

Mirae Asset Securities

FY2024 3Q Earnings Release (Pro Forma)



ESG&IR Team

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Key Growth Drivers



Increase in **client assets**



Increase in **global business** profitability



AI Business Transformation



Long-term perspective **investment in innovative assets**



Seeking long-term **shareholder returns**

3Q 2024 Key Performances

1 Increase in Domestic Business Net Operating Revenue (QoQ)

BK

+2 %

IB

+24 %

Trading

+19 %

2 Continuous Growth in Client Assets

Pension

39 _{Wtn}

Overseas Stock

31 _{Wtn}

Total Client Assets

416 _{Wtn}

3 Stable and balanced overseas subsidiaries performance

Overseas Subsidiaries Pretax Income

50.8 _{Wbn}

3Q 2024 Financial Summary

Income Statement					
(Unit: Wbn)	3Q23	4Q23	1Q24	2Q24	3Q24
Net Operating Revenue	332.1	200.6	545.6	555.3	572.8
BRKG fee	152.4	111.1	180.4	170.5	173.5
WM fee	66.3	60.0	66.4	74.0	70.7
IB fee	41.4	39.0	44.5	43.7	54.1
Trading Income	115.9	234.0	303.4	286.7	340.7
Interest P/L	-1.7	-16.5	-4.8	13.4	-15.8
Commission Exp, etc.	-42.2	-227.0	-44.4	-33.0	-50.4
SG&A Expenses	245.6	224.8	296.5	290.1	283.2
Operating Profit	86.6	-24.1	249.0	265.2	289.6
(Consolidated) Pretax Income	64.5	-152.3	232.3	276.7	356.8
(Consolidated) Net Income	76.9	-118.1	170.5	201.2	290.1
(Consolidated) Net Income (Controlling Interest)	77.4	-119.7	164.7	198.7	291.2
(Consolidated) Equity Capital (Controlling Interest)	11,337	11,081	11,128	11,359	11,291
(Consolidated) ROE (Cumulative annualized, %)	6.7	5.3	3.0	5.9	7.8

Key Financial Summary

*QoQ

- (Separate) NOR increased slightly by 3% to W572.8bn
– Brokerage (+2%), WM (-4%), IB (+24%), Trading (+19%)
- (Consolidated) Pretax Income rose +29% to W356.8bn
- (Consolidated) Net Income rose +44% to W290.1bn
- (Consolidated/One-off) W130bn from HK subsidiary capital reduction

Performance by Business

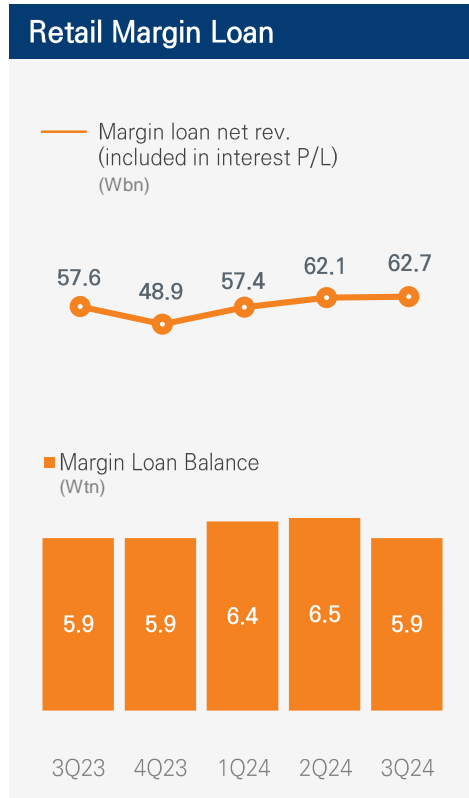
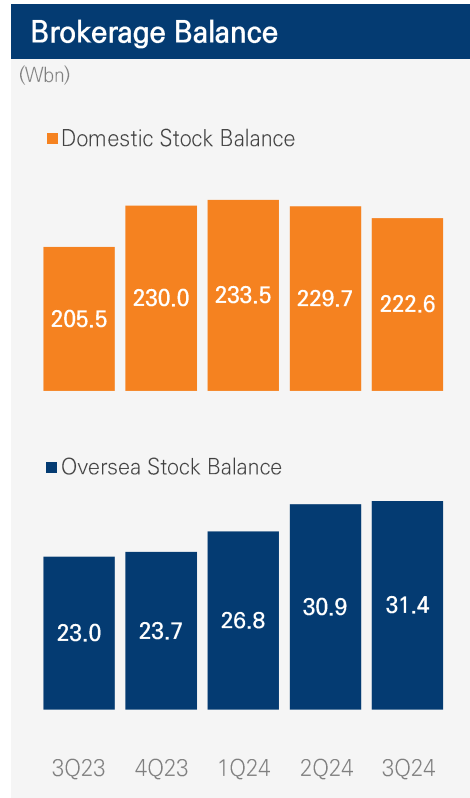
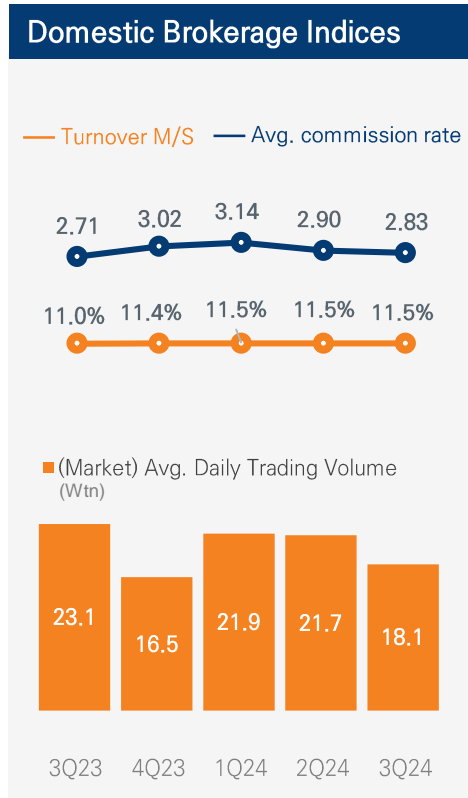
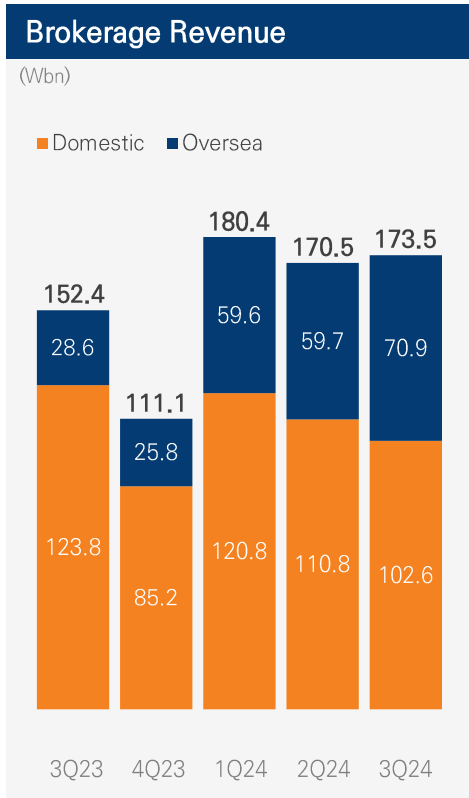
*QoQ, Separate basis

- | Brokerage** – Increase in revenue due to higher trading volume in overseas stocks
 - Turnover M/S 11.5% (+0.0%p), Avg. commission rate 2.83bp (-0.07bp)
 - Brokerage assets (including deposits) W222.6tn (-3.1%), Global stock W31.4tn (+1.6%)
- | WM** – Decrease in revenue from declining mutual fund and ELS/DLS sales
 - Total WM (financial product sales) assets W193.3tn (-2.1%)
 - Pension assets W39.1tn (+3.2%), Mutual funds W93.3tn (-1.5%)
 - Number of HNW clients (with more than W1bn) W162.4tn (-3.0%)
- | Investment Banking** – Top IPO underwriter position drives IB revenue growth
 - IPO : Sanil Market and Application, Mirae Asset Vision SPAC No. 7, Junjin Construction & Robot, Bankware Global
 - Dong-wha Pharmaceutical advised on the acquisition of Celltrion's 'OTC business division', Advisory on the sale of McDonald's Korea stake
- | Trading** – Increase in Trading income thanks to improved fixed income and flow trading
 - Fixed income trading shows strong performance thanks to rate cuts
 - Investment assets W10.4tn (-3.9%), Dividend and distribution income W72.3bn
- | Interest P/L** – Retail margin loan revenue increased, corporate loan revenue decreased
 - Corporate loan revenue W22.9bn (-10.6%), Margin loan net revenue W62.7bn (+1.0%)
 - Corporate loan balance W2.1tn (+5.0%), Margin loan balance W5.9tn (-9.2%)
- | Others** – Stable and balanced global business. Cumulative annualized ROE of 8%
 - (Consolidated) Overseas subsidiaries pretax income W50.8bn
 - (Consolidated) ROE 7.8% (+1.3%p) / Equity capital (controlling interest) W11.3tn (-0.6%)

Business Performance – Brokerage (separate)

BK revenue up 2% despite a decline in domestic market trading vol. due to higher oversea stock trading vol.

- Brokerage revenue increased by 2% QoQ thanks to an increase in oversea stock brokerage revenue by 19%
- Due to a decrease in domestic market trading volume by 17%, domestic brokerage revenue down 7%
- Retail margin loan net revenue which is included in interest income increased slightly by 1% while that of balance down 9% to W5.9tn



*quarter-end balance

*ADTV includes KOSPI and KOSDAQ
*Average commission rate includes ETF, ETN and ELW

*quarter-end balance
*Brokerage balance includes stocks, futures etc.

*quarter-end balance

Business Performance – Wealth Management (separate)

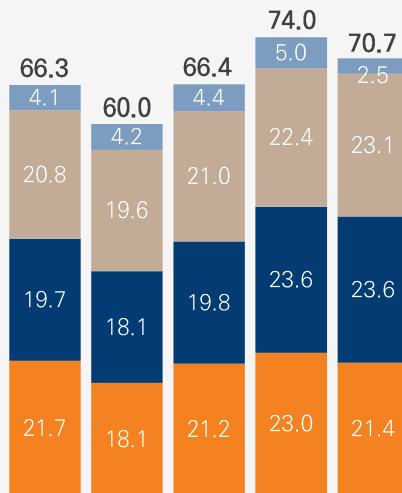
Drop in WM revenue from declining ELS/DLS sales revenue. Pension reserve continues to grow

- WM revenue decreased due to the contraction of the ELS issuance market which led to a decline in ELS(B)/DLS(B) revenue by 50%
- Fall in stock markets led to a decrease in total client assets, except for pension reserve which reached nearly W40tn

WM (financial product sales) Rev.

(Wbn)

- Mutual Fund
- Trust/Pension
- Wrap Account
- ELS/DLS

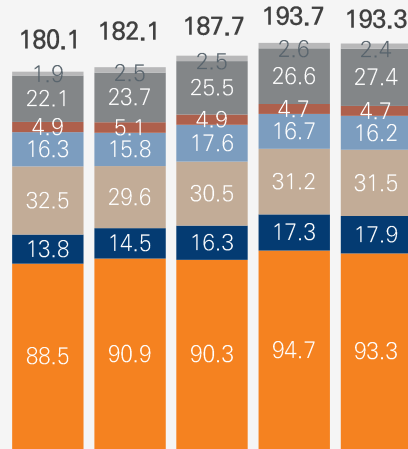


3Q23 4Q23 1Q24 2Q24 3Q24

WM (financial product sales) Assets

(Wtn)

- Mutual Fund
- Bond/CP etc.
- ELS/DLS
- Others
- CMA
- Trust
- Pension



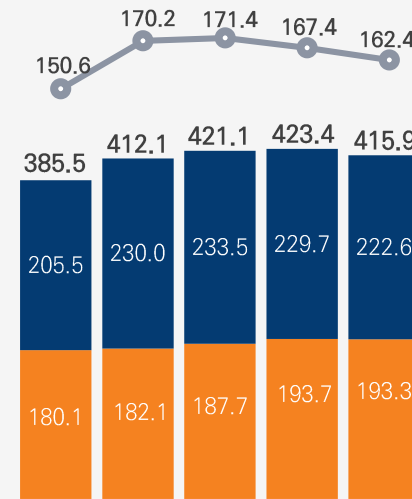
3Q23 4Q23 1Q24 2Q24 3Q24

*quarter-end balance

Client Assets

(Wtn)

- WM Assets
- Brokerage
- HNW Client (+W1bn) Assets



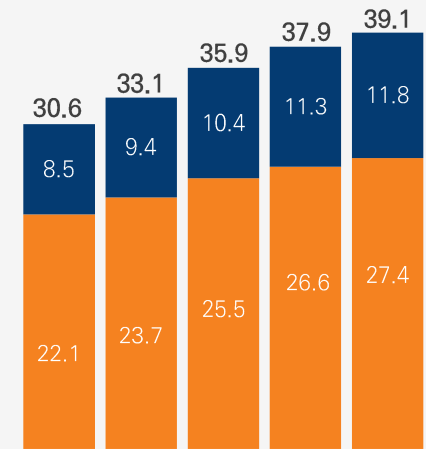
3Q23 4Q23 1Q24 2Q24 3Q24

*quarter-end balance

Pension (retirement, personal) Reserve

(Wtn)

- Personal Pension
- Retirement Pension (DC+DB+IRP)



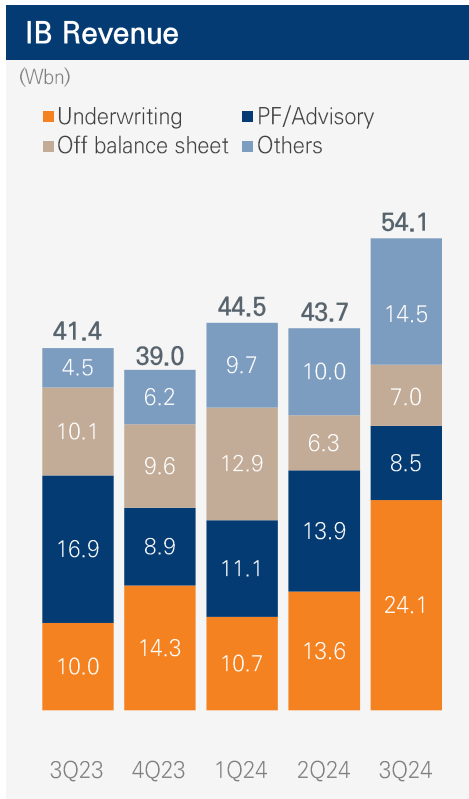
3Q23 4Q23 1Q24 2Q24 3Q24

*quarter-end balance

Business Performance – Investment Banking (separate)

Improved IB revenue thanks to increased underwriting revenue. Revenue inc. corporate loan totals W77bn

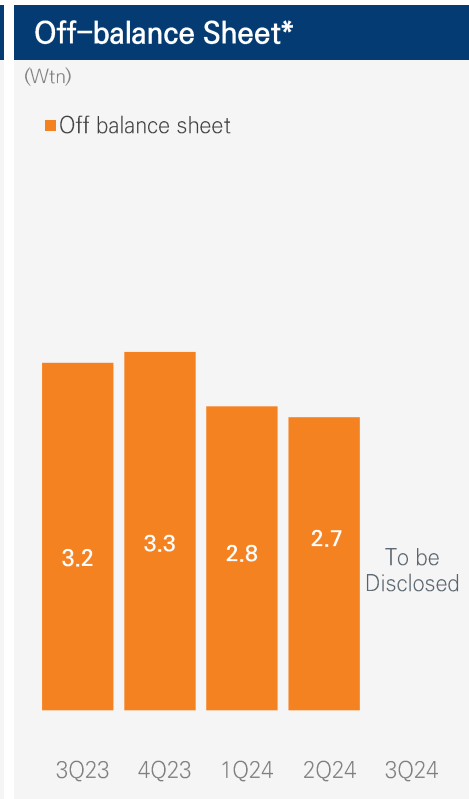
- IB revenue up 24% amounting W54.1bn with a 77% gain in underwriting fee revenue from successful IPO deals, 11% gain in off-balance fee revenue, and 45% gain in others (subscription fees etc.)
 - #1 in IPO league table, occupying over 17% IPO underwriting market share in 3Q
- Overall IB revenue including W22.9bn of corporate loan revenue (included in interest income) amounts to W77bn
- For real estate PF, continuously seeking opportunities to participate in high-quality and stable deals



*quarter-end balance



*quarter-end balance



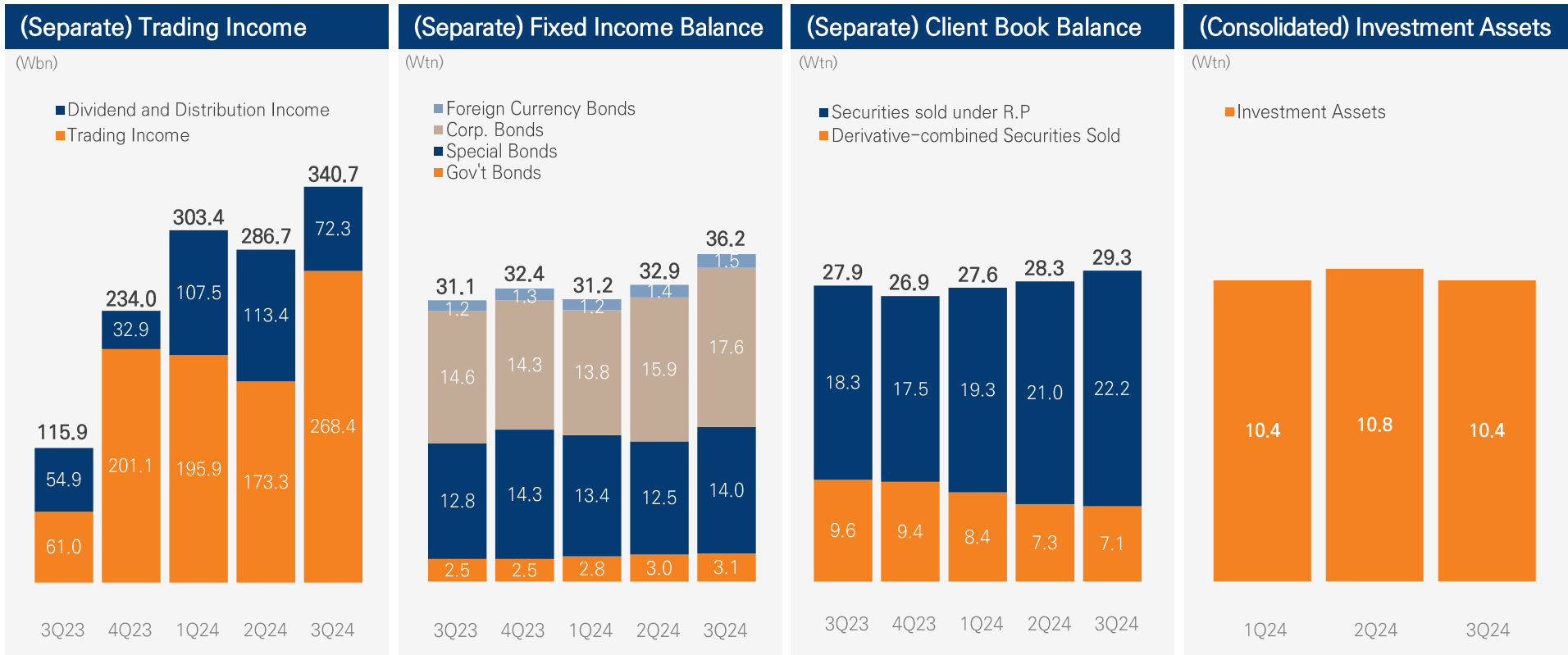
*Guarantee of performance of an obligation: inc. guarantee of payment (purchase commitment), purchase agreement and undrawn credit line

- ### 3Q Key IB Deals/Assets
- IPO**
- Sanil Market and Application
 - Mirae Asset Vision SPAC No. 7
 - Junjin Construction & Robot
 - Bankware Global
- Others**
- Dong-wha Pharmaceutical advised on the acquisition of 'Celltrion's OTC business' division.
 - Advisory on the sale of McDonald's Korea stake

Business Performance – Trading

Rate cuts led to strong fixed income trading and stable flow trading income resulted overall Trading income up 19%

- Solid results in fixed income trading driven by rate cuts in Korea and U.S.
- Sustained robust derivatives trading outcome despite the decline in ELS issuance
- Continue to seek diversification through passive and flow trading business, improving the stability of fee revenue



*Total Trading Income includes dividend and distribution income

*Trading Income : Bonds and derivatives trading, PBS, PI, flow trading, FX etc.

*Trading securities & Securities Available for Sale accounts applied

Business Performance – Overseas Subsidiaries and Interest Income

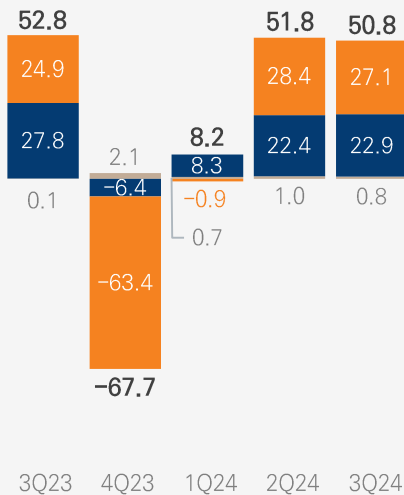
Stable performance in both developed and emerging market overseas subsidiaries

- Stable and balanced operating profit in both developed and emerging market overseas subsidiaries
- Acquisition of Sharekhan, an Indian securities firm, is in its final stage; earnings are expected to be reflected from next year
- Margin loan net revenue and corporate banking interest income amounted to W85.6bn but, higher funding costs including issuance of foreign currency corporate bond

(consolidated) Overseas Subsidiaries – EBT and Strategies

(Wbn)

- Others (SG/MN)
- BZ/VN/ID/IN
- HK/UK/US



Strategy for DM

- Strengthening global matrix system and network within the subsidiaries
- Sales & Trading – Targeting Niche Markets
- Creating trading synergies between headquarters and overseas stocks and bonds brokerage
- Synergizing with the Group’s global ETF business



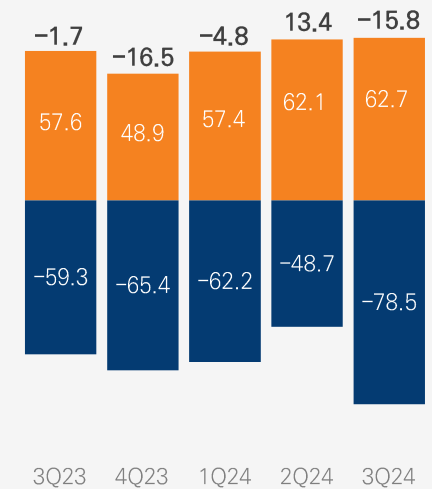
Strategy for EM

- Reallocation of equity capital to India, a key growth market
- Take advantage of the high growth rates of the national economy and capital market
- Promote the growth of Brokerage-centered Wealth Management business
- Targeting to become full-service brokerage firm in India
- Strengthening online Wealth Management business in Indonesia, Brazil, and Vietnam

(separate) Interest Income

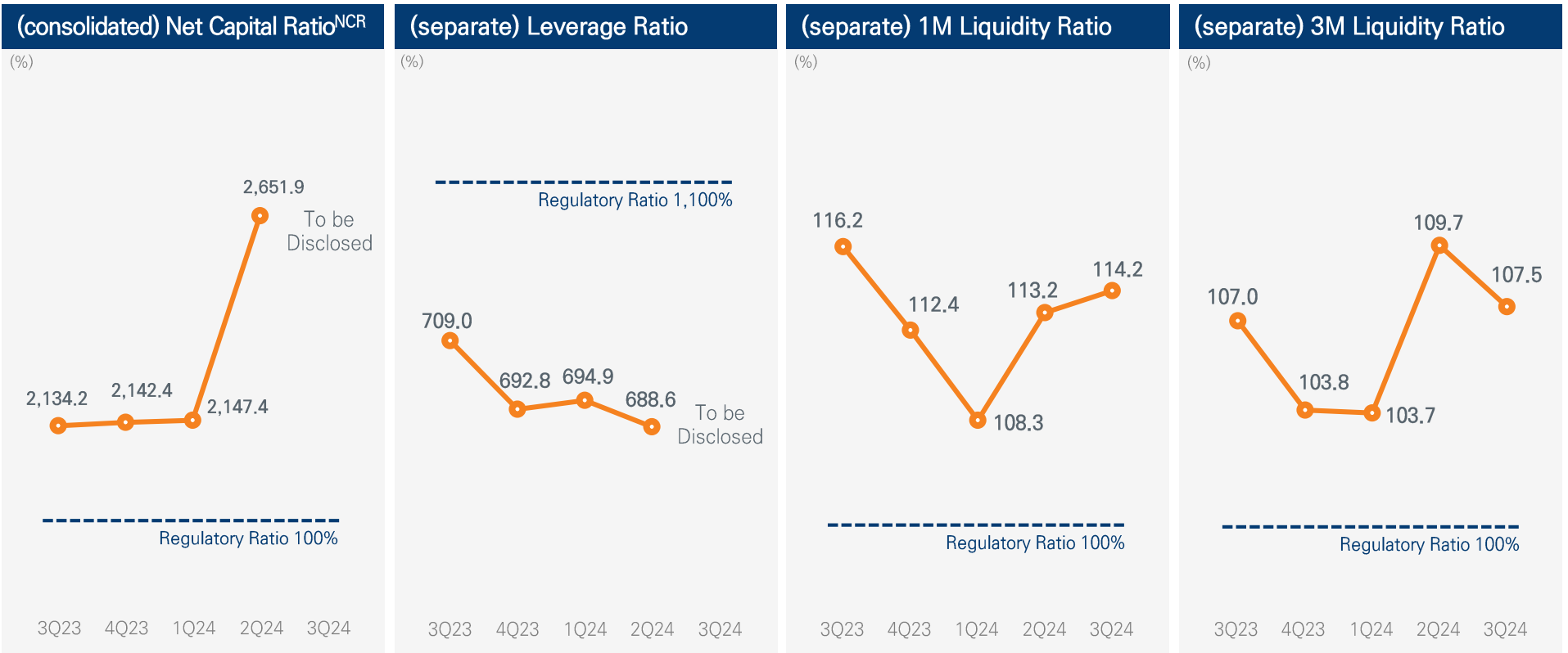
(Wbn)

- Margin Loan Net Rev.
- Others



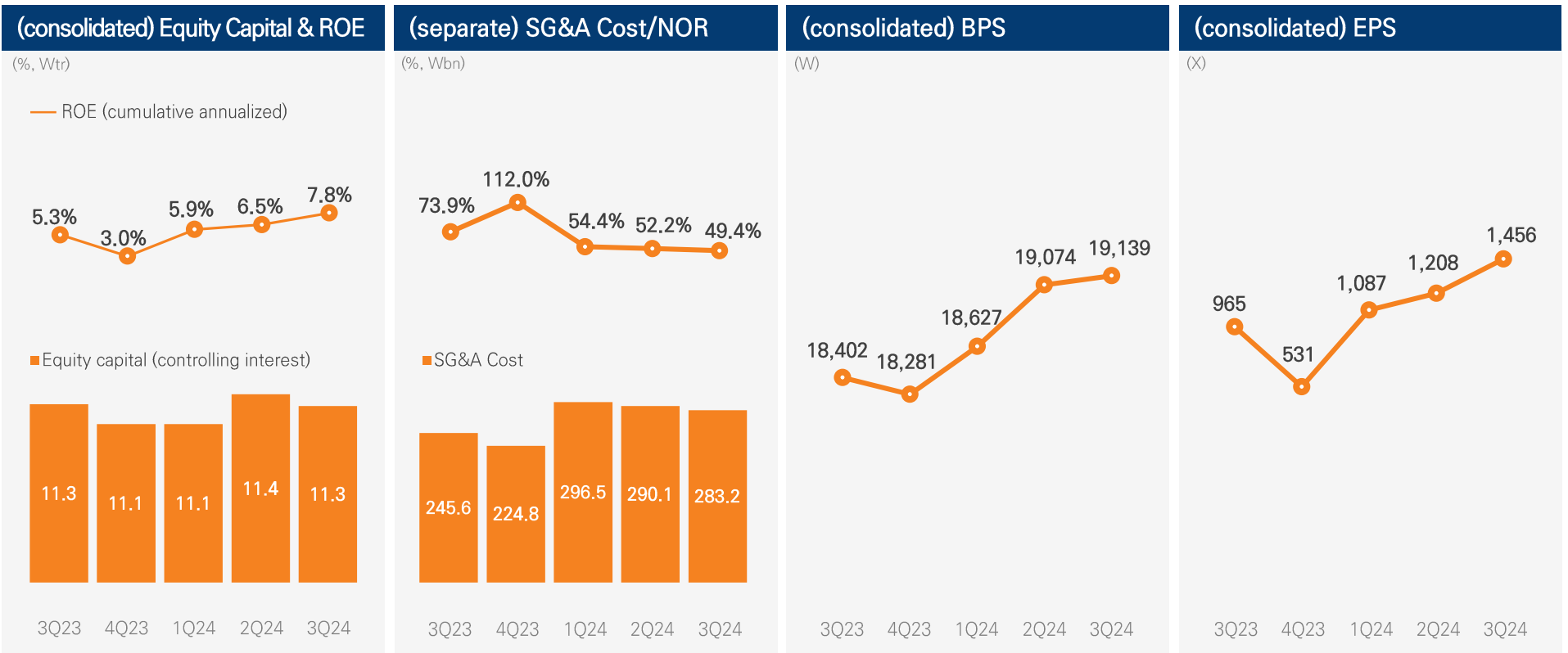
Regulatory Ratios

- Net Capital Ratio (NCR) : the ratio of net capital to required regulatory capital* in %
 (= [net operating capital – gross risk] / sum of minimum equity capital for each authorized business unit (approx. W191.8bn) x 70%)
 *required regulatory capital : the sum of the required capital for each unit of licensing or registration business
- Leverage Ratio : the ratio of equity to total assets in % (= adjusted asset / adjusted equity capital)
- 1M·3M Liquidity Ratio : the ratio of current assets with a remaining maturity of less than 1M·3M to liabilities with a remaining maturity of less than 1M·3M
 (= 1M·3M current asset / 1M·3M current liability)



Business Performance – Investment Indices

- (Consolidated) ROE : cumulative annualized net income attributing to controlling interest / Equity capital attributing to controlling interest
- (Separate) SG&A Cost ratio : SG&A Cost / NOR
- (Consolidated) BPS : equity capital attributing to controlling interest / quarter-end total outstanding shares (= common + 1st & 2nd preferred)
- (Consolidated) EPS : cumulative annualized net income attributing to controlling interest / weighted-average total outstanding common shares



Appendix

- 1 Corporate Overview
- 2 Group Structure
- 3 Global Presence
- 4 ESG Performance

Corporate Overview

| As of 30 Sep 2024

Number of Total Shares Outstanding

749,392,158

Common shares	595,316,408
1 st Pref. shares	14,075,750
2 nd Pref. shares	140,000,000

Market Capitalization

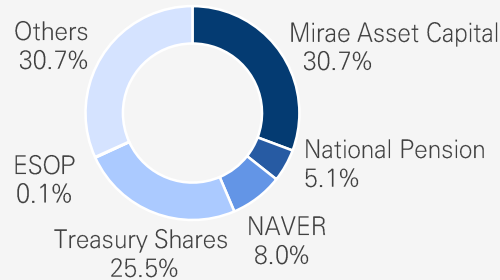
₩5.13 tr

Excluding treasury shares
₩3.74 tr

*Issued total common shares basis

Major Shareholders

Mirae Asset Capital	182,785,000
National Pension	29,393,703
NAVER	47,393,364
Treasury Stocks	146,164,087
ESOP	574,136



*Issued total common shares basis

Credit Ratings

Baa2	BBB	AA
Moody's	S&P	KR
		KIS
		NICE

Domestic Employees & Network

Employees **3,379** 명
Hubs & branches **65** 개

Shareholders' Equity

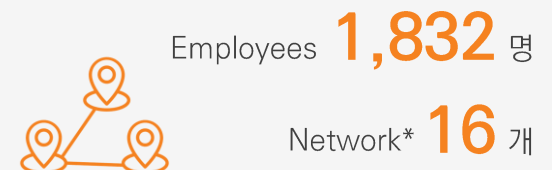


*Consolidated shareholders' equity controlling interests' basis

Client Assets



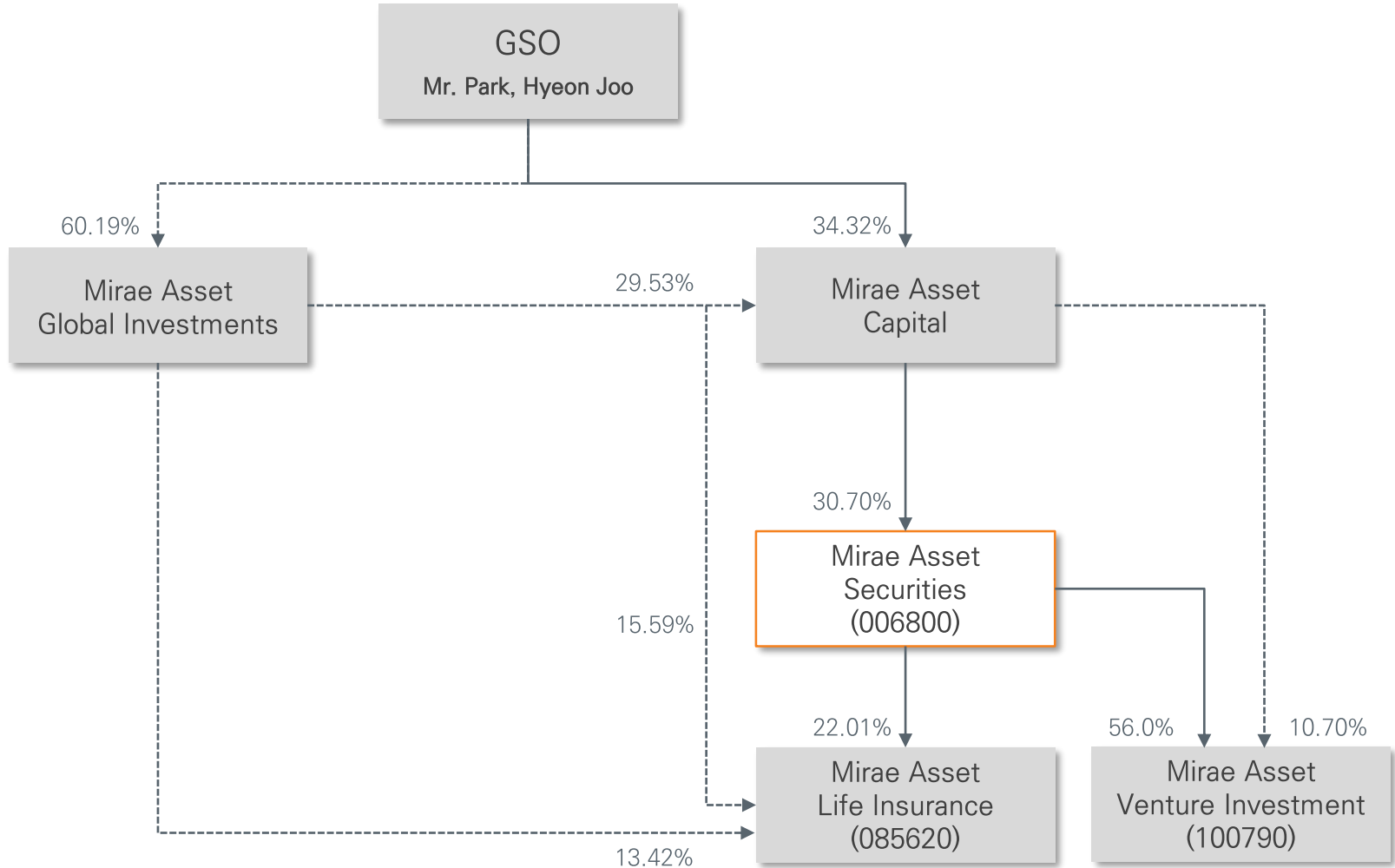
Global Employees & Network



*excluding NY Holdings and including offices

Group Structure

| As of 30 Sep 2024



※ Percentage of ownership is calculated by total number of issued common shares excluding preferred stocks

Global Presence

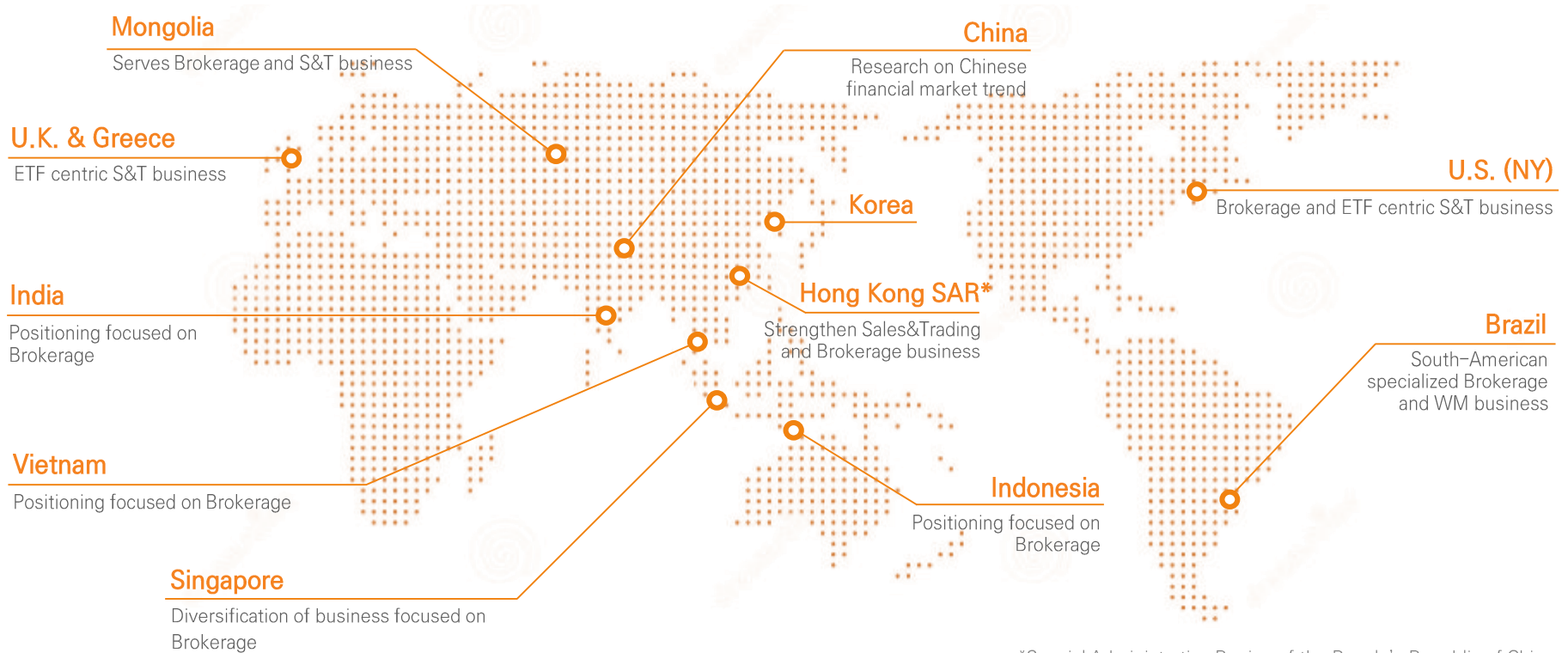
| As of 30 Sep 2024

11
Global Markets

16
Global Subsidiaries
& Offices*
(exc. NY Holdings)

1,832
Global Employees

W4.2^{tr}
Equity Capital



*Special Administrative Region of the People's Republic of China

ESG Performance

| As of 30 Sep 2024

ESG Ratings

Global

12 Consecutive
Years

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

A- Leadership
Level



A



Korea

A



AA #1 among Korean Financial Industry

ESG Information, Analytics & Investment
SUSTINVEST

ESG Initiatives



Thank You

