue to lead market for professional PC and workstation used for editing of 8K, 4K videos and games requiring high-specs - 5-year warranty (longest in the industry) □ Global launch of SATA SSD 870 EVO for consumers <ul style="list-style-type: none"> - Latest V-NAND and controller included, intelligent turbolight technology - Highest durability in the industry, run time enhanced by more than 30% - Five models in 250GB to 4TB range, introduced in steps in Korea, US, Germany, and China □ Launched NVMe SSD 980, which boasts high performance and is economical. <ul style="list-style-type: none"> - 6th-generation V-NAND, maximum 6 times the speed compared to SATA SSD - DRAM-less design to save cost, applied optimization technology for controllers and firmware - Heat-control feature, applied to high-end products - Power efficiency enhanced by 56%, compared to 970 EVO, allowing “good consumption” for consumers |
| EUV March 2020 | <ul style="list-style-type: none"> □ Supplied 1 million 1st generation 10-nano class (D1x) DRAM modules <ul style="list-style-type: none"> - Mass production of EUV DRAM—the only company in the industry with EUV DRAM mass production system - Secured 10-nano class advanced process and mass production, enabling next-generation DRAM in a timely manner. - EUV process applied to all 4th generation 10-nano class DRAM, and is now expanding to 5th generation and 6th generation products |
| CXL May 2021 | <ul style="list-style-type: none"> □ Development of industry’s first CXL-based DRAM memory <ul style="list-style-type: none"> - Next-generation memory solution to meet the needs of high capacity data centers; overcomes physical limitations of DRAM modules, revolutionary expansion of capacity bandwidth becomes possible - Supports interface converting, error management, etc. through CXL controller - Development of controller and software technology optimized for CXL DRAM memory by collaborating with data centers and server and chipset companies |

DS Division

| Research project | Details |
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| Multi-chip June 2021 | <ul style="list-style-type: none"> □ Mass production of industry's best performing uMCP5 (LPDDR5 + UFS3.1) multi-chip package <ul style="list-style-type: none"> - Speed upgrade by 1.5 times compared to the existing LPDDR4X, 2 times compared to UFS2.2 - Spearhead popularization of 5G by installing them into low- to mid-priced 5G smartphones |
| System LSI | |
| Image Sensor January 2019–June 2021 | <ul style="list-style-type: none"> □ ISOCELL Slim sensor with ultra-small pixel size (3T2, 0.8um/20Mp) <ul style="list-style-type: none"> - Highest resolution (20Mp) among 1/3.4" sensors, offers high-resolution optimized for bezel-less displays - Tetracell technology for front camera, allowing high performance under low lighting, high magnification for back camera reduces module size, improving picture quality □ Ultra-high resolution ISOCELL Bright sensor (GW1, 0.8um/64Mp) <ul style="list-style-type: none"> - DCG structure enhances dynamic range - Super PD technology maximizes auto-focus function and enables 480-frames-per-second, full-HD slow motion function - Rich colors by supporting real-time HDR □ High resolution ISOCELL Bright sensor (GM2, 0.8um/48Mp) <ul style="list-style-type: none"> - Super PD technology maximizes auto-focus function and enables 240-frames-per-second, full-HD slow motion function □ World's first 108Mp ISOCELL Bright sensor (HMX, 0.8um/108Mp) <ul style="list-style-type: none"> - AI-ISO-applied S/W controls the amount of light, enhancing color reproduction - Can shoot 30 frames per second in 6k - Improved sensitivity with ISOCELL plus and Tetracell technology □ ISOCELL Slim sensor with world's smallest pixel size (GH1, 0.7um/43.7Mp) <ul style="list-style-type: none"> - Enables easier application of full-screen display set thanks to smaller and thinner module - Supports high-resolution videos and minimizes loss of viewing angle - Improved sensitivity with ISOCELL plus and Tetracell technology □ Industry's first next-generation 108Mp ISOCELL Bright sensor with 2-times the sensitivity enabled by Nonacell technology <ul style="list-style-type: none"> - Enables preview function without compromising picture quality in 3x magnification, thanks to enhanced zoom feature - Features state-of-the-art technologies: smart ISO, real-time HDR, digital correction of shaking images □ Dual-pixel and Tetracell-technology-based sensors (GN1, 1.2um/50Mp) <ul style="list-style-type: none"> - Offers images in 100Mp with dual-pixel technology (2 photodiodes in a pixel) - Takes bright, sophisticated images with Tetracell technology (enables 4 times the sensitivity in the dark) □ Established industry's first lineup of 0.7um-pixel-based image sensors (HM2, GW3, GM5, JD1) <ul style="list-style-type: none"> - Leadership in ultra-small, high-resolution image sensor technology with state-of-the-art 'ISOCELL 2.0' technology and more - (HM2) first to offer 108Mp with 0.7um pixel - (GW3) takes 60-frames-per-second 4K 64Mp images - (GM5) takes 48 Mp images supporting ultra-wide angle and folded zoom - (JD1) ultra-small 32Mp product, optimal for bezel-less design □ Introduced ISOCELL HM3, 108MP premium image sensor (HM3, 0.8um/108Mp) <ul style="list-style-type: none"> - Concentrated 108 million 0.8 μm-size pixels in 1/1.33 inch - Minimizes afterimage with Smart ISO Pro, enabling bright, vivid images - Lens optimal for autofocus with Super PD Plus, enhanced phase detection ability by 50% - Optimal design saves approximately 6% of power under preview mode, compared to previous model □ Introduced image sensor ISOCELL GN2, operating similar to human eyes (GN2, 1.4um/50Mp) <ul style="list-style-type: none"> - Dual Pixel Pro splits pixels diagonally—a world's first - 1.4um pixel delivers brighter and more vivid images - Staggered HDR saves power by approximately 24% compared to previous model □ Introduced ISOCELL JN1 with the industry's first 0.64um pixel (JN1, 0.64um/50Mp) <ul style="list-style-type: none"> - Mass production of ultra-small pixel size, applies high-resolution mobile camera slim design - Applies the most advanced image sensor technology that enhances sensitivity in the dark - Cooperation with camera lens module manufacturers, establishes the ecosystem that is compatible with 1/2.8" products |

DS Division

| Research project | Details |
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| Exynos Mobile January 2019–January 2021 | <ul style="list-style-type: none"> □ World's first modem solution for 5G smartphones (Exynos modem 5100, Exynos RF 5500, Exynos SM 5800) <ul style="list-style-type: none"> - Data transmission 1.7 times faster compared to LTE - New RF · SM, improved power efficiency for transmission □ Best-in-class 7-nano 5G modem (Exynos 5123) <ul style="list-style-type: none"> - Maximum 2 times faster compared to previous model in sub-6GHz 5G network - Achieved maximum speed of 3.0Gbps in 4G network - Supports global Sub-6GHz/mmWave □ SoC for automobile infotainment (Exynos auto V9) <ul style="list-style-type: none"> - Octa-core CPU simultaneously controls 6 displays and 12 cameras - 3 GPU respectively supports dashboard · CID · HUD - NPU enables digital recognition of voice · face · movement - Enhanced stability by securely supporting ASIL-B function □ SoC exclusively for short-distance IoT with low power consumption and enhanced security (Exynos i T100) <ul style="list-style-type: none"> - Processor · memory · communications function in a package □ One-chip integrating 5G modem supporting sub-6GHz and AP (Exynos 980) <ul style="list-style-type: none"> - Supports latest communications feature including EN-DC, Wi-Fi 6 - Enhanced NPU function compared to previous generation and premium products □ Enhanced functions with 5th-generation CPU and premium GPU (Exynos 990) <ul style="list-style-type: none"> - AI processing higher than 10 TOPS enhanced image analyzing and face recognition function - Supports latest LPDDR5 DRAM and high-resolution camera of 50MP ↑ □ Launched Exynos 2100, 5G-integrated premium mobile AP <ul style="list-style-type: none"> - Applied state-of-the-art 5-nano EUV process and the latest CPU/GPU, enhancing performance significantly - Optimal design improves performance compared to previous model: more than 30% for CPU, more than 40% for GPU - Enhanced on-device AI function, performs 26 trillion operations per second - Saves power consumption by maximum 20%, features its own power management solution AMIGO - Supports ultrahigh-frequency 5G network, operates maximum 6 image sensors |
| LSI January 2019–May 2021 | <ul style="list-style-type: none"> □ PDIC for TA supporting USB-PD 3.0 standard and high-speed charge protocol (MM101) <ul style="list-style-type: none"> - Moisture detection, voltage protection function □ World's first one-chip integrating PDIC and SE (SE8A) <ul style="list-style-type: none"> - Blocks unauthorized products by supporting type-C authorization - Supports advanced security features such as saving security key · authorization certificate, supporting encryption · decryption □ Industry's first integrated power-managing chip for wireless earphones (MUA01, MUB01) <ul style="list-style-type: none"> - Integrates multiple chips, optimized for small-size batteries - Provides optimal solution for rapidly-growing wireless earphone market □ DDI enables optimized ultra-high resolution for 8K TVs and enhanced transmission efficiency (S6CT93P) <ul style="list-style-type: none"> - Enhanced signal quality and development efficiency by utilizing equalizer S/W □ Best integrated security solution for mobile (S3K250AF) <ul style="list-style-type: none"> - Independently developed S/W in H/W security chip, which received EAL 5+ in Common Criteria - Mobile security solution lays the foundation for new mobile services □ Received EAL 6+, the highest rank for mobile device, solution with independently-developed S/W (S3FV9RR) <ul style="list-style-type: none"> - Useable for various smart devices, as the solution operates independently for various processors - Various functions including H/W secure boot, device authentication offer stronger security □ Power management IC for DDR5 DRAM modules (S2FPD01, S2FPD02, S2FPC01) <ul style="list-style-type: none"> - Essential for the next-generation device performance improvement and power saving, three types of power management IC - Applies our own technology of reducing power consumption and overheating, up to 91% of operational efficiency - Continued expansion of the lineup for power management IC for memory and strengthen technology leadership |
| Foundry | |
| Ship eMRAM solution products (based on 28nm FD-SOI process) March 2019 | <ul style="list-style-type: none"> □ Combined low-power process and next-generation embedded memory technology <ul style="list-style-type: none"> - Maximized power efficiency as the product uses low motion power and eliminates standby power and an erase cycle - Supports record speed about 1000 times faster than the previous eFlash □ Embedded to system semiconductor by using minimum layers <ul style="list-style-type: none"> - Reduced production costs thanks to a simpler design structure □ Optimal for MCU/IoT/AI thanks to low-power and small size |
| 5nm EUV process April 2019 | <ul style="list-style-type: none"> □ Developed 5nm EUV process with EUV lithography <ul style="list-style-type: none"> - 25% decrease in logic area efficiency with 20% lower power consumption or 10% higher performance compared to 7nm by optimizing cell architecture - Previous 7nm customers can utilize the same IP in the 5nm EUV process |

DS Division

| Research project | Details |
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| 3D IC packaging technology 'X-Cube' August 2020 | <ul style="list-style-type: none"> □ Developed 3D IC packaging technology 'X-Cube' and the infrastructure for the design <ul style="list-style-type: none"> - Uses TSV technology to stack different chips individually made from different wafers to make them into one chip <ul style="list-style-type: none"> • Allows greater flexibility in design by reducing the chip size and using high-capacity memory solution • Significant leaps in data-processing speed and power efficiency of system semiconductors - Design method and tools to apply 'X-Cube' on 5-nano and 7-nano processes have been verified. <ul style="list-style-type: none"> • Produced industry's first test chip that stacks SRAM on top of EUV 7-nano logic die |
| 2.5D packaging technology 'I-Cube4' May 2021 | <ul style="list-style-type: none"> □ Realized logic chip and four HBM chips into one package to operate it like one semiconductor chip □ Supplied electricity stably and realized ultra-thin electrical wires applying silicon interposer <ul style="list-style-type: none"> - Applied semiconductor process/manufacturing knowhow that prevents the deformation of thin interposers 100μm thick □ Reduced production time and enhanced yield with our distinctive structure that has excellent thermal release performance |
| 8-nano RF process June 2021 | <ul style="list-style-type: none"> □ Radio Frequency (RF) process for 5G communication that even supports sub-6GHz and millimeter frequency <ul style="list-style-type: none"> - Provides small, low-power, high quality communication with one-chip solution that supports multi-channel and multi-antenna □ Improved performance of RF with the application of RF-exclusive semiconductor device 'RFeFET (RF extremeFET)' that we developed in house <ul style="list-style-type: none"> - Maximized electrons' movement characteristics by physically stimulating the neighboring areas of channels, which are electrons' moving path □ Power efficiency increased by 35%, analogue circuit area decreased by 35% compared to the previous generation 14-nano RF process <ul style="list-style-type: none"> - Total number of transistors of chips decreased with the drastic improvement of RFeFET performance |
| Display panel | |
| Hole in Display OLED for Galaxy S10 March 2019 | <ul style="list-style-type: none"> □ Maximized screen size via world's first commercialization of Flexible Hole in Display <ul style="list-style-type: none"> - One S10 6.1" 3K QHD+(3,040×1,440) Hole, Two S10+ 6.4" Holes □ Offers a comfortable display by significantly decreasing blue light <ul style="list-style-type: none"> - Decreased blue light emission 42% from S9 (TUV Rheinland Eye Comfort Certification) |
| 15.6" UHD OLED for NPC May 2019 | <ul style="list-style-type: none"> □ Developed world's first 4K OLED display for NPC <ul style="list-style-type: none"> - 15.6" UHD (3,840 x 2,160), 16:9 - Blue light reduction, shorter response time, wide field of view allow vivid images |
| 4K high-resolution OLED for smartphones June 2019 | <ul style="list-style-type: none"> □ Developed world's first 4K mobile OLED display <ul style="list-style-type: none"> - 6.5" UHD (1,644×3,840), 643ppi, 16M Color - Offers original cinematic movie ratio of 21:9 |
| Curved LCD for gaming monitors June 2019 | <ul style="list-style-type: none"> □ Developed world's first 240Hz Curved LCD display <ul style="list-style-type: none"> - 27" FHD (1920×1080), 16:9 - High refresh rate of 240Hz, supports G-sync, allowing uninterrupted gaming environment - Curvature of 1500R, wide viewing angle allow highly-immersive gaming experience |
| Foldable OLED for Galaxy Fold September 2019 | <ul style="list-style-type: none"> □ Display innovation by developing the world's first foldable display <ul style="list-style-type: none"> - In-foldable AMOLED (radius: 1.5R) - 7.3" QXGA+ (1,536×2,152), 4:3 - Decreased display thickness by approximately 50% (vs existing panels) by developing polymer composite material |
| Foldable OLED for Galaxy Z Flip February 2020 | <ul style="list-style-type: none"> □ Mass production of world's first glass type window foldable display <ul style="list-style-type: none"> - 6.7" Full HD+(1,080x 2,640) - Improved durability and applied camera hole (first in foldable phones) by using UTG (ultra-thin glass) |
| WQ+ high-speed OLED for Galaxy S20 March 2020 | <ul style="list-style-type: none"> □ Maximized touch feature with world's first WQ+ resolution, 120Hz, high speed <ul style="list-style-type: none"> - S20 6.23"/6.67"/6.87" QHD+(3,200×1,440) - Harmful blue light less than 6.5%, Eye Care Display certified (SGS, international certification institution) |
| Foldable OLED for Galaxy Z Fold 2 September 2020 | <ul style="list-style-type: none"> □ World's first mass production of foldable display with a 1.4R curvature <ul style="list-style-type: none"> - 7.6" (2,208 × 1,768) in – foldable - Achieved 1.4R curvature radius via structural design that minimizes folding stress - Improved power efficiency with adaptive frequency (adjusts scan rate from 10-120Hz to screen) |
| Power-efficient OLED for Galaxy S21 January 2021 | <ul style="list-style-type: none"> □ Mass production of innovative power-efficient, high-luminance OLED displays <ul style="list-style-type: none"> - S21: 6.24"/6.67"/6.81" QHD+(3,200×1,440) - New organic material improves luminance efficiency: improved power efficiency by 16% compared to previous model - Enhanced luminance and contrast offers good visibility outdoors (Max/HBM 420/800 → 500/1100nit, Peak 1,785nit) → Sunlight Visibility certification by UL (global safety solutions company) |