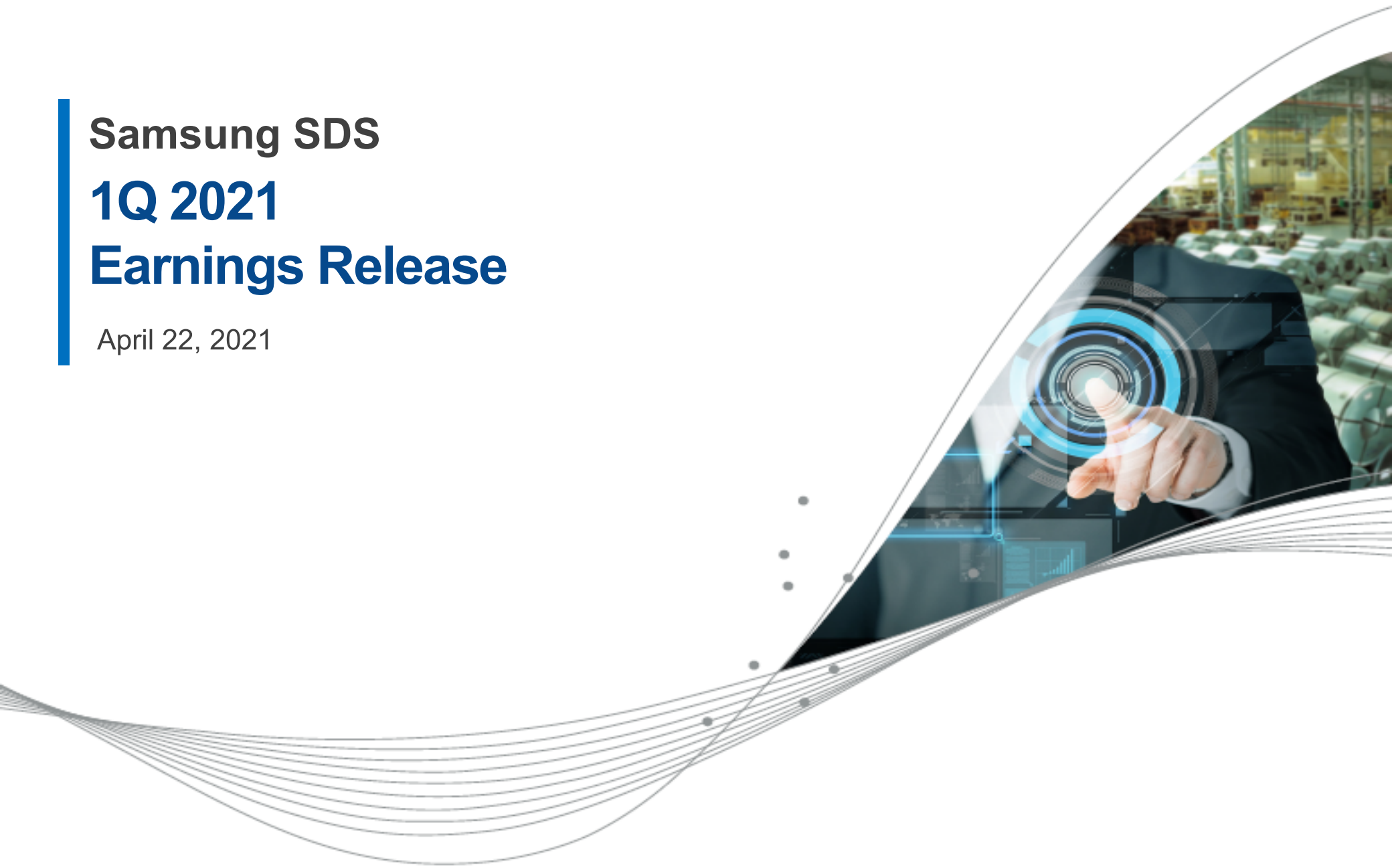


Samsung SDS 1Q 2021 Earnings Release

April 22, 2021



Disclaimer

The financial information in this document are consolidated earnings results based on K-IFRS.

This document is provided for the convenience of investors only, before the external review on our 1Q21 financial results are completed. The review outcomes may cause some parts of this document to change.

This document may contain “forward-looking statements” – that is, statements related to future, not past, events. In this context, “forward-looking statements” often address our expected future business and financial performance, and often contain words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks” or “will”.

“Forward-looking statements” by their nature address matters that are, to different degrees, uncertain.

For us, particular uncertainties which could adversely or positively affect our future results include:

- The behavior of financial markets including fluctuations in exchange rates, interest rates
- Strategic actions including dispositions and acquisitions
- Unanticipated dramatic developments in our major businesses
- Numerous other matters at the national and international levels which could affect our future results

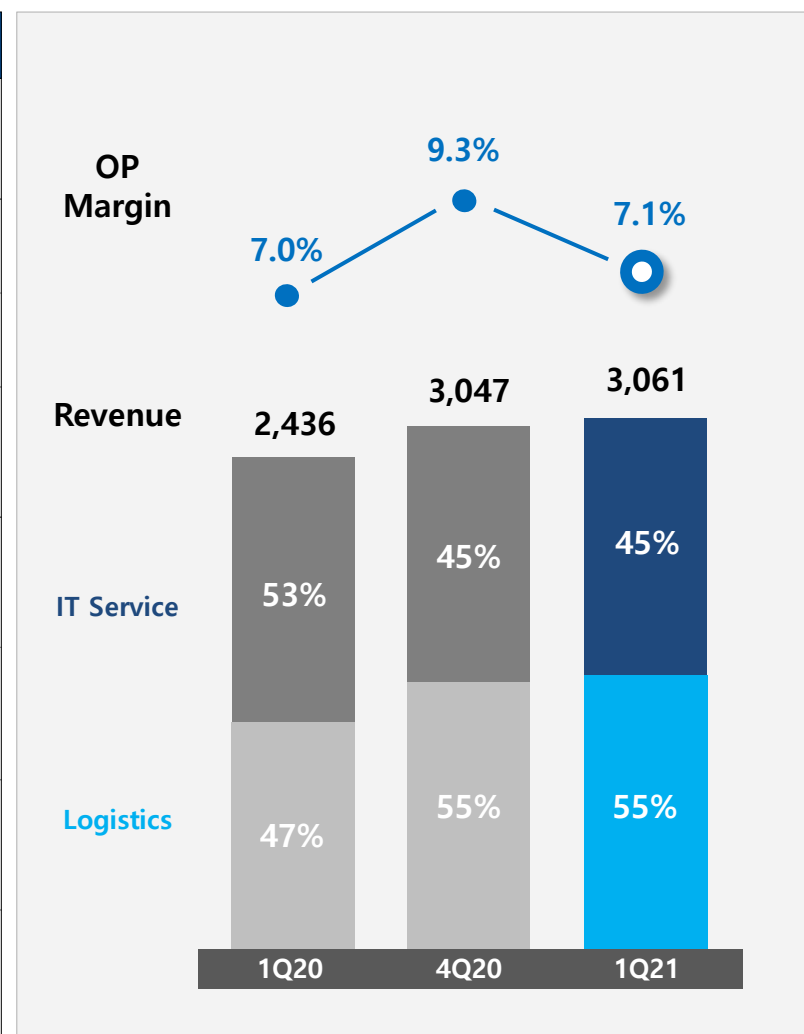
These uncertainties may cause our actual results to be materially different from those expressed in this document.

1 1Q21 Earnings Overview

Income Statement

	1Q21	4Q20	QoQ	1Q20	YoY
Revenue	3,061	3,047	+0.5%	2,436	+25.7%
IT Service	1,368	1,374	-0.4%	1,286	+6.4%
Logistics	1,693	1,673	+1.2%	1,150	+47.2%
Operating profit	217	284	-23.5%	171	+26.8%
(%)	(7.1)	(9.3)	-2.2%p	(7.0)	+0.1%p
IT Service	185	252	-26.8%	156	+18.1%
(%)	(13.5)	(18.4)	-4.9%p	(12.2)	+1.3%p
Logistics	32	32	+2.9%	15	+119%
(%)	(1.9)	(1.9)	-	(1.3)	+0.6%p
Pre-tax profit	227	248	-8.5%	203	+11.9%
(%)	(7.4)	(8.1)	-0.7%p	(8.3)	-0.9%p
Net Income	159	176	-10.2%	-30	TB
(%)	(5.2)	(5.8)	-0.6%p	(-1.2)	+6.4%p

(Billion KRW)

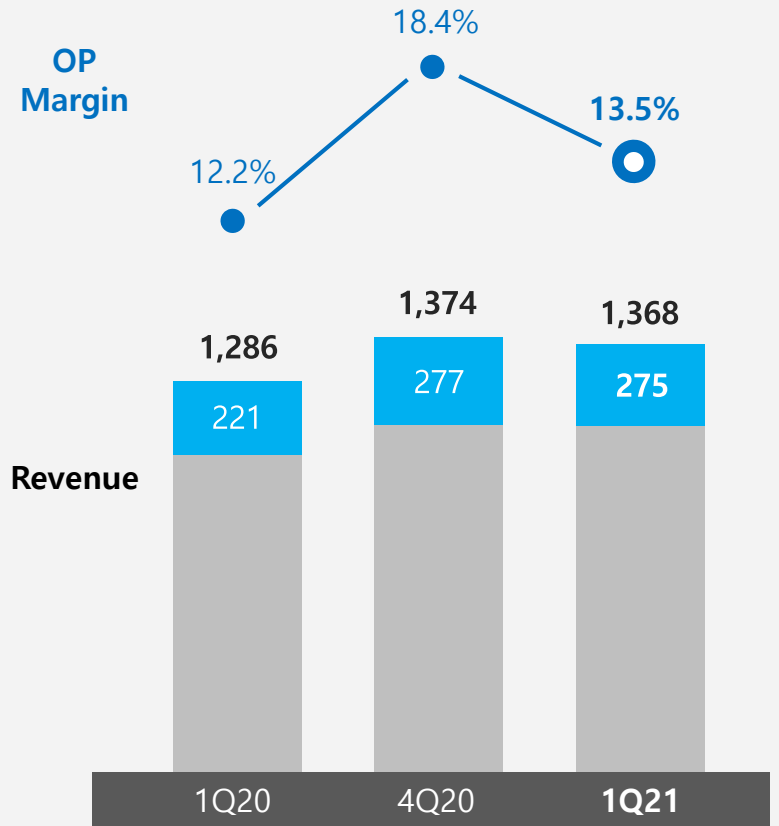


2 IT Services

Revenue and OPM

(Billion KRW)

External Business



➤ Cloud

- HPC based R&D Cloud service launched
- Cloud migration for financial companies continued

➤ ERP

- External business expands leveraging Samsung ERP experience

➤ Smart Factory

- New projects started in semiconductor/battery industries

➤ Solution

- Brity Works (Work automation & collaboration solution)
 - Brity RPA external customer base expanded
 - Brity Mail, Messenger, Meeting users increased

3 Logistics

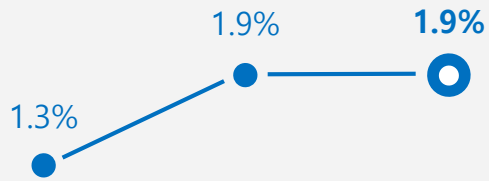
Revenue and OPM

(Billion KRW)

External Business

OP
Margin

Revenue



1,150

199

1,672

278

1,693

287

1Q20

4Q20

1Q21

▶ Trading volume

- Increased trading volume due to solid sales of IT products
 - Demand of mobile/TV/home appliance continued strong

▶ Freight Charge

- Ocean freight charge remained at high level
 - Short supply of vessel & container continued

▶ External business

- Expanded external business in Hi-Tech & Auto parts

[Appendix 1] Income Statement

(Billion KRW)	2020					2021
	1Q	2Q	3Q	4Q		1Q
Revenue	2,436	2,567	2,968	3,047	11,017	3,061
COGS	2,053	2,159	2,556	2,560	9,327	2,632
Gross profit	383	407	412	487	1,690	429
Margin (%)	15.7%	15.9%	13.9%	16.0%	15.3%	14.0%
SG&A	212	211	192	203	818	212
Operating profit	171	197	220	284	872	217
Margin (%)	7.0%	7.7%	7.4%	9.3%	7.9%	7.1%
Non-operating gain & loss	32	14	6	-36	14	10
Profit before income tax	203	211	226	248	886	227
Income tax expense	233	65	65	71	433	68
Net Income	-30	146	161	177	453	159
Margin (%)	-	5.7%	5.4%	5.8%	4.1%	5.2%
Profit Attributable to owners of the parent	-30	144	157	172	444	156

[Appendix 2] Revenue & Operating Profit by Business Segment

(Billion KRW)	2020					2021
	1Q	2Q	3Q	4Q		1Q
Revenue	2,436	2,567	2,968	3,047	11,017	3,061
IT Services	1,286	1,320	1,335	1,374	5,314	1,368
- Business Solution	320	340	356	357	1,372	400
- Cloud & ITO	966	980	979	1,017	3,942	968
Logistics	1,150	1,247	1,633	1,673	5,703	1,693
Operating profit	171	197	220	284	872	217
IT Services	156	184	186	252	779	185
Logistics	15	13	34	32	93	32
Operating profit margin	7.0%	7.7%	7.4%	9.3%	7.9%	7.1%
IT Services	12.2%	14.0%	13.9%	18.4%	14.7%	13.5%
Logistics	1.3%	1.0%	2.1%	1.9%	1.6%	1.9%

[Appendix 3] Statement of Financial Position

(Billion KRW)	2016	2017	2018	2019	2020	1Q21
Asset	6,842	7,278	8,014	9,021	9,155	9,548
Current assets	4,548	5,118	5,882	6,384	6,581	6,956
Non-current assets	2,294	2,160	2,132	2,637	2,574	2,592
Liabilities	1,551	1,558	1,865	2,296	2,296	2,669
Current liabilities	1,347	1,325	1,575	1,698	1,721	2,059
Non-current liabilities	204	233	290	598	575	610
Equity	5,291	5,720	6,149	6,725	6,859	6,879
Capital stock	39	39	39	39	39	39
Cash & cash equivalents	2,456	2,925	3,672	3,831	4,194	4,413
Debts & borrowings	4	1	1	1	1	1
CAPEX	224	186	276	379	275	47
Depreciation & amortization	365	333	308	441	451	109
EPS(KRW)	5,995	6,854	8,134	9,517	5,732	-
ROE(%)	9.2%	9.6%	10.6%	11.4%	6.5%	-
DPS(KRW)	750	2,000	2,000	2,400	2,400	-
Payout ratio	12.5%	29.2%	24.6%	25.2%	41.9%	-