



# **Samsung Securities Co., Ltd.**

## **2Q23 Earnings Release (Unaudited)**

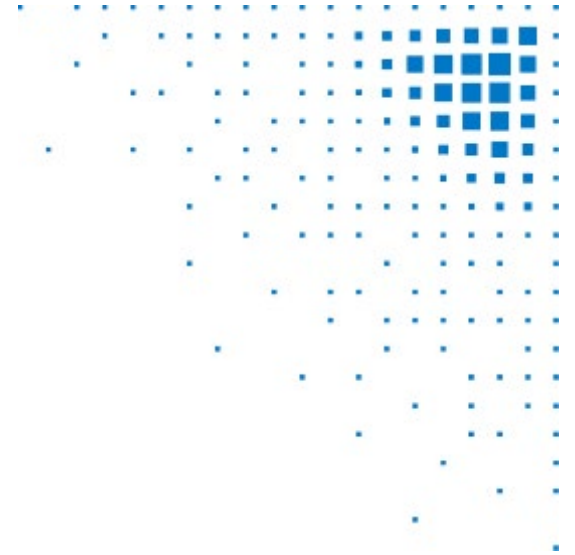
**Aug 2023**

**Investor Relations**

**Samsung  
Securities**

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# 2Q23 Earnings Summary

(KRW billion)

Separate basis	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23
<b>Net revenues</b>	340.5	344.1	207.5	543.4	383.3
Brokerage <sup>1</sup>	102.1	89.3	78.3	111.4	127.9
Financial product sales <sup>2</sup>	72.6	72.2	67.7	75.0	69.6
Trading & interest income	84.6	126.7	28.8	313.9	128.3
Investment banking	82.5	51.6	36.6	45.2	59.6
Other <sup>3</sup>	12.4	18.2	8.0	11.3	12.4
Commission expenses	(13.7)	(13.8)	(12.0)	(13.4)	(14.4)
Operating expenses	177.8	199.5	207.6	220.9	196.5
Operating Income	162.7	144.6	(0.1)	322.5	186.9
Pretax income	160.7	143.3	(3.1)	327.2	186.2
Net income	118.9	113.8	(5.8)	237.4	139.0
ROE (Annualized)	8.2%	7.7%	-0.4%	15.7%	9.0%
Consolidated basis	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23
Net revenues	368.6	367.5	247.9	576.2	414.0
Pretax income	182.4	156.1	19.8	347.0	203.1
Net income	136.8	123.5	10.4	252.6	151.5
ROE (Annualized)	9.2%	8.1%	0.7%	16.1%	9.5%

## Highlight

### [ 2Q23 consolidated Earnings ]

- Pretax income 203.1bn (YoY +11.4%, QoQ -41.5%)
- Net income 151.5bn (YoY +10.8%, QoQ -40.0%)
- Annualized ROE 9.5% (YoY +0.3%p, QoQ -6.7%p)

### [ Brokerage commission ] 127.9bn (QoQ +14.8%)

- Domestic 99.8bn (QoQ +18.5%), Overseas 28.1bn (QoQ +3.4%)
- Overseas Equity Assets 19.3tn (QoQ +13.7%)
- Overseas Trading Value 9.2tn (QoQ -0.9%)

### [ Client base ]

- Retail Client Asset 287.0tn (QoQ +3.6%) Net inflow +4.7tn
- No. of HNWI 235K (QoQ +6.4%)

### [ Financial Product Sales] 69.6bn (QoQ -7.3%)

- ELS Early Redemption volume 1.1tn (QoQ + 21.7%)

### [ Trading & Interest income ] 128.3bn (QoQ -59.1%)

- Margin Loan Balance (Quarterly Average) 4.1tn (QoQ +9.2%)

### [ Investment Banking ] 59.6bn (QoQ +31.9%)

- Deals : GigaVis (IPO), POSCO Future M (DCM)  
Loca Mobility (Acquisition Finance)

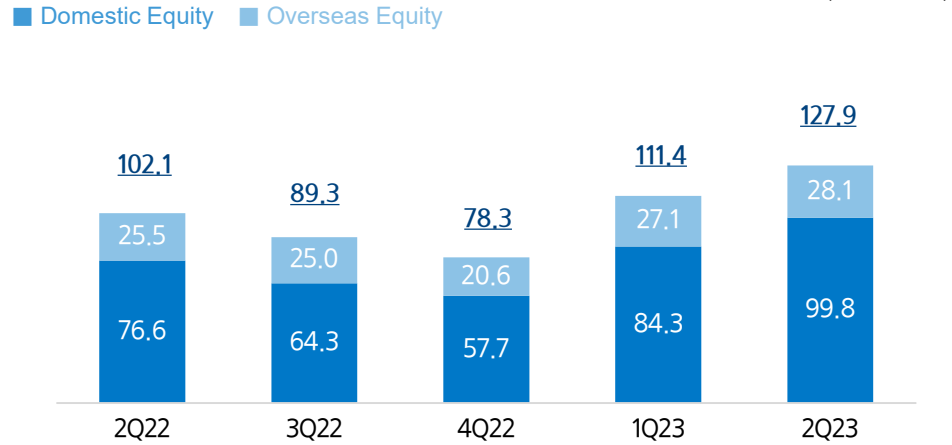
<sup>1</sup> Brokerage commission excluding related costs

<sup>2</sup> Financial product sales include mutual funds, wrap accounts, OTC derivative products, bancassurance and trust (fixed income sales credit included in trading income)

<sup>3</sup> Interest on securities loans, dividend from subsidiaries

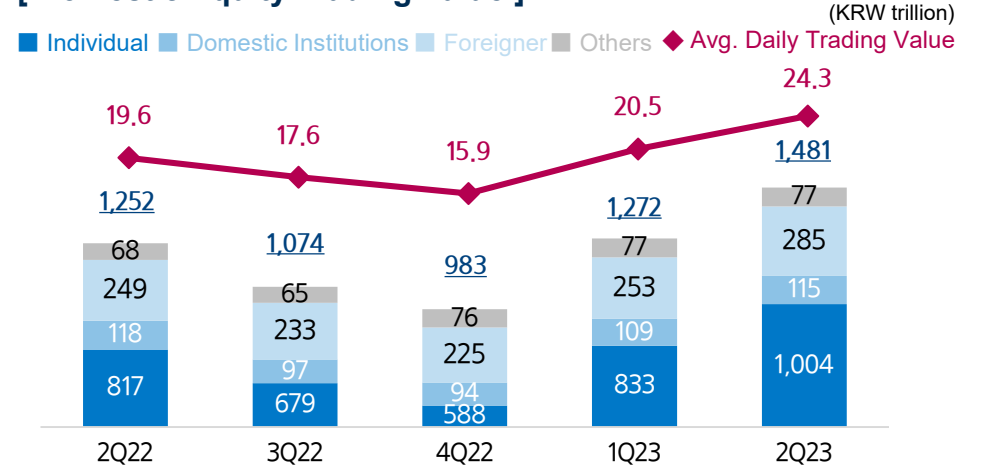
# Brokerage Commission

## [ Brokerage Commission ]



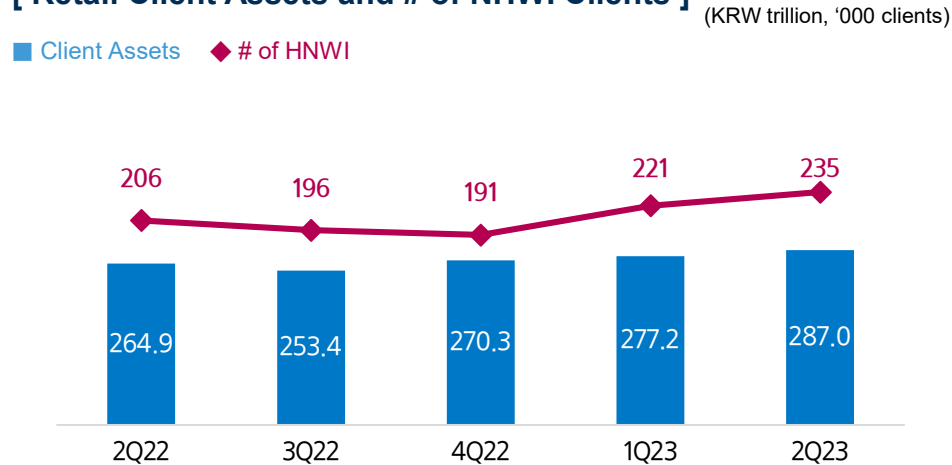
Note: Domestic equity includes futures, options, etc.

## [ Domestic Equity Trading Value ]



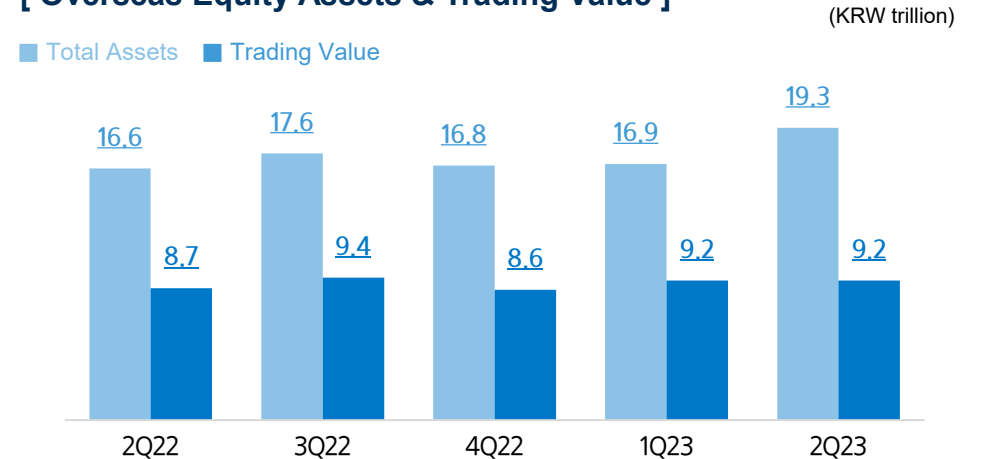
Note: ADT includes KOSPI, KOSDAQ, KONEX & ETP

## [ Retail Client Assets and # of HNWI Clients ]



Note: HNWI with assets over 100million

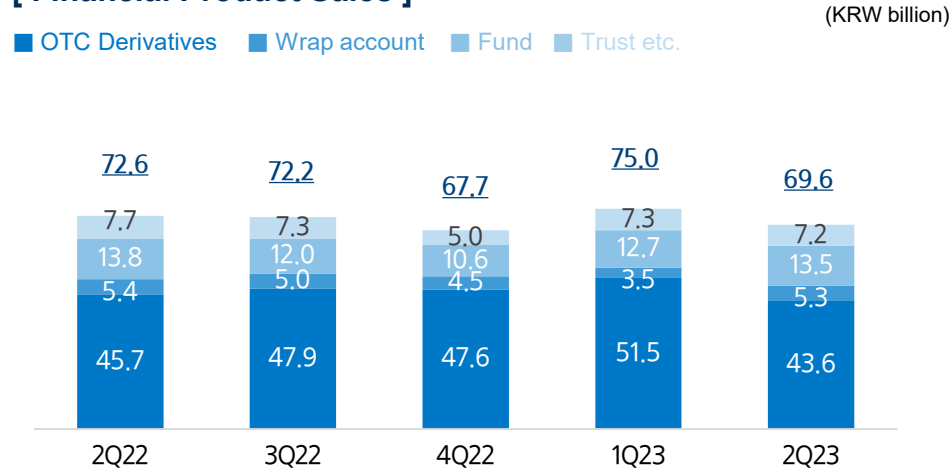
## [ Overseas Equity Assets & Trading Value ]



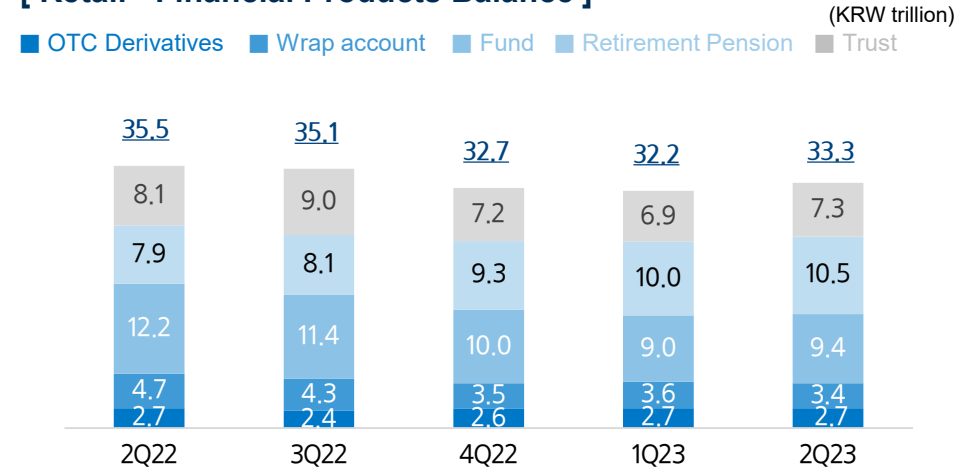
Note: Total assets based on quarter-end balance including deposits

# Financial Product Sales

[ Financial Product Sales ]

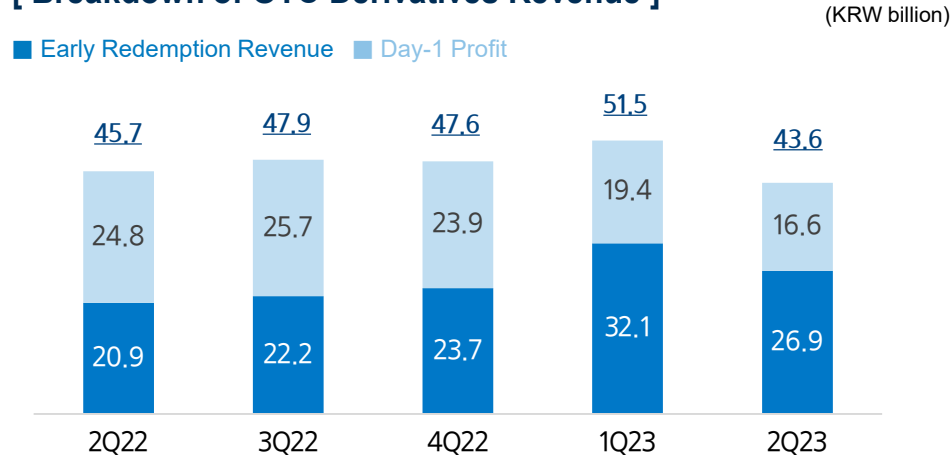


[ Retail - Financial Products Balance ]

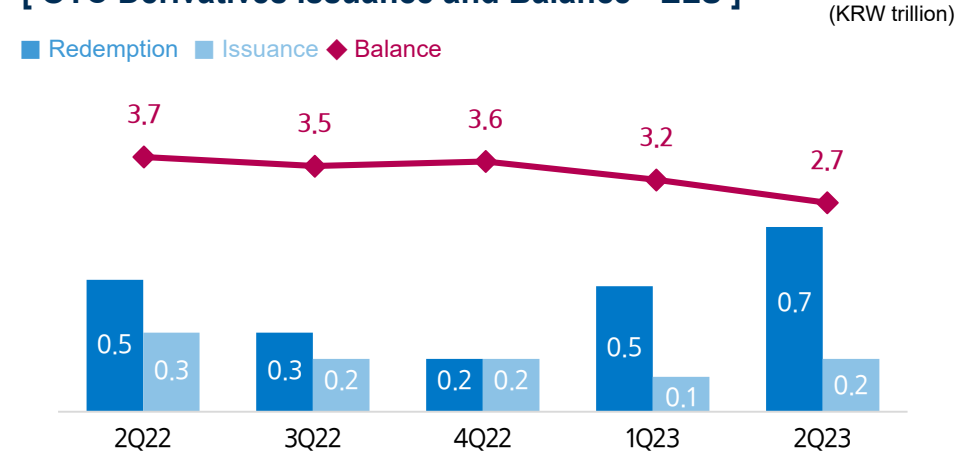


Note: End balance

[ Breakdown of OTC Derivatives Revenue ]



[ OTC Derivatives Issuance and Balance - ELS ]

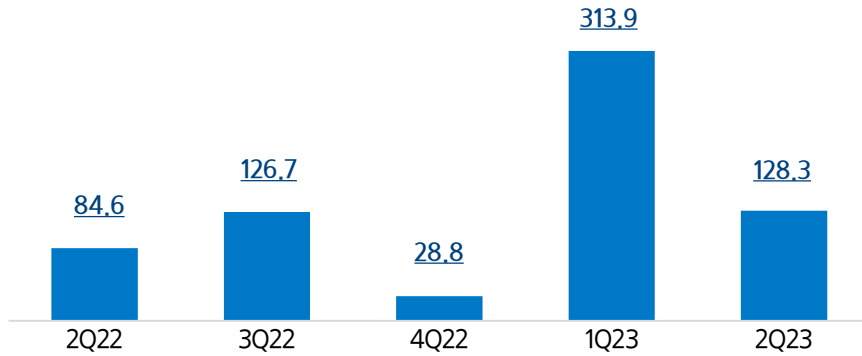


# Trading & Interest Income

[ Trading & Interest Income ]

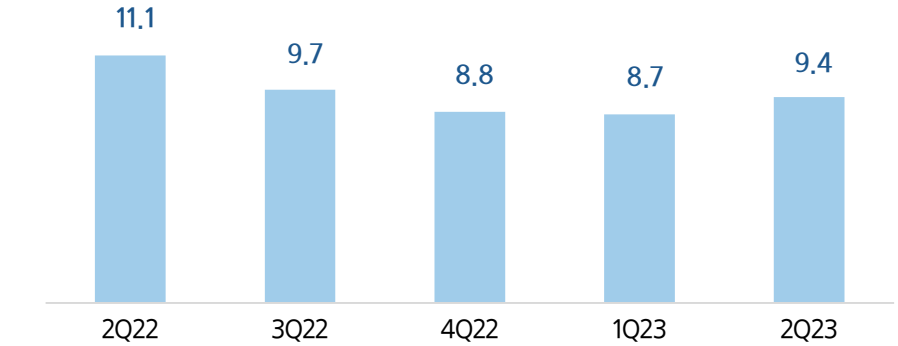
■ Trading & Interest Income

(KRW billion)



[ Client Deposits ]

(KRW trillion)

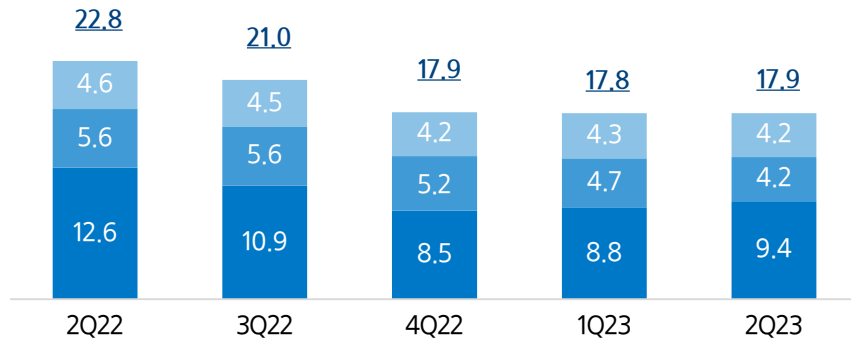


Note: Average daily balance

[ Trading Income Related Client Assets ]

■ REPO ■ ELS ■ DLS

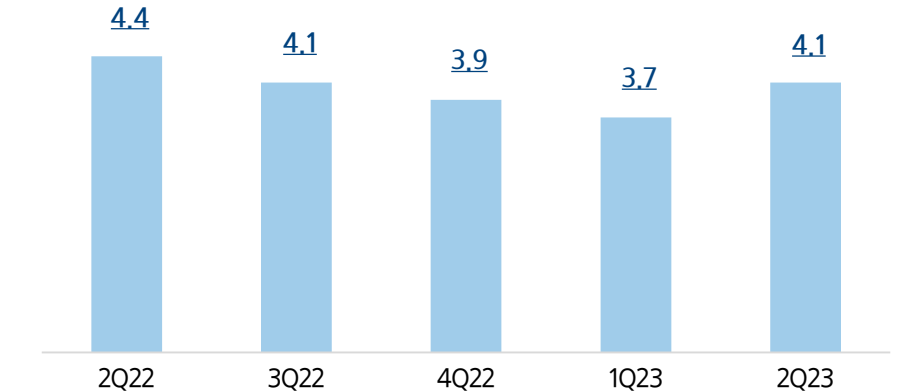
(KRW trillion)



Note : ELS/DLS includes back-to-back issuance

[ Margin Loan Balance ]

(KRW trillion)

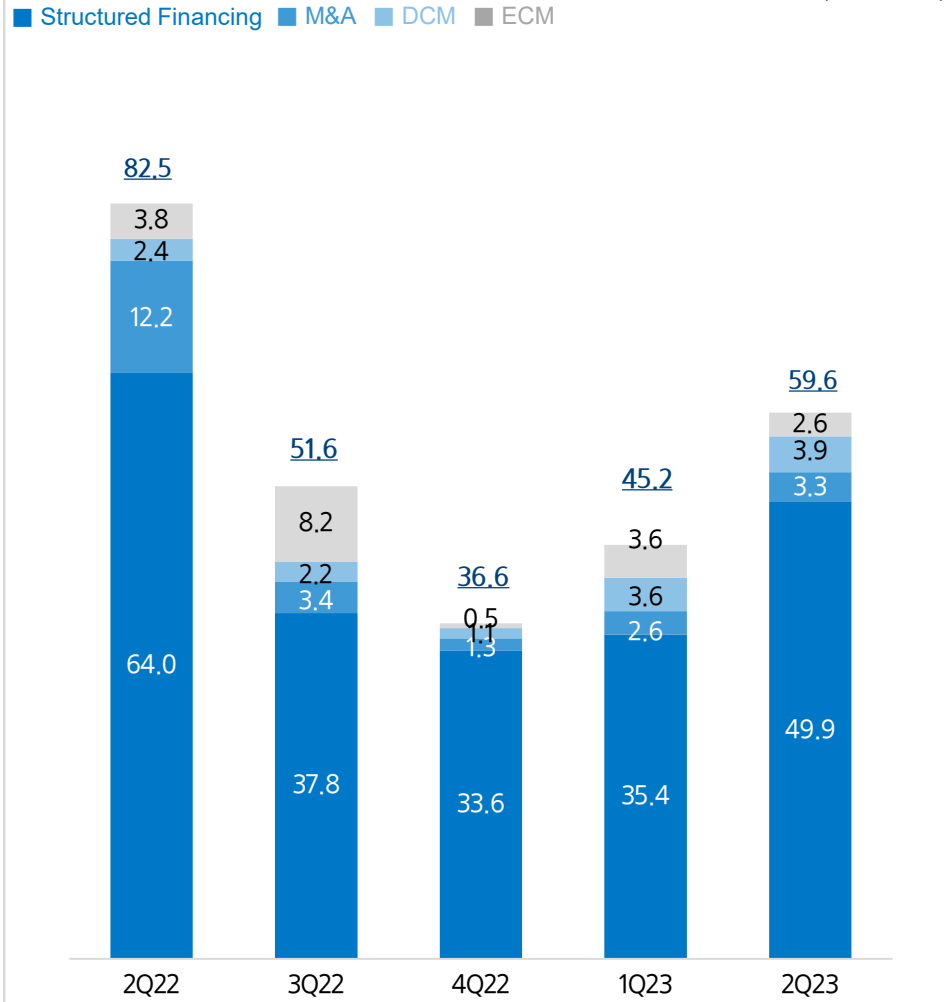


Note: Average daily balance

# Investment Banking

## [ Investment Banking Revenue ]

(KRW billion)



## [ 2023 Major Deals ]



IPO  
Main underwriter



Acquisition Financing



Acquisition Financing



Bond Lead Arrange



DCM



DCM

## [ 2023 IB League table ]

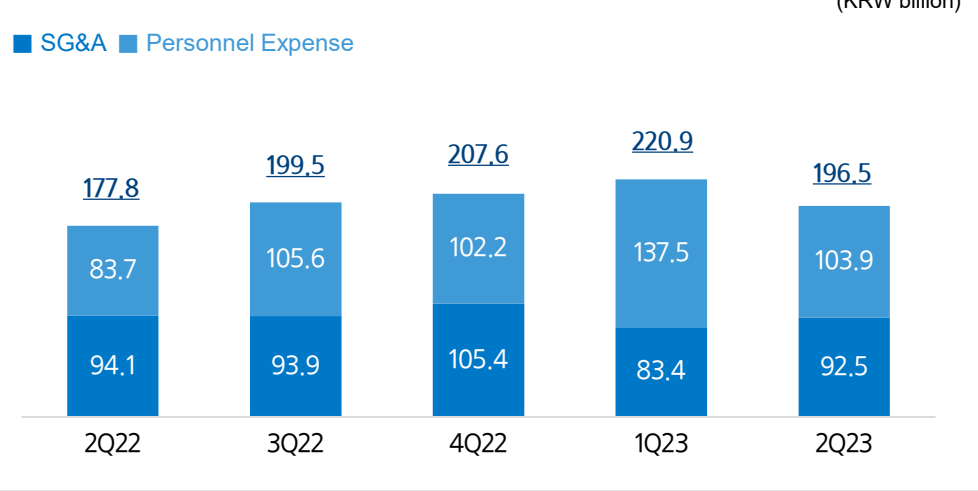
(Ranking, M/S)

구분	2022 1H	2022	2023 1H
ECM Main underwriter	11th (1.9%)	11th (3.4%)	2nd (12.6%)
IPO	9th (1.3%)	8th (3.1%)	2nd (16.1%)
Rights issue	5th (3.1%)	5th (4.3%)	4th (10.5%)
ECM underwriter	11th (1.2%)	11th (3.6%)	2nd (14.2%)
Domestic Bond underwriter	6th (5.0%)	7th (4.8%)	7th (5.0%)

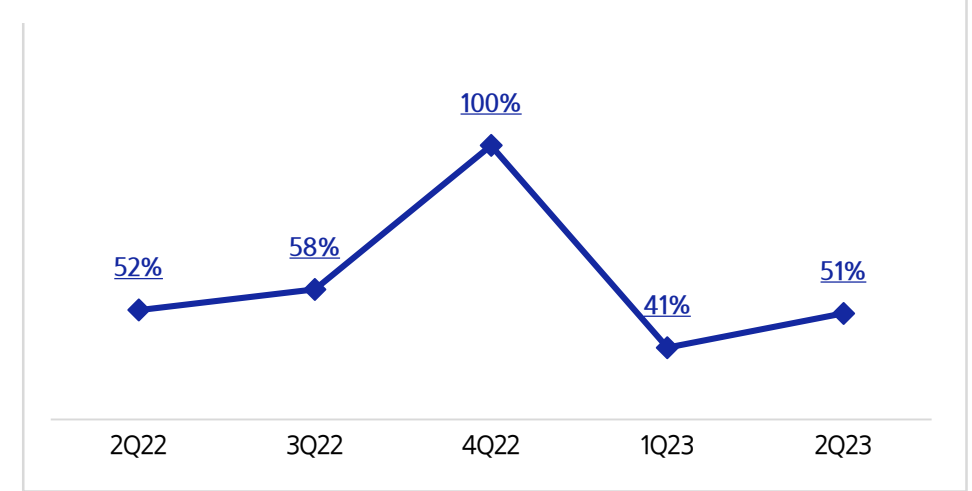
Note: Excluding ABS and FB for Domestic bond

# Operating Expense & Regulatory Ratios

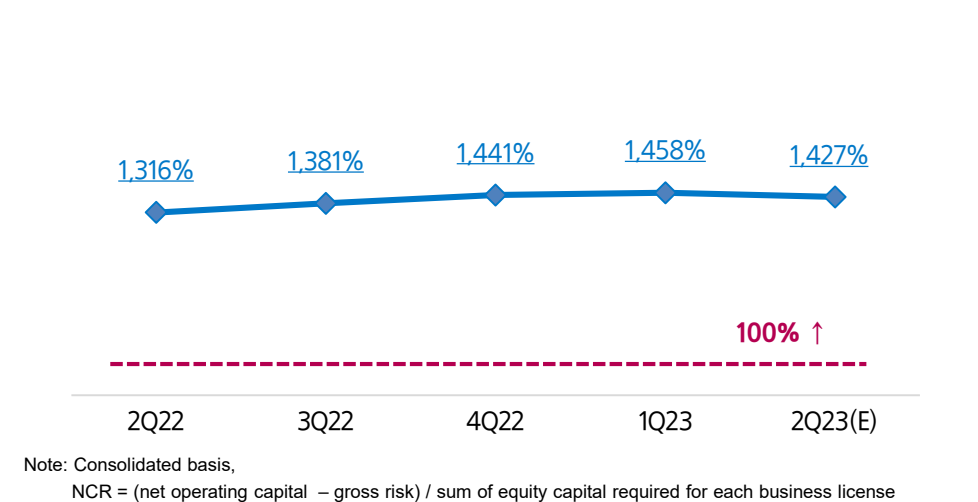
[ Operating Expense ]



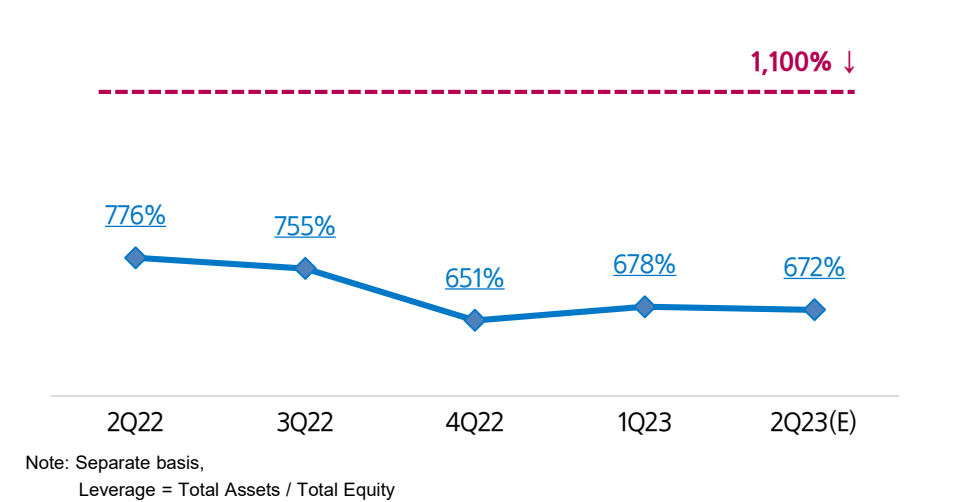
[ Cost-to-Income ]



[ Net Capital Ratio ]



[ Leverage ratio ]





# Appendix

## **Company Overview** **Financial Statements**

- Balance sheet
- Income statement

# Company Overview

<b>CEO</b>	Mr. Seok-Hoon Chang	<b>No. of branches</b>	29 (1 office not incl.)
<b>Market Cap.</b>	KRW 3.2tn (As of Jun 30, 2023)	<b>No. of Employees</b> (Advisors)	2,435 (579)
<b>Credit Rating</b>	Baa2 Stable (Moody's) AA+ Stable (KIS rating)		
<b>ESG Rating</b>	MSCI ESG Score AA KCGS ESG Score A DJSI World Index Company		

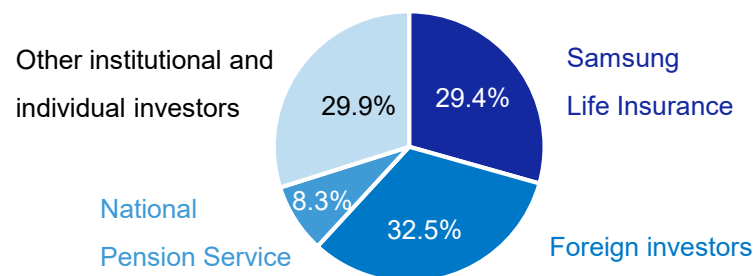
## ▶ Key Financials

(KRW billion)

	1H22	1H23
Total Assets	64,459	60,776
Shareholders' equity	6,056	6,486
Net income	2,886	4,042
ROE (Annualized)	9.5%	12.7%

Note: consolidated basis

## ▶ Shareholder composition



## Company History

- 1982 Founded as Hanil Investment Finance
- 1988 IPO (Listed on securities exchange)
- 1992 Joined Samsung Group and renamed Samsung Securities
- 1998 Started sale of mutual funds (First in Korea)
- 2000 Merged with Samsung Investment Trust
- 2003 Obtained full London Stock Exchange membership/  
Launched Samsung Wrap Accounts
- 2006 Won in 9 categories of finance in the Asiamoney Brokers Poll (First in Korea)
- 2010 Joined the DJSI World Index (First in Korean financial industry)
- 2015 Declared Customer Protection Charter  
Recorded POP UMA sales of KRW 2 trillion
- 2018 Launched margin trading service for overseas stocks (First in Korea)
- Recorded KRW 200 trillion client assets / Found ESG research institute
- 2020 Rated 'A+' fund distributor for 4 consecutive years by "Korea Financial Investors Protection Foundation"
- Launched stock and shares ISA (First in Korea)
- 2021 Issued ESG rated green bonds (First in Korean financial industry)  
Received ISO14001 certification
- 2022 First company in the world to launch day-trading system for U.S Stocks  
Launched Samsung Financial Group unified service application 'Monimo'  
Included in DJSI World Index for 13 consecutive years
- 2023 Launched global derivatives brokerage service

# Consolidated Balance Sheet

Appendix

	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	(QoQ)	(YoY)
	(KRW billion)						
<b>Total asset</b>	<b>64,459</b>	<b>63,905</b>	<b>53,848</b>	<b>59,640</b>	<b>60,776</b>	<b>+1.9%</b>	<b>-5.7%</b>
I. Cash and cash equivalents	3,479	2,875	2,849	1,974	2,219	+12.4%	-36.2%
II. Financial assets designated at Fair Value	33,713	31,121	27,119	30,138	30,556	+1.4%	-9.4%
III. Financial assets designated at OCI	4,466	5,165	4,515	3,599	3,549	-1.4%	-20.5%
IV. Financial assets designated at cost after amortization	22,371	24,309	18,883	23,461	24,005	+2.3%	+7.3%
V. Investments in associates	169	185	176	184	187	+1.2%	+10.1%
VI. Fixed assets	104	102	106	97	89	-8.3%	-13.9%
VII. Investments in real estate	-	-	-	-	-	-	-
VIII. Intangible assets	88	93	104	102	101	-1.4%	+14.5%
IX. Prepaid tax	11	10	28	14	13	-6.1%	+12.7%
X. Deferred income tax assets	1	1	1	1	1	+0.7%	-13.9%
XI. Net defined benefit assets	-	-	7	17	7	-57.5%	-
XII. Other Assets	57	44	60	52	49	-5.8%	-14.0%
<b>Total liabilities</b>	<b>58,403</b>	<b>57,722</b>	<b>47,652</b>	<b>53,309</b>	<b>54,290</b>	<b>+1.8%</b>	<b>-7.0%</b>
I. Financial liabilities at Fair Value	11,347	11,987	10,276	10,446	10,144	-2.9%	-10.6%
II. Deposits	15,172	15,057	13,359	13,808	14,459	+4.7%	-4.7%
III. Borrowings	22,119	19,930	17,186	18,156	18,525	+2.0%	-16.3%
IV. Debenture issued	3,870	3,561	3,400	3,286	2,786	-15.2%	-28.0%
V. Defined benefit liabilities	27	29	-	13	13	+3.8%	-49.8%
VI. Reserve for contingent liabilities	13	14	14	14	17	+20.0%	+25.8%
VII. Accrued income taxes	24	15	13	39	100	+156.3%	+314.7%
VIII. Deferred income tax liabilities	174	171	176	212	196	-7.7%	+12.4%
IX. Other liabilities	5,656	6,960	3,228	7,336	8,050	+9.7%	+42.3%
<b>Total equity</b>	<b>6,056</b>	<b>6,183</b>	<b>6,196</b>	<b>6,331</b>	<b>6,486</b>	<b>+2.5%</b>	<b>+7.1%</b>
I. Share capital	458	458	458	458	458	-	-
II. Capital surplus	1,743	1,743	1,743	1,743	1,743	-	-
III. Capital adjustment	(59)	(59)	(59)	(59)	(59)	-	-
IV. Accumulated OCI	214	218	220	254	258	+1.5%	+20.2%
V. Retained earnings	3,699	3,822	3,832	3,933	4,085	+3.9%	+10.4%
VI. Minority interest	-	-	-	-	-	-	-

# Separate Balance Sheet

Appendix

	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	(QoQ)	(YoY)
	(KRW billion)						
<b>Total asset</b>	<b>57,506</b>	<b>57,064</b>	<b>47,708</b>	<b>53,539</b>	<b>54,713</b>	<b>+2.2%</b>	<b>-4.9%</b>
I. Cash and cash equivalents	3,386	2,795	2,763	1,904	2,149	+12.9%	-36.5%
II. Financial assets designated at Fair Value	33,729	31,147	27,419	30,227	30,516	+1.0%	-9.5%
III. Financial assets designated at OCI	4,443	5,142	4,495	3,580	3,527	-1.5%	-20.6%
IV. Financial assets designated at cost after amortization	15,350	17,386	12,387	17,172	17,881	+4.1%	+16.5%
V. Investments in associates	369	374	379	408	409	+0.3%	+11.0%
VI. Fixed assets	96	94	99	89	82	-7.9%	-14.2%
VII. Investments in real estate	-	-	-	-	-	-	-
VIII. Intangible assets	85	89	100	98	97	-1.3%	+14.5%
IX. Prepaid tax	-	-	16	-	-	-	-
X. Deferred income tax assets	-	-	-	-	-	-	-
XI. Net defined benefit assets	-	-	5	15	6	-60.8%	-
XII. Other Assets	50	37	44	45	45	+1.2%	-8.9%
<b>Total liabilities</b>	<b>51,649</b>	<b>51,110</b>	<b>41,729</b>	<b>47,446</b>	<b>48,481</b>	<b>+2.2%</b>	<b>-6.1%</b>
I. Financial liabilities at Fair Value	11,347	11,987	10,276	10,446	10,144	-2.9%	-10.6%
II. Deposits	12,166	11,632	10,110	10,538	11,375	+7.9%	-6.5%
III. Borrowings	18,577	16,907	14,653	15,739	15,935	+1.2%	-14.2%
IV. Debenture issued	3,870	3,561	3,400	3,286	2,786	-15.2%	-28.0%
V. Defined benefit liabilities	28	30	-	13	13	+3.9%	-52.3%
VI. Reserve for contingent liabilities	14	15	17	15	16	+2.7%	+11.4%
VII. Accrued income taxes	17	7	-	25	87	+245.7%	+407.4%
VIII. Deferred income tax liabilities	164	160	169	205	189	-7.7%	+15.2%
IX. Other liabilities	5,466	6,812	3,103	7,179	7,936	+10.5%	+45.2%
<b>Total equity</b>	<b>5,858</b>	<b>5,954</b>	<b>5,980</b>	<b>6,093</b>	<b>6,232</b>	<b>+2.3%</b>	<b>+6.4%</b>
I. Share capital	458	458	458	458	458	-	-
II. Capital surplus	1,743	1,743	1,743	1,743	1,743	-	-
III. Capital adjustment	(36)	(36)	(36)	(36)	(36)	-	-
IV. Accumulated OCI	170	152	184	211	212	+0.3%	+24.8%
V. Retained earnings	3,522	3,636	3,630	3,716	3,855	+3.7%	+9.4%

# Consolidated Income Statement

Appendix

(KRW billion)

	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	(QoQ)	(YoY)
<b>Net revenues</b>	<b>368.6</b>	<b>367.5</b>	<b>247.9</b>	<b>576.2</b>	<b>414.0</b>	<b>-28.2%</b>	<b>+12.3%</b>
Brokerage commissions	115.1	103.3	93.1	125.2	140.0	+11.9%	+21.7%
Financial product sales	72.6	72.2	67.7	75.0	69.6	-7.2%	-4.2%
(Wrap account)	5.4	5.0	4.5	3.5	5.3	+51.6%	-2.0%
(Fund)	13.8	12.0	10.6	12.7	13.5	+6.7%	-2.2%
(OTC derivatives)	45.7	47.9	47.6	51.5	43.6	-15.4%	-4.7%
(Others)	7.7	7.3	5.0	7.3	7.2	-1.5%	-6.8%
Trading and interest income	119.7	150.8	59.4	340.4	155.6	-54.3%	+30.0%
Investment banking	62.9	35.0	21.9	27.0	40.2	+48.7%	-36.2%
Other income	20.6	13.1	19.0	14.8	18.4	+24.8%	-10.6%
Commission expenses	(22.4)	(6.9)	(13.2)	(6.1)	(9.8)	+60.3%	-56.3%
<b>Operating expenses</b>	<b>185.9</b>	<b>211.3</b>	<b>221.0</b>	<b>234.6</b>	<b>213.6</b>	<b>-9.0%</b>	<b>+14.9%</b>
Personnel expenses	89.5	113.1	110.5	146.1	112.2	-23.2%	+25.3%
Depreciation & Amortization	13.4	13.9	14.6	15.1	14.9	-1.3%	+11.7%
G&A expenses	83.0	84.4	95.8	73.4	86.5	+17.8%	+4.2%
(IT expenses)	24.5	23.5	24.9	24.2	25.2	+4.2%	+2.9%
(Rent)	1.1	1.2	1.2	1.3	0.9	-30.8%	-19.6%
(Advertisement)	13.1	13.6	20.1	5.0	12.5	+150.1%	-4.9%
(Others)	44.3	46.1	49.7	42.9	47.9	+11.6%	+8.2%
<b>Operating income</b>	<b>182.8</b>	<b>156.2</b>	<b>26.9</b>	<b>341.6</b>	<b>200.4</b>	<b>-41.3%</b>	<b>+9.7%</b>
Non-operating revenues	<b>182.4</b>	<b>156.1</b>	<b>19.8</b>	<b>347.0</b>	<b>203.2</b>	<b>-41.5%</b>	<b>+11.4%</b>
<b>Pretax income</b>	<b>45.6</b>	<b>32.6</b>	<b>9.4</b>	<b>94.4</b>	<b>51.6</b>	<b>-45.3%</b>	<b>+13.2%</b>
Income tax expense	<b>136.8</b>	<b>123.5</b>	<b>10.4</b>	<b>252.6</b>	<b>151.5</b>	<b>-40.0%</b>	<b>+10.8%</b>
<b>Net income</b>	<b>136.8</b>	<b>123.5</b>	<b>10.4</b>	<b>252.6</b>	<b>151.5</b>	<b>-40.0%</b>	<b>+10.8%</b>

# Separate Income Statement

Appendix

(KRW billion)

	2Q 22	3Q 22	4Q 22	1Q 23	2Q 23	(QoQ)	(YoY)
<b>Net revenues</b>	<b>340.5</b>	<b>344.1</b>	<b>207.5</b>	<b>543.4</b>	<b>383.3</b>	<b>-29.5%</b>	<b>+12.6%</b>
Brokerage commissions	102.1	89.3	78.3	111.4	127.9	+14.8%	+25.2%
Financial product sales	72.6	72.2	67.7	75.0	69.6	-7.3%	-4.2%
(Wrap account)	5.4	5.0	4.5	3.5	5.3	+51.6%	-2.0%
(Fund)	13.8	12.0	10.6	12.7	13.5	+6.7%	-2.2%
(OTC derivatives)	45.7	47.9	47.6	51.5	43.6	-15.4%	-4.7%
(Others)	7.7	7.3	5.0	7.3	7.2	-1.8%	-6.8%
Trading and interest income	84.6	126.7	28.8	313.9	128.3	-59.1%	+51.6%
Investment banking	82.5	51.6	36.6	45.2	59.6	+31.9%	-27.7%
Other income	12.4	18.2	8.0	11.3	12.4	+9.2%	-0.4%
Commission expenses	(13.7)	(13.8)	(12.0)	(13.4)	(14.4)	+7.8%	+4.9%
<b>Operating expenses</b>	<b>177.8</b>	<b>199.5</b>	<b>207.6</b>	<b>220.9</b>	<b>196.5</b>	<b>-11.1%</b>	<b>+10.5%</b>
Personnel expenses	83.7	105.6	102.2	137.5	103.9	-24.4%	+24.1%
Depreciation & Amortization	12.5	12.8	13.5	13.9	13.7	-1.4%	+10.1%
G&A expenses	81.6	81.1	91.9	69.4	78.8	+13.5%	-3.5%
(IT expenses)	22.7	21.6	23.0	22.3	23.2	+4.2%	+2.5%
(Rent)	0.9	0.9	1.0	1.0	0.6	-41.0%	-28.3%
(Advertisement)	12.8	13.2	19.2	4.3	12.0	+181.2%	-6.4%
(Others)	45.3	45.4	48.9	41.8	42.9	+2.6%	-5.2%
<b>Operating income</b>	<b>162.7</b>	<b>144.6</b>	<b>(0.1)</b>	<b>322.5</b>	<b>186.9</b>	<b>-42.1%</b>	<b>+14.9%</b>
Non-operating revenues	<b>160.7</b>	<b>143.3</b>	<b>(3.1)</b>	<b>327.2</b>	<b>186.2</b>	<b>-43.1%</b>	<b>+15.9%</b>
<b>Pretax income</b>	<b>41.8</b>	<b>29.4</b>	<b>2.7</b>	<b>89.7</b>	<b>47.3</b>	<b>-47.3%</b>	<b>+13.1%</b>
Income tax expense	<b>118.9</b>	<b>113.8</b>	<b>(5.8)</b>	<b>237.4</b>	<b>139.0</b>	<b>-41.5%</b>	<b>+16.8%</b>

## Disclaimer

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This presentation includes forward-looking statements about Samsung Securities Co., Ltd. All statements that address expectations or projections about the future are forward-looking statements.

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