

# 2Q 2026 Earnings Release

August 7, 2026 Investor Relations



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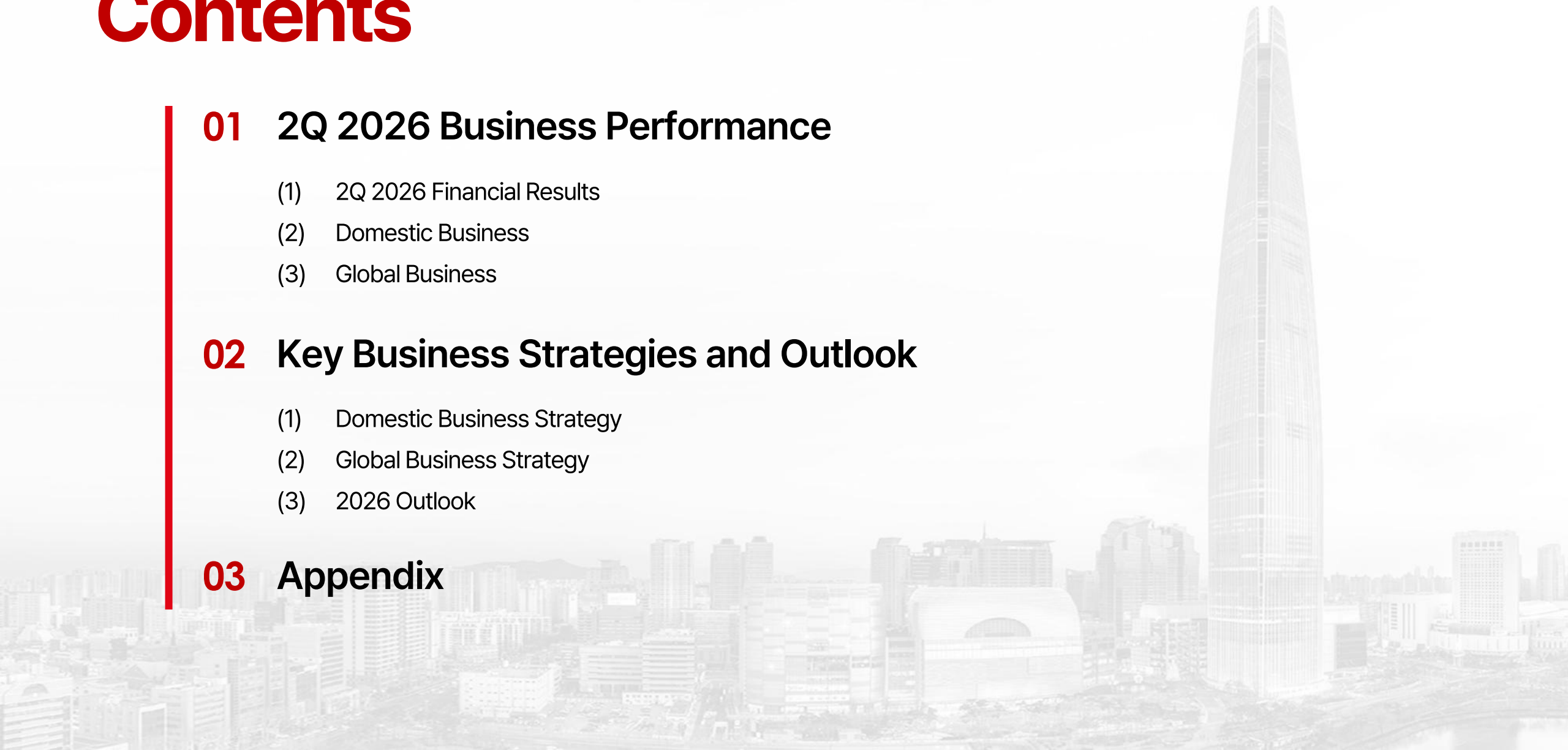
## **01** 2Q 2026 Business Performance

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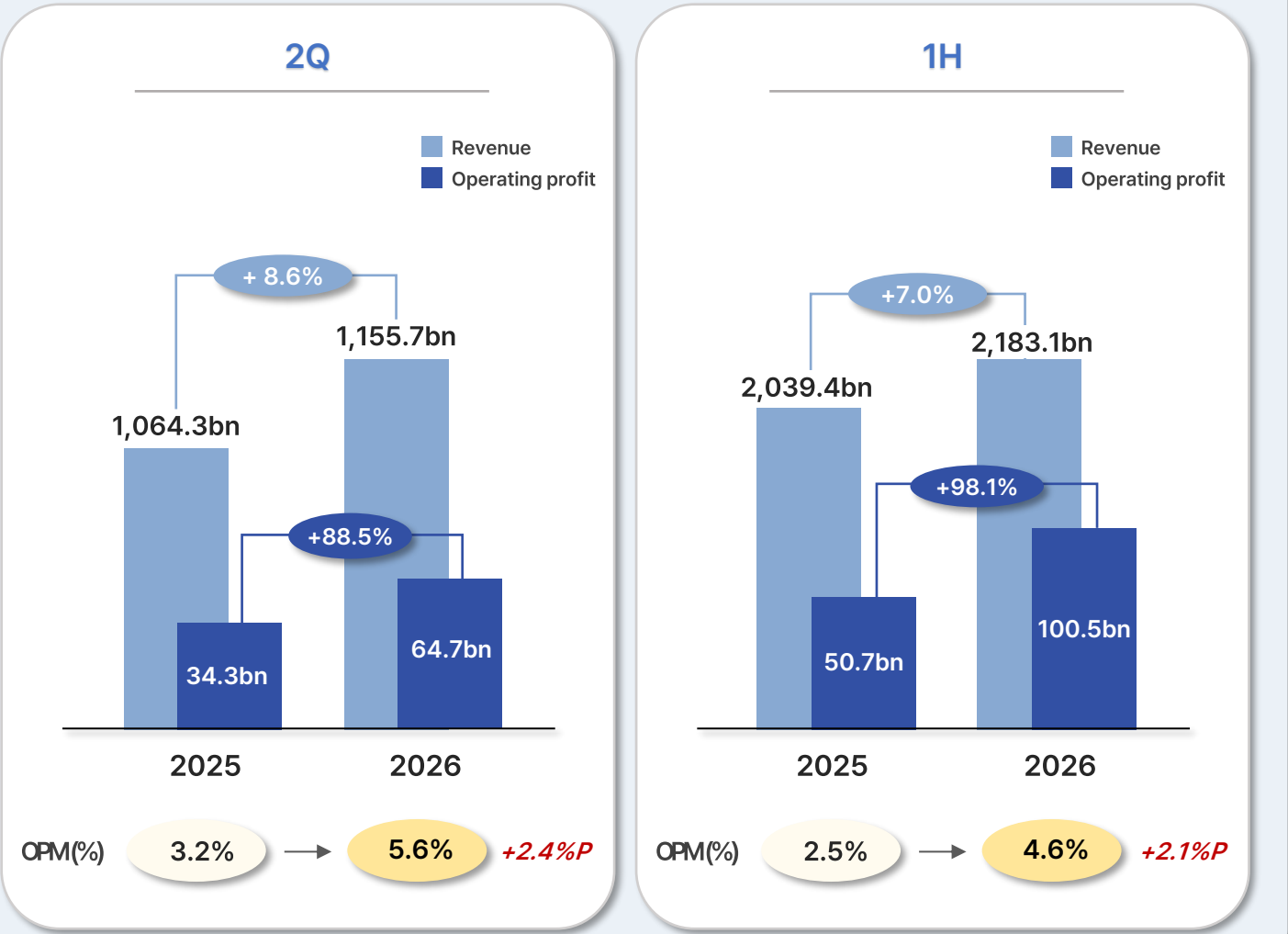
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# 2Q 2026 Business Performance



# 2Q26 Financial Results

## Consolidated Basis



(Unit : KRW bn, %)

| Items                         | 2Q      |         |       | 1H      |                   |      |
|-------------------------------|---------|---------|-------|---------|-------------------|------|
|                               | FY25    | FY26    | YoY   | FY25    | FY26              | YoY  |
| Revenue                       | 1,064.3 | 1,155.7 | 8.6   | 2,039.4 | 2,183.1           | 7.0  |
| Operating Profit <sup>1</sup> | 34.3    | 64.7    | 88.5  | 50.7    | 100.5             | 98.1 |
| Profit Before Income Tax      | 25.3    | 53.1    | 109.9 | 56.5    | 77.1 <sup>2</sup> | 36.5 |
| Net Income                    | 15.7    | 36.1    | 130.1 | 38.4    | 52.8              | 37.3 |

### Key Highlights

|                  |                                                                                                                                                     |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Revenue          | Balanced growth in key domestic businesses and strong growth in overseas subsidiaries, led by India and Kazakhstan                                  |
| Operating Profit | Improved Operating Profit driven by management efficiency enhancement activities in domestic businesses and revenue growth in overseas subsidiaries |

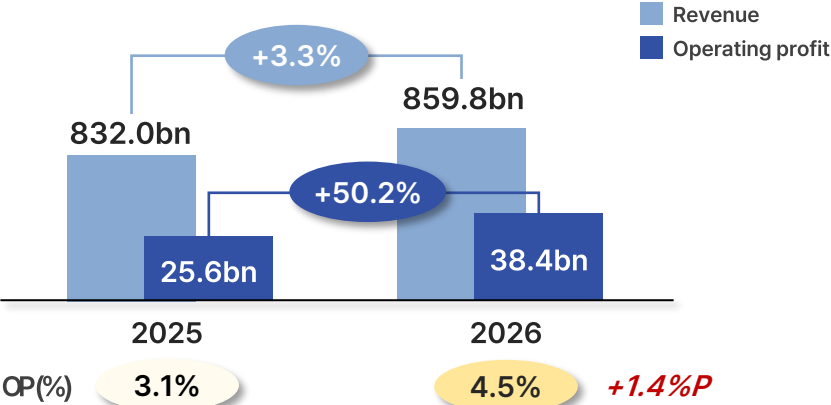
Note1. Workforce efficiency initiatives costs (ERP : Early Retirement Program) : KRW 14.3bn (2Q26) (KRW 11.1bn (2Q25))

Note2. KRW 11.1bn in foreign exchange translation gains on USD-Denominated Debt at the Russian Subsidiary in 2Q25

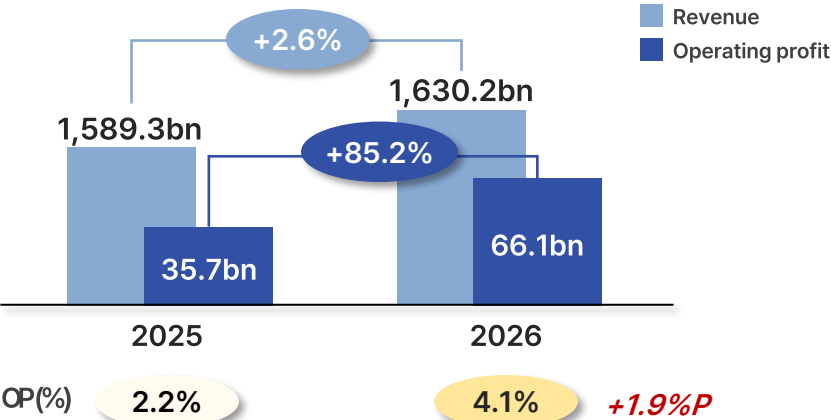
# Domestic Business

## Parent Basis

2Q



1H



## Key Highlights

### Revenue by Major Business Segment

(Unit: KRW bn, %)

| Segment                           | 2Q    |       |     | 1H      |         |     |
|-----------------------------------|-------|-------|-----|---------|---------|-----|
|                                   | FY25  | FY26  | YoY | FY25    | FY26    | YoY |
| Confectionery                     | 262.3 | 276.0 | 5.2 | 546.9   | 568.2   | 3.9 |
| Ice Cream                         | 181.8 | 193.1 | 6.2 | 282.4   | 296.3   | 4.9 |
| Fats & Oils                       | 123.7 | 131.4 | 6.3 | 237.3   | 252.2   | 6.3 |
| Food Materials, etc. <sup>1</sup> | 56.3  | 58.2  | 3.4 | 109.7   | 113.7   | 3.6 |
| Domestic total                    | 832.0 | 859.8 | 3.3 | 1,589.3 | 1,630.2 | 2.6 |
| Export                            | 64.6  | 66.4  | 2.8 | 125.6   | 132.5   | 5.4 |

#### Revenue

- Confectionery/Ice Cream : Revenue growth driven by marketing activities (PEPERO and Xylitol KBO partnerships) and new product launches (Dwaeji Bar Bread)
- Fats & Oils : Selling price increases in line with higher major Fats & Oils prices
- Exports: Temporary slowdown due to disruptions in exports to the Middle East, despite revenue growth in major products

#### Operating Profit

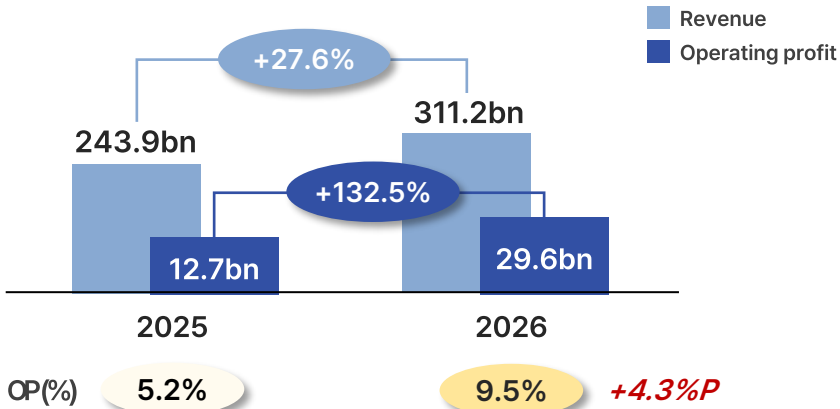
- Improved operating profit through continued management efficiency enhancement activities despite major raw material cost pressures (adjustment of low-profit SKU and channel portfolios, purchasing efficiency enhancement, productivity improvement, etc.)

Note1. Food Materials, etc.: food materials, ingredients, coffee, catering.

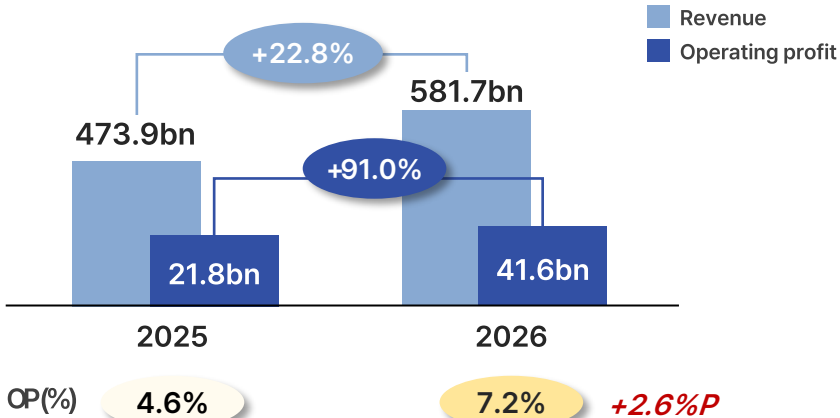
# Global Business

## Overseas Subsidiaries

2Q



1H



## Key Highlights

### Revenue by Major Overseas Subsidiaries

(Unit: KRW bn, %)

| Segment       | 2Q    |       |                               | 1H    |       |                               |
|---------------|-------|-------|-------------------------------|-------|-------|-------------------------------|
|               | FY25  | FY26  | YoY                           | FY25  | FY26  | YoY                           |
| Ice Cream     | 76.5  | 97.8  | 27.8                          | 122.7 | 152.1 | 24.0                          |
| Confectionery | 27.8  | 35.6  | 28.1                          | 61.9  | 74.7  | 20.7                          |
| India Total   | 104.3 | 133.4 | 27.9<br><i>Local (+32.0%)</i> | 184.5 | 226.8 | 22.9<br><i>Local (+27.9%)</i> |
| Kazakhstan    | 60.7  | 84.8  | 39.7<br><i>Local (+20.7%)</i> | 128.3 | 167.8 | 30.8<br><i>Local (+19.7%)</i> |
| KF RUS        | 27.1  | 31.7  | 17.0<br><i>Local (+0.7%)</i>  | 51.4  | 60.9  | 18.4<br><i>Local (+0.5%)</i>  |
| Global Total  | 243.9 | 311.2 | 27.6                          | 473.9 | 581.7 | 22.8                          |

#### Revenue

- India : Strong peak-season performance in ice cream supported by stabilized production at the Pune plant. (2Q average utilization rate : 61%)  
Continued growth in confectionery driven by the startup of the 4th Choco Pie line.
- Kazakhstan : Revenue increased in both domestic and export markets, driven by selling price increases

#### Operating Profit

- Improved profitability driven by solid revenue growth in major overseas subsidiaries

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# Key Business Strategies and Outlook



# Business Strategy - Domestic

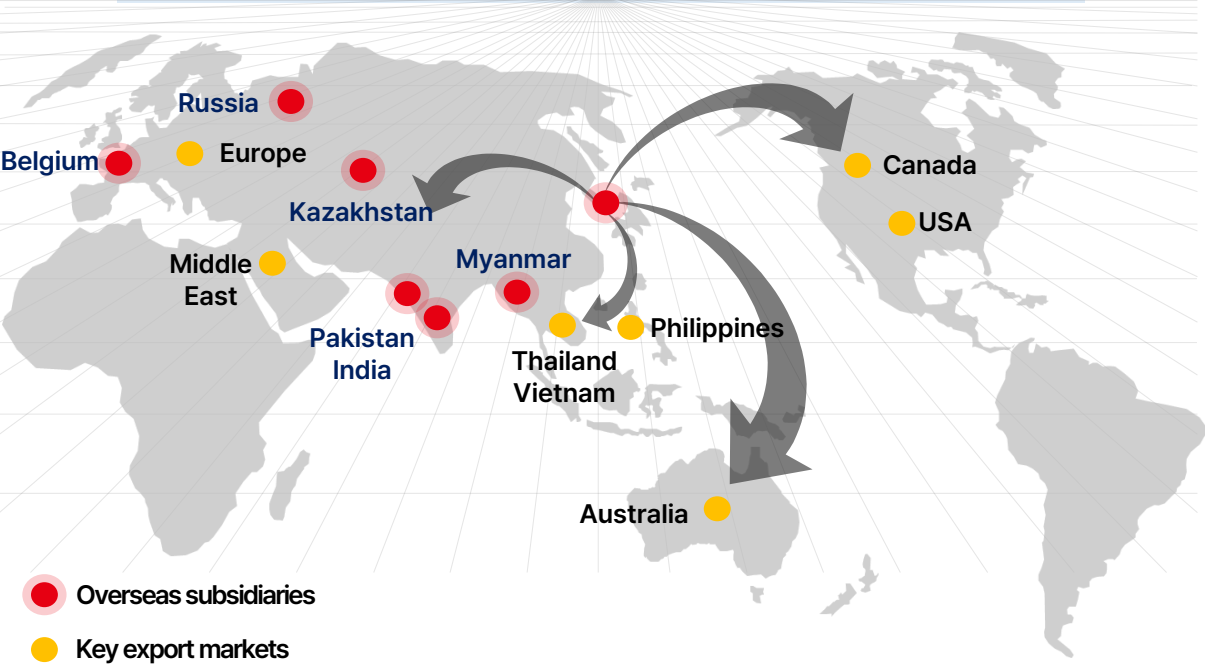
| Market Trends                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                | Key Achievements in 2Q |                                                                                                                                                                                                                                                                     | 2H Strategic Direction                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div><div>Confec-<br/>tionery</div></div>                                                                                                                                                                                                                             | <div>✓ Continued strong growth in pie/cake categories following 1Q</div> <div>✓ Sustained demand, led by emerging growth channels such as Online</div> <div>[Unit: KRW bn]</div> <div><div>Market size</div><div>Emerging growth channels</div><div>23.1H24.1H25.1H26.1H</div><div>3,550bn</div><div>CAGR 0.2%</div><div>13.9%16.6%18.0%22.3%</div><div>CAGR 17.2%</div></div>                 | Category               | Channel                                                                                                                                                                                                                                                             | <div><div>• Revenue growth in biscuits/gum/cake driven by marketing activities centered on core brands</div><div>- PEPERO / Xylitol KBO collaborations, season2 of Kancho name marketing, Chal-tteok Pie, etc.</div><div>• Growth in inbound channels supported by K-Edition product launches</div><div>- K-Edition products featuring Korean cultural heritage designs (Binch / Chal-tteok Pie, etc.)</div><div>• Expansion of sales in emerging growth channels through customized packaging</div><div>- Daiso-exclusive repackaging (ABC Choco), Costco-exclusive product (Chal-tteok Pie)</div></div> | <div><div>• Demand creation through seasonal trend-based new product launches</div><div>- Chodang Sweet Corn summer lineup</div><div>- Launch of Kokal Kon Romantic Outdoor Pocha Series</div><div>• Buzz-generating marketing through cross-industry collaborations</div><div>- Jjangmaewoyo x Yupdduk, Zorum Bunchuk gum x Hankook Tire</div><div>• Diversification of pack sizes and product formats by channel</div><div>- Costco/Daiso (Malang Cow), Olive Young (Mon Cher)</div></div> <div></div> |
|                                                                                                                                                                                                                                                                                                                                                       | <div>✓ Growing consumer demand for milk bars, snacks, and cones</div> <div>✓ Growth centered on existing offline channels, driven by favorable weather conditions</div> <div>[Unit: KRW bn]</div> <div><div>Market size</div><div>Emerging growth channels</div><div>23.1H24.1H25.1H26.1H</div><div>1,000bn</div><div>CAGR 2.0%</div><div>26.1%32.5%33.7%30.7%</div><div>CAGR 7.8%</div></div> |                        |                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <div>✓ Increase in fats &amp; oils prices due to the U.S.-Iran conflict in 2026</div> <div><div>Coconut oil</div><div>Palm oil</div><div>Soybean oil</div><div>212223242526July</div><div>1,953</div><div>1,496</div><div>1,140</div><div>Russia-Ukraine War</div><div>Abnormal weather Conditions (La Niña)</div><div>U.S.-Iran conflict</div></div> | Category                                                                                                                                                                                                                                                                                                                                                                                       | Channel                | <div><div>• Flexible pricing in response to fluctuations in major fats &amp; oils prices (LOTTE International/procurement collaboration)</div><div>• Expansion of cost-competitive processed fats &amp; oils products (processed butter product lineup)</div></div> | <div><div>• Expansion of processed Fats &amp; Oils products for end-user customers</div><div>• Expansion of the vegetable cream lineup</div><div>- Dessert cream (for bakery / beverage applications)</div><div>- Cooking cream (for sauce manufacturers and foodservice franchises)</div></div>                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

\* Source: Company estimates based on external data from Euromonitor, Nielsen, etc. (emerging growth channels: online, warehouse clubs, ice cream discount stores, household goods stores, H&B stores, etc.)

# Business Strategy - Global

## Global Expansion Strategy

“ Investment focused on strategic growth markets and expansion of mainstream channels in export countries ”



### Differentiated Execution Strategy

Development of core brands based on locally customized formulations and flavors

K-culture linked marketing and continuous expansion into new countries

## Key Achievements and Plans

Exports : Strengthen brand equity by leveraging the K-Wave

|              |                                                                                                                                                                                             |                   |                                                                                                                                                                                                                |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <br>[U.S.]   | <ul style="list-style-type: none"><li>Expand listings at chains with nationwide distribution networks (Dollar Tree)</li><li>Expand distribution in club stores (Costco)</li></ul>           | <br>[Thailand]    | <ul style="list-style-type: none"><li>Increase PEPERO brand awareness through participation in THAIFEX (May)</li><li>Strengthen collaboration with CP Group → Expand market share within the channel</li></ul> |
| <br>[Europe] | <ul style="list-style-type: none"><li>Expand PEPERO listings at major European retail chains → REWE in Germany, Albert Heijn in the Netherlands</li><li>Participate in SIAL Paris</li></ul> | <br>[Philippines] | <ul style="list-style-type: none"><li>Expand distribution through major accounts (Robinsons, S&amp;R)</li><li>Diversify the product portfolio (chain-exclusive products)</li></ul>                             |

### Overseas Subsidiaries : Expand the LOTTE brand presence based on stable growth in strategic regions

**India: Continued strengthening its role as a global growth key engine**

- Begin operations of the 4th Choco Pie line in June and expand coverage in TT channels
- Increase PEPERO brand awareness through TVC campaigns in 2H

- Expand emerging growth channels (Q-Com) and distribution coverage in southern regions, while continuing to launch new LOTTE-brand products
- Launch new products for the off-season and strengthen sales of high-margin products

**Kazakhstan : Continued revenue growth and recovery in profitability**

- Expand LOTTE brand distribution and strengthen the chocolate product lineup in 2H
- Implement cost optimization initiatives through stabilization of cocoa input costs and increased use of alternative raw materials

**Russia: Strengthen Choco Pie competitiveness and market leadership**

- Strengthen Choco Pie competitiveness through quality improvement
- Expand distribution coverage through listings in major MT channels

# 2026 Outlook

## Mid- and Long-Term Strategic Direction

### 1 | Normalization of Structural Margins

Enhancing the sustainability and earnings visibility through fundamental improvements in the overall cost structure

### 2 | Acceleration of Global Growth

Strengthening growth drivers through country-specific strategies tailored to local consumer preferences, channel structures, and price positioning

### 3 | Strengthening LOTTE Brand Recognition

Full-scale execution of global expansion strategies for core brands based on locally tailored formulations and flavors

## 2026 Performance and Outlook

1H

- Expansion of premium product offerings (Ghana, World Cone, etc.) (1Q)
- Workforce efficiency initiatives through ERP, etc. (2Q)
- Pursue organizational efficiency initiatives, including the transition from direct sales to distributor-based operations

2H

- Strengthen capabilities in emerging growth channels
- Improve business fundamentals through ongoing management efficiency activities

- India 22.9% / Kazakhstan 30.8% / Russia 18.4% ↑ (1H)
- Ramp up operations of the 4th Choco Pie line in India's confectionery business
- Expand production capacity at the Pune ice cream plant and distribution coverage in southern regions

- Accelerate growth in India and the CIS region
- Diversify export products and channels (Europe, Southeast Asia, etc.)

- PEPERO exports grew by 22.5% (2Q)
- Launch World Cone (Alphonso Mango) in India, Dream Pie in Russia, etc.
- Strengthen awareness of key LOTTE brands and expand product lineups

**Revenue growth projected at approximately 4–5% / Operating margin projected at 4–6%**  
*(Continue profitability improvement initiatives to achieve full-year targets)*

\* This guidance reflects a reasonable range of expectations based on key business assumptions, and actual results may vary depending on execution progress and external market conditions.  
① Base Scenario: Gradual recovery in domestic and overseas demand / Execution of CAPA expansion and brand strategies as planned  
② Upside/Downside Scenarios: Pace of recovery in domestic and overseas demand / Stability of raw material costs and foreign exchange rates



## Conclusion

If you have any questions regarding this document, please contact us.

We will respond sincerely and in compliance with applicable laws and regulations.

Thank you.

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# Appendix



# Appendix\_Capex / Financial status

## Consolidated Capex Plan

(Unit: KRW bn )



- 1

Focus on mid-to-long-term investments to maximize the efficiency of production and logistics infrastructure
- 2

Planned Stable investment execution planned based on operating cash flow

  - Establishment of scenario-based strategies to address increased financial market volatility

## Financial Status

(Unit: KRW bn )

### Credit Rating

Long-term

AA  
Stable

Short-term

A<sup>1</sup>

Annualized Basis

| Items                       | December 2025 | June 2026 |
|-----------------------------|---------------|-----------|
| Assets                      | 4,574.0bn     | 4,720.1bn |
| Equity                      | 2,286.7bn     | 2,365.5bn |
| Liabilities                 | 2,287.3bn     | 2,354.5bn |
| Total interest-bearing debt | 1,467.0bn     | 1,462.2bn |
| Revenue                     | 4,216.0bn     | 2,183.1bn |
| Operating Profit            | 109.5bn       | 100.5bn   |
| (Operating margin)          | 2.6%          | 4.6%      |
| Net Income                  | 71.4bn        | 52.8bn    |
| (Net margin)                | 1.7%          | 2.4%      |
| EBITDA                      | 321.5bn       | 378.2bn   |

# Appendix \_Sustainability

• Actively implementing ESG activities by setting Wellness for Earth, Society, and Company as the company's core values to create sustainable value

## Recognition of Major ESG Activities

- Achieved an 'A' rating in the 2024, 2025 ESG Assessment Korea Institute of Corporate Governance and Sustainability (KCGS)
- Joined the global RE100 and declared the promotion of using 100% renewable energy by 2040
- Supply of Biodiesel feedstock through waste resource recycling
  - Collecting and integrating waste cooking oil from domestic sources and supply to oil refining companies and biodiesel producers.
  - Acquired and operating under ISCC EU\* certification to facilitate entry into the global market.

\* ISCC (International Sustainability and Carbon Certification): Certification for sustainable bioenergy and biofuels.
- Signed MOU for the Opening of Happy Home No.13 Child Center (with Save the Children, Jeongseon County)
- Upgraded "Doctor Xylitol Bus" equipped with advanced equipment (with Korean dental association)
- Awarded "Top Performer" in the Fair Trade Agreement Implementation Evaluation by the Fair Trade Commission



April, 2025



May, 2025



November, 2025

## Recent Achievements by Sector

- E**

  - Expansion of sustainable packaging applications
    - Increased use of recycled plastics and reduced eco-friendly packaging material specifications, etc.
  - Reduction of ink and organic solvent use through Eco-Friendly Flexographic printing
  - Reduction in plastic usage by applying special trays with eco-friendly certification
  - Expansion of eco-friendly raw and subsidiary material purchases (eco-certified materials)
    - Butter, palm oil, vanilla beans, coffee beans, etc.
- S**

  - Award for excellence in the safety management campaign (Ministry of Employment and Labor)
  - "Social contribution" Award – recognized as an excellent company in the Give Green environmental sharing campaign
  - Selected as an excellent work-life balance company in Korea (Ministry of Employment and Labor)
  - Presidential commendation for outstanding contribution to regional investment attraction (Ministry of the Interior and Safety)
  - Awarded the Highest Commendation for Fair Trade Agreement Implementation (Fair Trade Commission)
- G**

  - Maintain ISO37301 certification (compliance management system) through renewal
    - Conducted objective evaluations and continuous improvements of the compliance management system through this certification
    - Implemented measures including declaring compliance policies, fostering internal auditors, and establishing management systems
  - Established an independent board committee to strengthen directors' loyalty and accountability (Apr. 29, 2026)

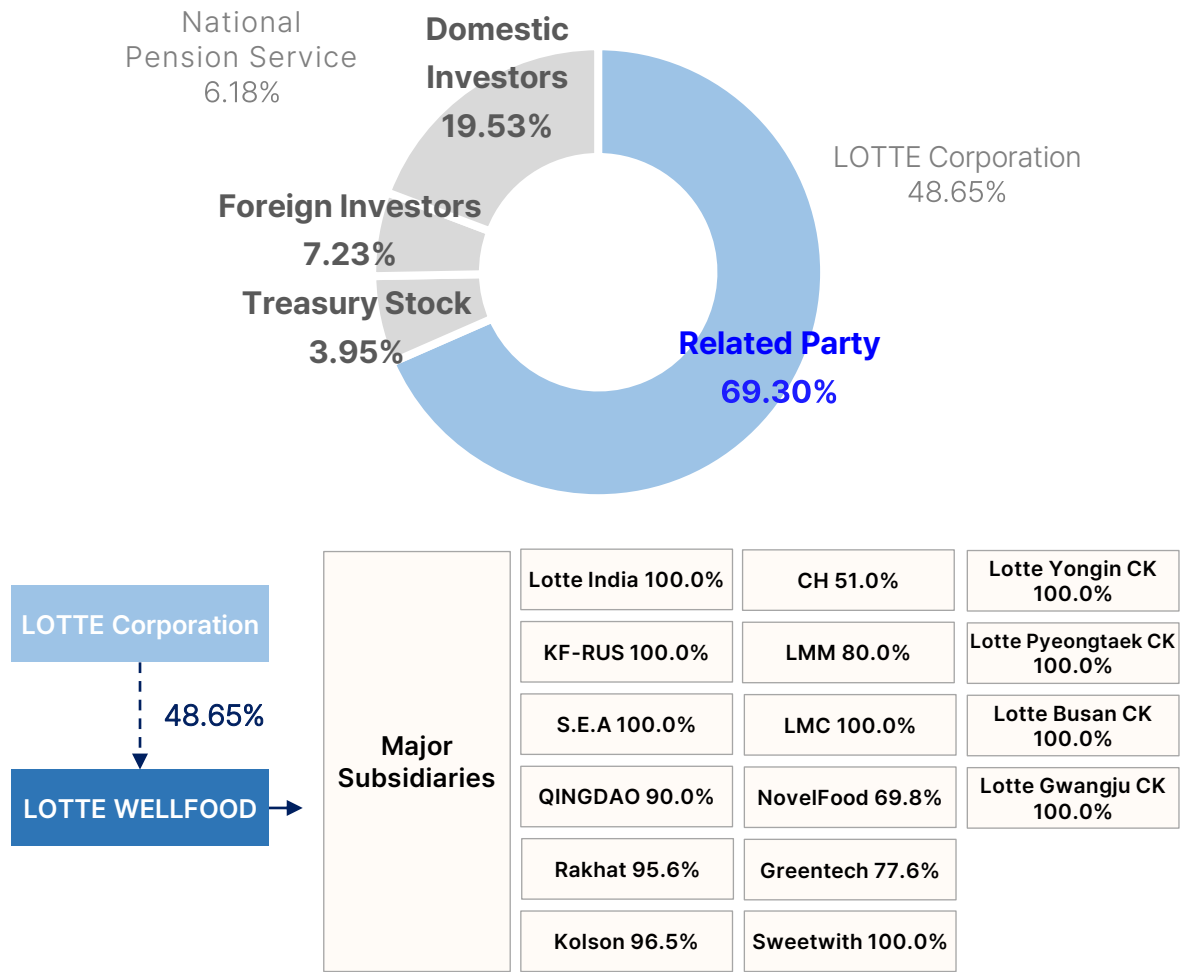
# Appendix\_Company Overview

## General Information

- Established : Mar 24, 1967
  - Main Business : Food Company
  - Production Facilities : Domestic 15 / Overseas 21
- Credit Ratings : AA (Stable), A1
  - Homepage : <https://www.lottewellfood.com>
  - Shareholders : As of June 30, 2026

| Name                         | No. of Shares | Ownership (%) |
|------------------------------|---------------|---------------|
| LOTTE Corporation            | 4,478,208     | 48.65         |
| LOTTE Aluminum Co., Ltd.     | 643,381       | 6.99          |
| LOTTE Scholarship Foundation | 496,144       | 5.39          |
| LOTTE Holdings Co., Ltd.     | 416,338       | 4.52          |
| SHIN, Dong bin               | 182,117       | 1.98          |
| L2 Investment Company        | 137,722       | 1.50          |
| Jang, Jeong an               | 12,964        | 0.14          |
| Shin, You mi                 | 10,623        | 0.12          |
| Hotel LOTTE                  | 500           | 0.01          |
| OGO YAYOI                    | 302           | 0.00          |
| Others                       | 655           | 0.01          |
| Related Party Total          | 6,378,954     | 69.30%        |
| Treasury stock               | 363,307       | 3.95%         |
| Others                       | 2,462,313     | 26.75%        |
| Total                        | 9,204,574     | 100.0%        |

## Shareholding Structure



\* To enhance shareholder value, 1.07% of treasury stock was cancelled on April 21, 2026

# Appendix\_Dividends

| Items                        | 2019          |         | 2020          |         | 2021          |         | 2022     | 2023     | 2024     | 2025     | Remarks                       |
|------------------------------|---------------|---------|---------------|---------|---------------|---------|----------|----------|----------|----------|-------------------------------|
|                              | Confectionery | Foods   | Confectionery | Foods   | Confectionery | Foods   | Wellfood | Wellfood | Wellfood | Wellfood |                               |
| Par Value<br>(KRW)           | 500           | 5,000   | 500           | 5,000   | 500           | 5,000   | 500      | 500      | 500      | 500      |                               |
| Price<br>(KRW)               | 149,500       | 413,000 | 102,000       | 331,500 | 120,500       | 344,500 | 122,500  | 123,800  | 111,600  | 114,600  | · Closing Price               |
| Net Income<br>(KRW 100M)     | 381           | 375     | 410           | 702     | 349           | - 10    | 616      | 705      | 846      | 723      | · Domination shares           |
| Cash Dividends<br>(KRW 100M) | 83            | 109     | 103           | 109     | 103           | 99      | 203      | 265      | 292      | 292      | · DPS x number of shares      |
| DPS<br>(KRW)                 | 1,300         | 12,000  | 1,600         | 12,000  | 1,600         | 10,000  | 2,300    | 3,000    | 3,300    | 3,300    |                               |
| Dividend Rate                | 260%          | 240%    | 320%          | 240%    | 320%          | 200%    | 460%     | 600%     | 660%     | 660%     | · DPS ÷ Par Value             |
| Dividend Yield <sup>1</sup>  | 0.9%          | 2.9%    | 1.6%          | 3.5%    | 1.3%          | 2.8%    | 1.8%     | 2.4%     | 3.2%     | 2.8%     | · DPS ÷ Price                 |
| Payout Ratio                 | 21.90%        | 29.10%  | 25.03%        | 15.55%  | 29.40%        | -       | 33.05%   | 37.60%   | 34.48%   | 40.36%   | · Cash Dividends ÷ Net income |

Note1 : Based on the disclosure of cash and in-kind dividend decisions

Dividends are determined based on a balanced consideration of shareholder returns and long-term corporate value enhancement through continued investments.

Additionally, to enhance shareholder returns,

the Company aims to maintain an average payout ratio of approximately 35% over the next five years.

# Appendix\_2Q26 Condensed Consolidated Financial Statements (Disclosure)

## Income Statement

(Unit : KRW 100M, %)

| Items                    | 2Q     |       |        |       |        |       |
|--------------------------|--------|-------|--------|-------|--------|-------|
|                          | FY25   |       | FY26   |       | YoY    |       |
|                          | Amount | %     | Amount | %     | Amount | %     |
| Revenue                  | 10,643 | 100.0 | 11,557 | 100.0 | 915    | 8.6   |
| Gross Profit             | 3,049  | 28.6  | 3,441  | 29.8  | 392    | 12.9  |
| SG&A                     | 2,705  | 25.4  | 2,794  | 24.2  | 88     | 3.3   |
| Operating Profit         | 343    | 3.2   | 647    | 5.6   | 304    | 88.5  |
| Profit before Income Tax | 253    | 2.4   | 531    | 4.6   | 278    | 109.9 |
| Net Income               | 157    | 1.5   | 361    | 3.1   | 204    | 130.1 |

## Balance Sheet

(Unit : KRW 100M, %, P)

| Items                      | Dec 31, 2025 | Jun 30, 2026 | Vs. End of 2025 |
|----------------------------|--------------|--------------|-----------------|
| Current assets             | 15,738       | 16,232       | 494             |
| Non-current assets         | 30,002       | 30,969       | 967             |
| Total assets               | 45,740       | 47,201       | 1,461           |
| Current liabilities        | 10,028       | 10,933       | 905             |
| Non-current liabilities    | 12,844       | 12,612       | - 232           |
| Interest-bearing debt (a)  | 14,670       | 14,622       | - 48            |
| Total liabilities (b)      | 22,873       | 23,545       | 673             |
| Share capital              | 46.5         | 46.0         | - 0.5           |
| Total equity (c)           | 22,867       | 23,655       | 788             |
| Debt to equity ratio (b/c) | 100.0        | 99.5         | - 0.5           |

# Appendix\_2Q26 Parent-only Financial Statements (Disclosure)

## Income Statement

(Unit : KRW 100M, %)

| Items                    | 2Q     |       |        |       |        |      |
|--------------------------|--------|-------|--------|-------|--------|------|
|                          | FY25   |       | FY26   |       | YoY    |      |
|                          | Amount | %     | Amount | %     | Amount | %    |
| Revenue                  | 8,320  | 100.0 | 8,598  | 100.0 | 278    | 3.3  |
| Gross Profit             | 2,438  | 29.3  | 2,591  | 30.1  | 153    | 6.3  |
| SG&A                     | 2,182  | 26.2  | 2,207  | 25.7  | 24     | 1.1  |
| Operating Profit         | 256    | 3.1   | 384    | 4.5   | 128    | 50.2 |
| Profit before Income Tax | 123    | 1.5   | 224    | 2.6   | 101    | 81.9 |
| Net Income               | 95     | 1.1   | 176    | 2.1   | 82     | 86.1 |

## Balance Sheet

(Unit : KRW 100M, %, P)

| Items                      | Dec 31, 2025 | Jun 30, 2026 | Vs. End of 2025 |
|----------------------------|--------------|--------------|-----------------|
| Current assets             | 11,259       | 11,053       | - 207           |
| Non-current assets         | 29,909       | 30,491       | 581             |
| Total assets               | 41,169       | 41,543       | 375             |
| Current liabilities        | 8,048        | 8,783        | 735             |
| Non-current liabilities    | 11,872       | 11,521       | - 351           |
| Interest-bearing debt (a)  | 13,924       | 13,758       | - 166           |
| Total liabilities (b)      | 19,920       | 20,304       | 384             |
| Share capital              | 46.5         | 46.0         | - 0.5           |
| Total equity (c)           | 21,249       | 21,239       | - 9             |
| Debt to equity ratio (b/c) | 93.7         | 95.6         | 1.9             |

# Appendix\_Revenue by Segment

(Unit : KRW 100M)

| Segment                  | 1Q23         | 2Q23          | 3Q23          | 4Q23         | 1Q24         | 2Q24          | 3Q24          | 4Q24         | 1Q25         | 2Q25          | 3Q25          | 4Q25          | 1Q26          | 2Q26          |
|--------------------------|--------------|---------------|---------------|--------------|--------------|---------------|---------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|
| <b>Revenue</b>           | <b>9,684</b> | <b>10,492</b> | <b>10,948</b> | <b>9,889</b> | <b>9,612</b> | <b>10,560</b> | <b>10,879</b> | <b>9,819</b> | <b>9,873</b> | <b>10,759</b> | <b>11,677</b> | <b>10,328</b> | <b>10,409</b> | <b>11,711</b> |
| <b>Domestic Business</b> | <b>7,775</b> | <b>8,415</b>  | <b>8,955</b>  | <b>7,863</b> | <b>7,640</b> | <b>8,366</b>  | <b>8,798</b>  | <b>7,497</b> | <b>7,574</b> | <b>8,320</b>  | <b>9,342</b>  | <b>7,593</b>  | <b>7,704</b>  | <b>8,598</b>  |
| Confectionery            | 2,656        | 2,504         | 2,713         | 3,002        | 2,814        | 2,611         | 2,731         | 2,888        | 2,846        | 2,623         | 2,837         | 3,022         | 2,922         | 2,760         |
| Ice cream                | 1,068        | 1,854         | 2,235         | 931          | 1,066        | 1,965         | 2,224         | 845          | 1,006        | 1,818         | 2,432         | 815           | 1,033         | 1,931         |
| Bakery                   | 302          | 305           | 297           | 316          | 305          | 307           | 284           | 338          | 312          | 356           | 332           | 336           | 347           | 371           |
| Fats & Oils              | 1,178        | 1,142         | 1,100         | 1,294        | 1,104        | 1,152         | 1,126         | 1,139        | 1,137        | 1,237         | 1,310         | 1,224         | 1,207         | 1,314         |
| Food Materials           | 702          | 755           | 664           | 530          | 518          | 545           | 533           | 533          | 534          | 563           | 613           | 558           | 555           | 582           |
| Dairy                    | 444          | 459           | 460           | 438          | 424          | 428           | 449           | 404          | 405          | 409           | 428           | 391           | 382           | 383           |
| Processed Meats          | 682          | 613           | 707           | 586          | 643          | 587           | 642           | 567          | 640          | 588           | 678           | 594           | 602           | 599           |
| HMR                      | 647          | 698           | 694           | 695          | 667          | 684           | 693           | 694          | 609          | 631           | 626           | 573           | 553           | 553           |
| <b>Overseas Business</b> | <b>1,909</b> | <b>2,077</b>  | <b>1,993</b>  | <b>2,027</b> | <b>1,972</b> | <b>2,194</b>  | <b>2,080</b>  | <b>2,321</b> | <b>2,300</b> | <b>2,439</b>  | <b>2,335</b>  | <b>2,735</b>  | <b>2,705</b>  | <b>3,112</b>  |
| Kazakhstan               | 656          | 669           | 638           | 734          | 663          | 567           | 582           | 834          | 676          | 607           | 645           | 979           | 830           | 848           |
| Pakistan                 | 158          | 158           | 138           | 138          | 171          | 181           | 158           | 153          | 196          | 188           | 176           | 169           | 177           | 180           |
| Belgium                  | 191          | 89            | 207           | 269          | 171          | 144           | 246           | 316          | 213          | 159           | 305           | 364           | 268           | 179           |
| India(Conf)              | 255          | 224           | 289           | 267          | 303          | 262           | 316           | 296          | 341          | 278           | 334           | 343           | 391           | 356           |
| India(Ice)               | 351          | 637           | 390           | 278          | 343          | 696           | 379           | 311          | 461          | 765           | 404           | 335           | 543           | 978           |
| Russia                   | 193          | 187           | 196           | 201          | 199          | 213           | 222           | 215          | 243          | 271           | 268           | 319           | 292           | 317           |
| Singapore                | 31           | 34            | 35            | 38           | 34           | 34            | 38            | 40           | 34           | 39            | 41            | 44            | 42            | 73            |
| Myanmar                  | 66           | 79            | 100           | 102          | 87           | 97            | 139           | 156          | 130          | 132           | 161           | 182           | 162           | 182           |

Note1. The sum of segment revenues may differ from the total consolidated revenue due to inter-company eliminations.

# Appendix\_Average Exchange Rate

(Unit : KRW / Local currency)

| Country (Currency) | Full Year |          |          |        | Jan - Jun |          |          |        |
|--------------------|-----------|----------|----------|--------|-----------|----------|----------|--------|
|                    | FY23      | FY24     | FY25     | YoY(%) | FY24      | FY25     | FY26     | YoY(%) |
| Kazakhstan (KZT)   | 2.86      | 2.91     | 2.73     | - 6.2  | 2.95      | 2.79     | 3.05     | 9.3    |
| Pakistan (PKR)     | 4.68      | 4.90     | 5.05     | 3.1    | 4.76      | 5.09     | 5.31     | 4.3    |
| Belgium (EUR)      | 1,412.36  | 1,475.05 | 1,607.46 | 9.0    | 1,443.10  | 1,559.87 | 1,730.05 | 10.9   |
| India (INR)        | 15.81     | 16.30    | 16.32    | 0.1    | 16.00     | 16.59    | 15.95    | - 3.9  |
| China (CNY)        | 184.22    | 189.20   | 197.78   | 4.5    | 184.56    | 196.61   | 216.23   | 10.0   |
| Russia (RUB)       | 15.46     | 14.74    | 17.09    | 15.9   | 14.64     | 16.47    | 19.41    | 17.9   |
| Singapore (SGD)    | 972.16    | 1,020.35 | 1,088.34 | 6.7    | 991.51    | 1,077.67 | 1,160.66 | 7.7    |
| Myanmar (MMK)      | 0.62      | 0.65     | 0.68     | 4.6    | 0.63      | 0.68     | 0.71     | 4.4    |

Note1. Base exchange rate : 1/1~ March-to-date average exchange rate

# Appendix\_Ending Exchange Rate

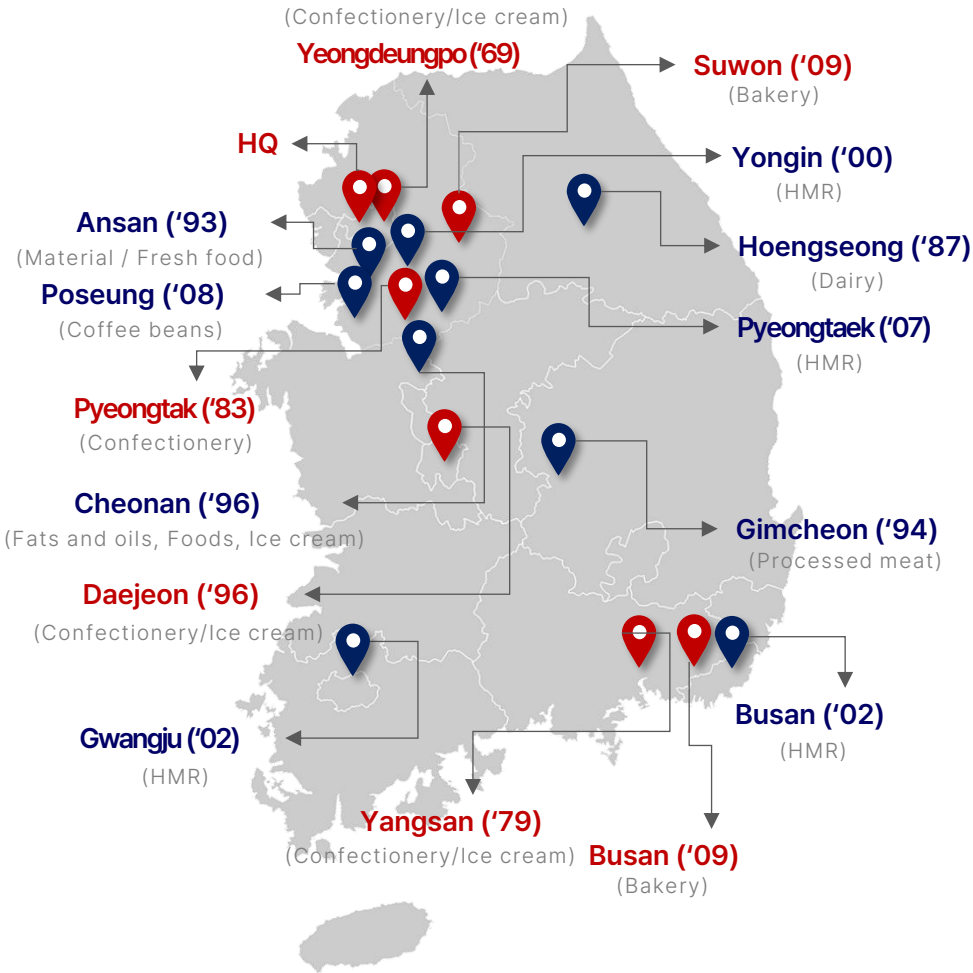
(Unit : KRW / Local currency)

| Country (Currency) | Dec 2024 | Mar 2025 | Jun 2025 | Sep 2025 | Dec 2025 | Mar 2026 | Jun 2026 | Vs. End of 2025 (%) |
|--------------------|----------|----------|----------|----------|----------|----------|----------|---------------------|
| Kazakhstan (KZT)   | 2.80     | 2.91     | 2.61     | 2.56     | 2.86     | 3.14     | 3.18     | 11.2                |
| Pakistan (PKR)     | 5.28     | 5.23     | 4.78     | 4.95     | 5.12     | 5.42     | 5.54     | 8.2                 |
| Belgium (EUR)      | 1,528.73 | 1,587.85 | 1,591.80 | 1,644.50 | 1,685.72 | 1,733.37 | 1,761.09 | 4.5                 |
| India (INR)        | 17.19    | 17.14    | 15.87    | 15.81    | 15.98    | 16.04    | 16.30    | 2.0                 |
| China (CNY)        | 201.27   | 201.68   | 189.16   | 196.82   | 204.76   | 218.70   | 226.97   | 10.8                |
| Russia (RUB)       | 13.30    | 17.26    | 17.28    | 16.88    | 18.05    | 18.62    | 20.02    | 10.9                |
| Singapore (SGD)    | 1,081.08 | 1,092.32 | 1,063.34 | 1,087.10 | 1,117.52 | 1,171.50 | 1,192.74 | 6.7                 |
| Myanmar (MMK)      | 0.70     | 0.70     | 0.65     | 0.67     | 0.68     | 0.72     | 0.73     | 7.4                 |

# Appendix\_Global Footprint

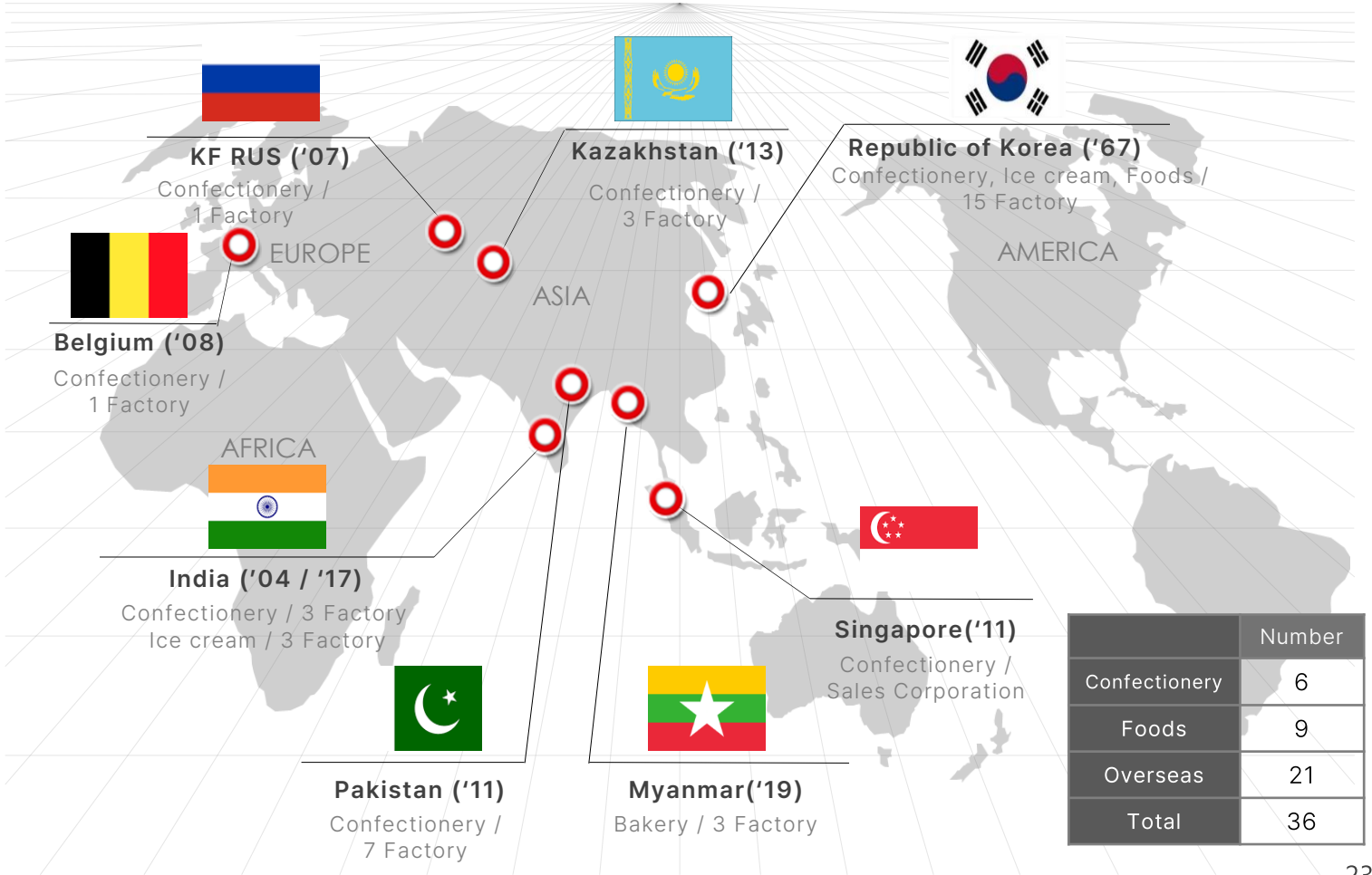
## Domestic

HQ : 10, Yangpyeong-ro 21-gil, Yeongdeungpo-gu, Seoul  
Factory : Confectionery 6 (Yeongdeungpo, Daejeon, Yangsan, etc.)  
Foods 9 (Cheonan, Hoengseong, etc.)



## Overseas

Global Presence : 7 Countries (Kazakhstan, Pakistan, Belgium, India, Russia, Myanmar, Singapore)  
Factory : 21 (Kazakhstan 3, Pakistan 7, Belgium 1, India(Conf) 3, India(Ice) 3, Russia 1, Myanmar 3)



|               | Number |
|---------------|--------|
| Confectionery | 6      |
| Foods         | 9      |
| Overseas      | 21     |
| Total         | 36     |

# Appendix\_Status of Major Overseas Subsidiaries



## LOTTE INDIA (Confectionery)



- Acquisition : May '04
- Establishment : M&A
- Ownership : 100%
- Employees : 681
- Factories : 3



## LOTTE INDIA (Ice Cream)



- Acquisition : Dec '17
- Establishment : M&A
- Ownership : 100%
- Employees : 1,023
- Factories : 3

Market overview

### Key Features

- World's largest population (1.4bn) / 5<sup>th</sup> largest GDP (USD 3.4tn)
- Advancing toward a global Top5 economy
- Domestic market growth (~10% CAGR)
- Strengthening Lotte brand & TT competitiveness

### Key Features

- Expected to become the world's 3<sup>rd</sup> largest economy by 2027
- Broad-based category growth driven by population and income growth
- Rising consumption with low seasonality and improving purchasing power
- Potential in Ice Cream market ↑ = Nationwide expansion over mid-to-long term

Subsidiary Highlights

- Acquired Parry's Confectionery (2004)
- Chennai & Haryana based operations
- Nationwide candy & choco pie sales
- No.1 Choco Pie market share / 4<sup>th</sup> line added (Jun '26)
- Strengthening market leadership & growth

- Acquired Havmor (2017)
- Located near key dairy sourcing and consumption regions
- Nationwide Ice Cream sales centered in Gujarat
- Pune new factory (Feb '25) to enhance productivity and sales volume
- Merged into Lotte India (Mar '25)

# Appendix\_ Status of Major Overseas Subsidiaries

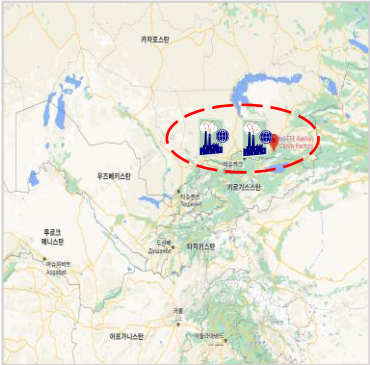
Market overview

Subsidiary Highlights



LOTTERAKHAT JSC

Kazakhstan Subsidiary



- Acquisition : Nov '13
- Establishment : M&A
- Ownership : 95.6%
- Employees: 3,387
- Factories : 3

### Key Features

- Population 20mn / GDP USD 220.6bn
- Growth driven by natural resources
- Expanding consumer market amid foreign investment inflows → Strong market growth potential

- Acquired Rakhat, No.1 Chocolate brand (2013)
- Chocolate, biscuit & Candy sales in southeast regions
- CIS exports including Russia & e-commerce expansion
- Mid-to-long term MT expansion (Domestic & Russia)



KF RUS

1<sup>st</sup> CIS subsidiary



- Acquisition : Mar '07
- Establishment : Greenfield
- Ownership: 100%
- Employees : 254
- Factories : 1

### Key Features

- Population 140mn / GDP USD 2.2tn
- Strong CIS Market potential
- Favorable response to K-Food (Snacks, Ramen etc.)
- Sustained Choco Pie leadership & productivity improvement

- Sales ('07) & production ('08) subsidiaries integrated in '12
- Choco Pie & candy business
- 3rd Choco Pie line added (Nov '21)
- Sales growth & productivity improvement



GUYLIAN

1<sup>st</sup> in western Europe



- Acquisition : July '08
- Establishment : M&A
- Ownership : 51.0%
- Employees : 180
- Factories : 1

### Key Features

- Population 11.7mn / GDP USD 578.6bn
- Global duty-free sales centered in Europe
- Category expansion through strong brand value

- European sales subsidiary (UK, Germany)
- Brands : Chocolate-focused (Seashells, Seahorses)
- Premium brand positioning & channel expansion
- Profitability improvement through brand renewal and channel diversification

# Appendix\_ Status of Major Overseas Subsidiaries

Market overview

Subsidiary Highlights



**Kolson** Pakistan Food Subsidiary



- Acquisition : Jan '11
- Establishment : M&A
- Ownership : 96.5%
- Employees : 1,385
- Factories : 7

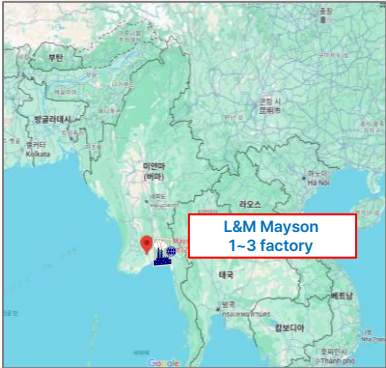
Key Features

- Population (240M) / GDP USD 400bn
- Export hub to the Middle East and Central Asia
- Young population (median age 19) driving consumption growth

- Acquired local subsidiary Kolson (2011)
- Operating pasta, noodles and snack business
- Completed Lahore Choco Pie plant construction (Apr '18)



**L&M Mayson** Myanmar Bakery Subsidiary



- Acquisition : Jan '19
- Establishment : M&A
- Ownership : 80.0%
- Employees : 1,292
- Factories : 3

Key Features

- Population (54M) / GDP USD 71bn
- Young population (median age 29) supporting urbanization-driven consumption growth
- Potential low-cost manufacturing hub in ASEAN after the end of military rule

- Acquired local subsidiary MMI (2019)
- Producing bread and bakery products
- 20-24 CAGR of 18.4% despite the military regime (KRW 36.4bn → 48.0bn)



**LOTTE Confectionery (S.E.A)** Sales Subsidiary



- Acquisition : May '11
- Establishment : M&A
- Ownership : 100%
- Employees : 23
- Factories : -

Key Features

- Population (5.6M) / GDP USD 380bn
- Strategic global logistics and export hub
- Growth expected to accelerate on K-wave and K-Food popularity

- Established sales subsidiary (2011)
- Importing and selling products such as PEPERO and Choco Pie
- Managing exports and market expansion across Southeast Asia (Singapore, Indonesia etc.)

# Appendix\_Overview of Main Products

|               | Line-up                           | Brand / Product                                                                     |                                                                                     |                                                                                     |                                                                                       | Note |
|---------------|-----------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|------|
| Confectionery | Gum, Candy                        |    |    |    |    |      |
|               |                                   | Xylitol                                                                             | Zorum Bunchuk                                                                       | Herb Candy                                                                          | Cow                                                                                   |      |
|               | Chocolate, Biscuit                |    |    |    |    |      |
|               |                                   | PEPERO                                                                              | Ghana                                                                               | Lotte Sand                                                                          | Magaret                                                                               |      |
| Ice Cream     | Pie, Snack                        |    |    |    |    |      |
|               |                                   | Choco pie                                                                           | Mon cher                                                                            | Kokal kon                                                                           | Seafood                                                                               |      |
|               | Bar, Pencil                       |    |    |    |    |      |
|               |                                   | Dweji Bar                                                                           | Screw Bar                                                                           | Snow Ice                                                                            | Papico                                                                                |      |
| Ice Cream     | Cone, Cup                         |   |   |   |   |      |
|               |                                   | Worldcone                                                                           | GooGoo cone                                                                         | Fanfare                                                                             | Double Bianco                                                                         |      |
|               | Home                              |  |  |  |  |      |
|               |                                   | Goo Goo                                                                             | Selection                                                                           | Prime                                                                               | Joanna                                                                                |      |
| Bakery        | Mass produced, Bread, Pastry, etc |  |  |  |  |      |
|               |                                   | Character                                                                           | Castella                                                                            | Bread                                                                               | Pastry                                                                                |      |

|                 | Line-up                                                      | Brand / Product                                                                       |                                                                                       |                                                                                       |                                                                                       | Note |
|-----------------|--------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|------|
| Fats&Oils       | Processed oil, Shortening, Margarine, Butter, etc            |    |    |    |    |      |
|                 |                                                              | Falm oil                                                                              | Shortening                                                                            | Margarine                                                                             | Butter                                                                                |      |
| Food Materials  | Roasted coffee, RTD(Ready to drink), Set, etc                |    |    |    |    |      |
|                 |                                                              | Coffee beans                                                                          | Drip coffee                                                                           | Set                                                                                   | Can                                                                                   |      |
|                 | Additives, Chocolate, Processed food materials               |    |    |    |    |      |
|                 |                                                              | Additives                                                                             | Chocolate                                                                             | flavoring                                                                             | Nuts                                                                                  |      |
| Food Materials  | Seasoning food, Agricultural products, Food ingredients, etc |    |    |    |    |      |
|                 |                                                              | Ketchup                                                                               | Mayonnaise                                                                            | Sauce                                                                                 | Food ingredients                                                                      |      |
|                 | Milk, Dairy products, Baby food, etc                         |   |   |   |   |      |
|                 |                                                              | Milk                                                                                  | Easy Protein                                                                          | Yogurt                                                                                | Vegetable juice                                                                       |      |
| Processed Meats | Ham, Sausage, Fish and meat, Set, etc                        |  |  |  |  |      |
|                 |                                                              | Ham                                                                                   | Ham                                                                                   | Sausage                                                                               | Canned ham                                                                            |      |
| HMR             | Frozen food, Dumpling                                        |  |  |  |  |      |
|                 |                                                              | Pork Cutlet                                                                           | Mandu                                                                                 | Tteokgalbi                                                                            | Curry                                                                                 |      |

# Appendix\_Overview of Main Products

|                                                                                     |                        | Line-up                                                     | Brand / Product                                                                                         |                                                                                                           |                                                                                                     |                                                                                                        | Note |
|-------------------------------------------------------------------------------------|------------------------|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|------|
|    | Kazakhstan<br>(Rakhat) | Choco, Biscuit, Candy                                       | <br>Kazakhstanski    | <br>Tomyris            | <br>Yablachiko   | <br>ZERO jelly      |      |
|    | Pakistan<br>(Kolson)   | Snack, Pasta, Biscuit, Gum                                  | <br>Slanty           | <br>Pasta              | <br>Choco Pie    | <br>Rice chips      |      |
|    | Belgium<br>(Guylian)   | Chocolate<br>(Guylian brand, Private brand)                 | <br>Guylian Seashell | <br>Master's Selection | <br>Opus         | <br>Guylian Bar     |      |
|    | India Conf.            | Pie, Candy, Gum                                             | <br>Choco Pie        | <br>PEPERO             | <br>Coffee Bite  | <br>Fruto Pie       |      |
|                                                                                     | India Ice.             | Ice Cream<br>(Bulk, Bar, Cone, Cup, etc.)                   | <br>Vanilla          | <br>Zulubar            | <br>World Corn   | <br>Lotte Krunch    |      |
|   | Russia<br>(KF-RUS)     | Pie, Candy, PEPERO                                          | <br>Choco Pie       | <br>Cacao Pie         | <br>Banana Pie  | <br>Strawberry Pie |      |
|  | Myanmar<br>(L&MM)      | Bakery<br>(Mass-produced bread, Artisan bread)              | <br>Sponge Cake    | <br>Cup Cake         | <br>Pound Cake | <br>Square Bread  |      |
|  | Singapore<br>(S.E.A)   | Sales Corporation<br>(Import and sales of domestic product) | <br>PEPERO         | <br>Choco Pie        | <br>Custard    | <br>Chic-choc     |      |