

Q1'21 Business Results

May, 2022 | Investor Relations



Disclaimer

The aim of this document is to provide practical assistance to shareholders and potential investors by reporting the recent performance and business status of LOTTE Confectionery and its major subsidiaries.

LOTTE Confectionery uses the Korean version of International Financial Reporting Standards (K-IFRS).

This document includes the prospects and judgements of LOTTE Confectionery, based on recent business circumstances.

In practice, adjustments can be made due to the likes of changes in the business environment or modifications to our strategy.

Nothing in this document shall be considered evidence of legal responsibility towards investors nor as a solicitation to invest.

We kindly remind you that LOTTE Confectionery accepts no responsibility for the actions of any third party acting on the information provided in this document.

May, 2021

Lotte Conf. IR Team

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Intro 2022Y Business policy & Outlook

Policy for Profit

- Stop sales to low-income clients and MT discount
- Reduce D/C rate and low-income products
- (Delivery) Expand fixed price products and Reduce the number of discount products
- Increase the price of main products (Apr, 2022~)



Environment

- Increase the prices of raw material and energy all over the world
- Russian-Ukraine conflict and intensified inflation
- Decrease sales of gum and candy due to covid-19
- Reduce eating frequency because of wearing mask

Outlook

- ✓ Business results deteriorated due to discrepancy between the timing of intensified inflation and raising the price
→ Forecast of earnings improvement after April 1st
 - Burden of raw material costs : Jan, 2022~ / Effect of raising prices : Apr, 2022~
- ✓ Gum and candy consumption will be recovered due to Endemic(stop wearing mask, social distancing)
- ✓ Releasing new products in response to changes in market consumption trends
 - Domestic : Expand brand "ZERO" relevant to Health & Wellness, Global : Entering the Chocobar market in Kazakhstan

Summary

Parent Results		21.1Q	22.1Q	(YoY)	Issue Comment																				
<small>(unit : KRW)</small>																									
Parent	Sales	371.6 Bn	352.2 Bn	▲19.4 Bn ▲5.2%	· Sales decreased due to activities for improving profit structure of main business and stagnant total market																				
	Operating Profit	19.8 Bn	8.6 Bn	▲11.2 Bn ▲56.8%	· Profitability deteriorated yoy due to rising raw material costs, labor costs, and export transportation costs																				
	OP%	5.3%	2.4%	▲2.9%p	· Try to offset the cost increase burden by raising the price of major products (Apr, 2022~)																				
<ul style="list-style-type: none"> · Sales decreased 4.1% yoy excluding results of lotte academy ; transfer business of human resources development to LOTTE Corp. from Jan, 2022 																									
Consolidated Results																									
Consolidated	Sales	508.0 Bn	505.8 Bn	▲2.2 Bn ▲0.4%	· Sales increased in Kazakhstan, Pakistan, India (confectionery / ice cream), Russia and Myanmar, but decreased in Belgium, China and Singapore																				
	Operating Profit	25.9 Bn	10.8 Bn	▲15.1 Bn ▲58.5%	· Profit decreased in overseas due to the burden of raw material costs and advertising costs except Havmor (India ice cream)																				
	OP%	5.1%	2.1%	▲3.0%p	· The exchange rate of emerging economies is stable compared to last year, but Russia has a geopolitical issue and there is a risk of fluctuation																				
<table border="1"> <thead> <tr> <th></th> <th>India</th> <th>Kazakhstan</th> <th>Pakistan</th> <th>Russia</th> </tr> </thead> <tbody> <tr> <td>Q1'21</td> <td>15.28 KRW/INR</td> <td>2.65 KRW/KZT</td> <td>7.02 KRW/PKR</td> <td>14.96 KRW/RUB</td> </tr> <tr> <td>Q1'22</td> <td>16.02</td> <td>2.64</td> <td>6.79</td> <td>14.06</td> </tr> <tr> <td>YoY</td> <td>+4.8 %</td> <td>▲0.4 %</td> <td>▲3.3 %</td> <td>▲6.0 %</td> </tr> </tbody> </table>							India	Kazakhstan	Pakistan	Russia	Q1'21	15.28 KRW/INR	2.65 KRW/KZT	7.02 KRW/PKR	14.96 KRW/RUB	Q1'22	16.02	2.64	6.79	14.06	YoY	+4.8 %	▲0.4 %	▲3.3 %	▲6.0 %
	India	Kazakhstan	Pakistan	Russia																					
Q1'21	15.28 KRW/INR	2.65 KRW/KZT	7.02 KRW/PKR	14.96 KRW/RUB																					
Q1'22	16.02	2.64	6.79	14.06																					
YoY	+4.8 %	▲0.4 %	▲3.3 %	▲6.0 %																					

Action to business environment | Timeline of raising prices

Due to global external variables such as the Russian-Ukraine conflict in this year, an annual **burden of raw materials increased** rapidly.

We are currently **managing the cost burden by raising the price**, and we expect **this effect to be evident from the second half** of this year.

		2021			2022				Remark
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Domestic	Confectionery		11 major brands			10 major brands			※ Plan can be changed
	Ice Cream			Patbingsu (fixed price)	Worldcone, Snow ice (fixed price)	20 major brands, Pencil line (fixed price)			
	Bakery				B2B 38 SKU	B2C 120 SKU		Some products	
Rasing rate (%)			5.9 ~ 11.1%		9.1%	Average 13.9~20.0%		10.0%	
Global	Kazakhstan	Total products		Biscuit 128 SKU		Total products			
	Pakistan		Chocopie, Pasta, Ramen	Spout	Ramen	Pasta			
	Belgium					Total products			
	India (Confectionery)		Chocopie						
	India (Ice Cream)				Bar/Cone/Bulk 10 SKU	Bar/Cone/Bulk 40 SKU			
	Russia	Chocopie				Pie			
	Myanmar	124 SKU		93 SKU	74 SKU				
	China			Chocopie, Pepero, Dreamcacao	1 Biscuit product	Pie, Biscuit			
Rasing rate (%)		4.1 ~ 13.1%	7.1 ~ 33.3%	4.3 ~ 25.0%	4.3 ~ 15.5%	4.1 ~ 13.9%			

Note1. Detailed raising rate and timing are different by domestic business unit and overseas corporation

Q1'22 Financial Highlights (Parent) | Sales

Total Q1'21 **Sales of parent performance is KRW 352.2 billion**, decrease 19.4 billion from 371.6 billion a year earlier. (▲5.2% YoY)

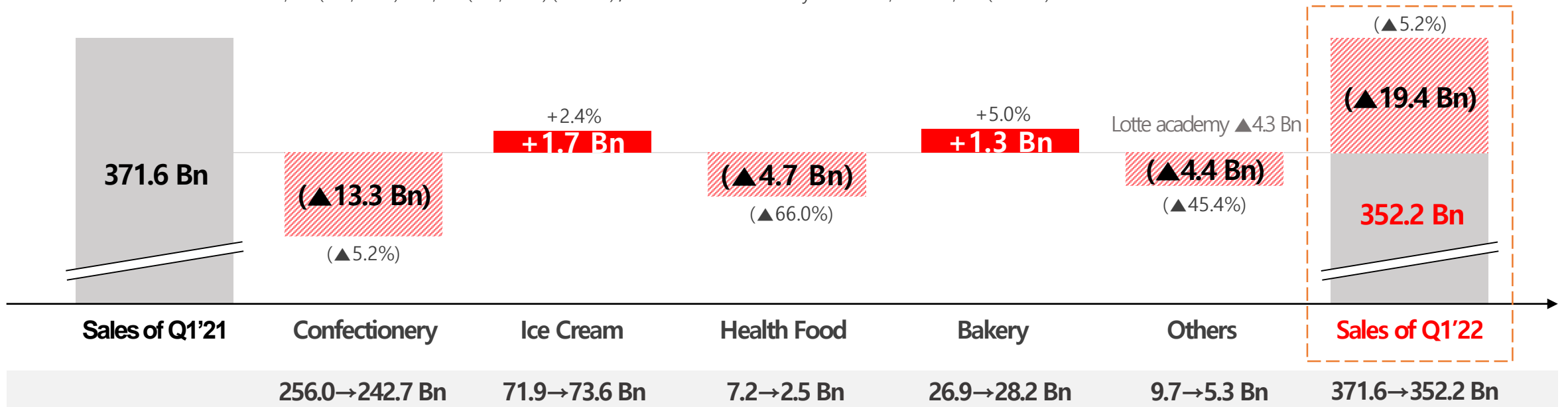
Confectionery Sales decreased due to **activities for improving profit structure** such as expanding fixed price products and cleaning up low-income clients.

Ice Cream Demand continues based on market dominance and product power. Especially, **sales in ice cream specialty store¹ increased.**

Bakery Sales increased due to **hamburger bun growth** in B2B channel (Lotteria, Momstouch).

Health Food Sales decreased in home shopping channel due to channel rebuilding activity for improving profit structure.

Note1. Total number of stores : 5,068 (Mar, 2021) → 6,914 (Mar, 2022) (+36.4%) / Number of stores directly contact : 1,992 → 2,653 (+33.2%)

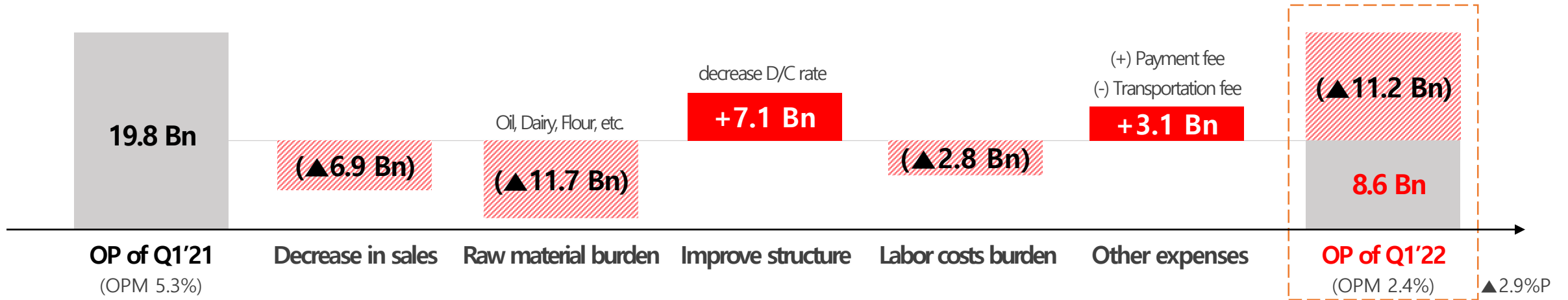


[Refer] Activities for improving profit structure

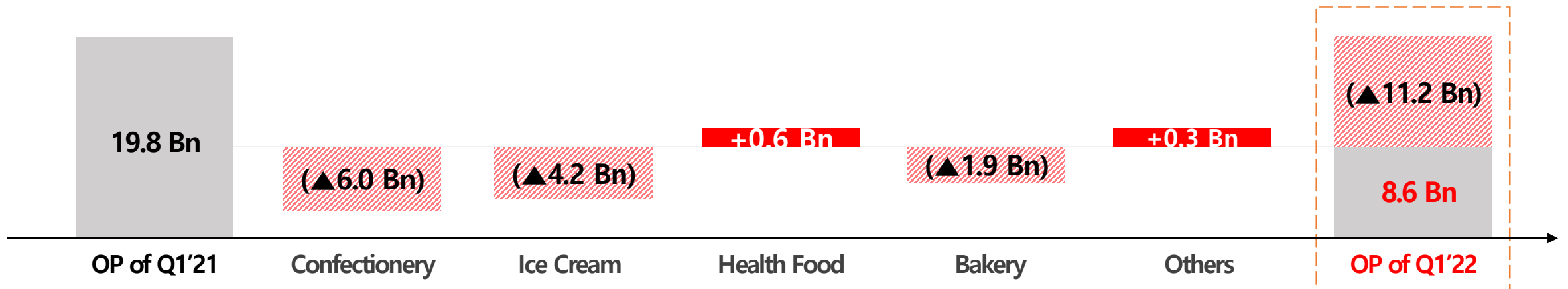
- ① Confectionery : Clean up low-income clients and special price discount sale (Annual goal : decrease D/C rate 3.9%P)
- ② Ice Cream : Expand fixed price products and reduce the number of discount products in CVS channel (Annual goal : decrease D/C rate 4.9%P)

Q1'22 Financial Highlights (Parent) | Operating Profit

Activity Q1'22 **Operating profit of parent performance is KRW 8.6 billion**, decrease 11.2 billion from 19.8 billion a year earlier. (▲56.8% YoY)



Department Profitability in our main business (confectionery / ice cream) became worsen.

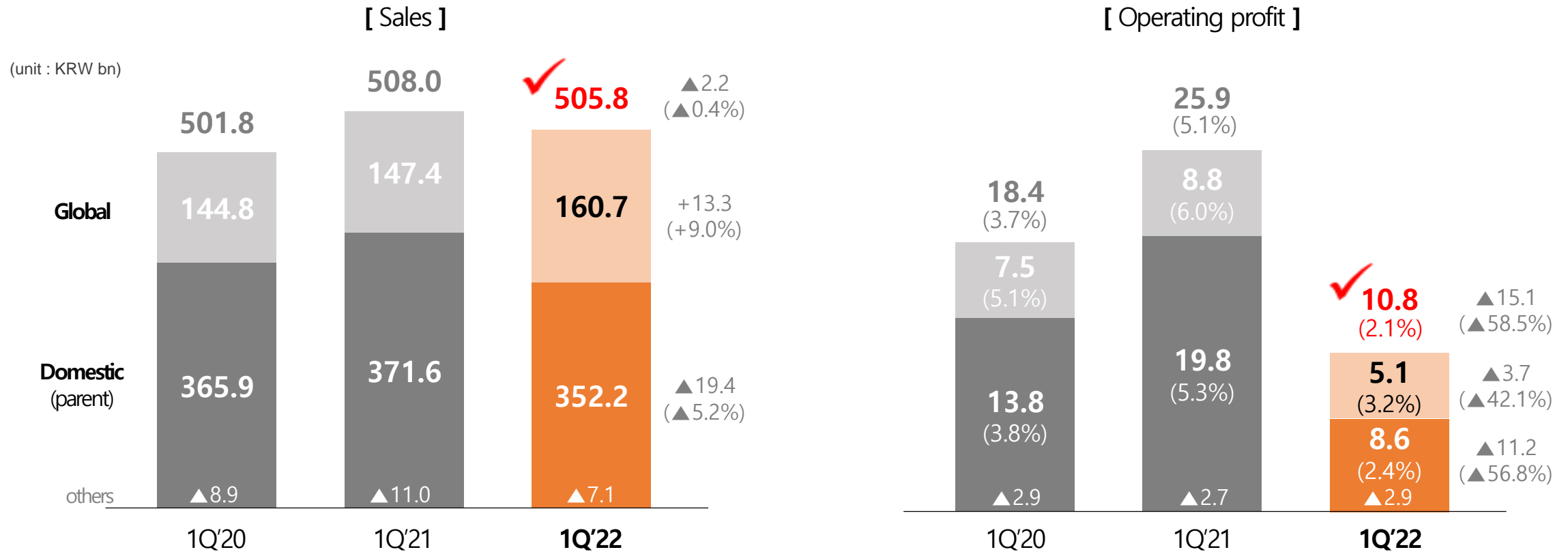


Q1'22 Financial Highlights (Consolidated)

Sales Q1'22 **Sales of consolidated performance is KRW 505.8 billion**, decrease 2.2 billion from a year earlier. (Total : ▲0.4%, Domestic : ▲5.2%, Global : +9.0%)

Operating Profit Q1'22 **Operating profit of consolidated performance is 10.8 billion**, decrease 15.1 billion from a year earlier. (▲58.5% YoY)

Net Profit Q1'22 **Net loss is KRW 4.0 billion** due to significantly decreased operating profit and loss of foreign exchange valuation in Russia.



Q1'22 Financial Highlights (Consolidated) | Non-operating Income & Expense

Recurring Profit Q1'22 **Recurring loss is KRW 4.1 billion**, decrease 24.8 billion from a year earlier due to decreased operating profit and loss related to foreign currency.

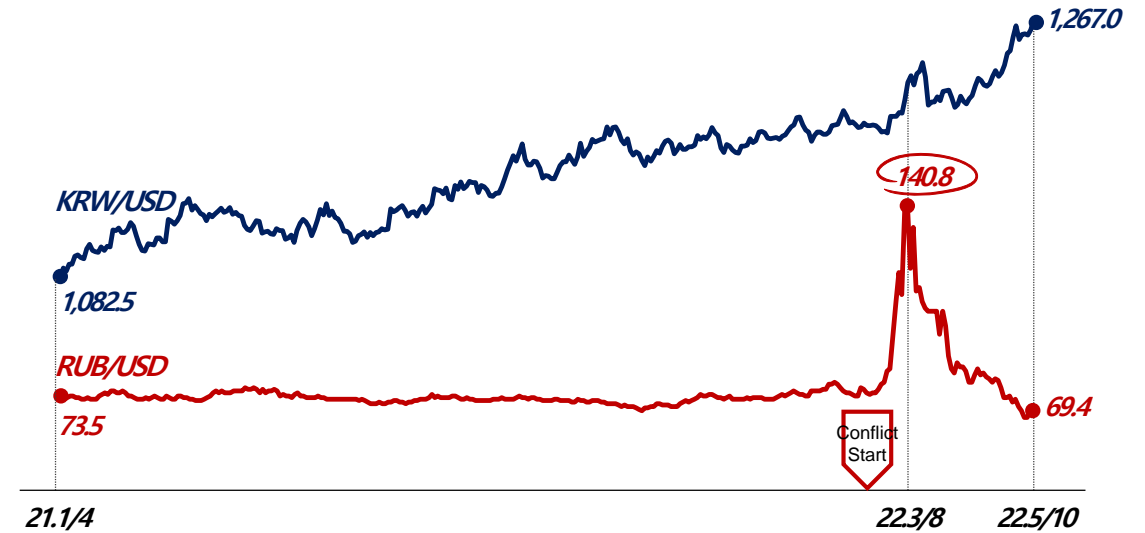
[Non-operating Income & Expense]

(unit : KRW bn)

	Q1'21	Q1'22	YoY
Operating Profit	259	108	▲151
Other Income	30	42	12
Other Expense	38	58	20
Financial Income	70	80	10
Financial Expense	114	212	98
FX-related Gains & Losses	▲47	▲127	▲80
Difference	▲52	▲148	▲96
Recurring Profit	207	▲41	▲248

- **Foreign exchange valuation decreased KRW 8.0 billion from a year earlier**
 - FX valuation loss was KRW 8.1 billion in Russia (Q1'21 : ▲1.2 Bn → Q1'22 ▲9.3 Bn)
 - FX valuation loss can be recovered when exchange rate is normalized

[Exchange rate]



- **Value of RUB has fallen after Russian-Ukraine conflict, but recently stabilized**
 - Rising to 140 rubles per 1 dollar, the highest record in 2 years (Mar, 8th)
 - Despite economic sanctions, ruble value has recently recovered
- ⇒ **Q1'22 Net loss is a temporary consequence of negative external factor**

Q1'22 Financial Highlights (Consolidated) | Global business

Sales Q1'22 **Sales of global business increased 13.3 billion from a year earlier** (+9.0% yoy) due to good performance in Kazakhstan and India.

Operating Profit Q1'22 **Operating Profit of global business decreased 3.7 billion from a year earlier** (▲42.1% yoy) due to raw material and marketing costs.

Outlook Uncertain geopolitical issues and supply chain risks persist, but **profitability will be recovered after the 2nd half of the year** due to price raising action.

	KRW (100 million)									Local Currency						
	Sales			Operating Profit			OPM (%)			Unit	Sales			Operating Profit		
	1Q'21	1Q'22	%	1Q'21	1Q'22	%	1Q'21	1Q'22	%P		1Q'21	1Q'22	%	1Q'21	1Q'22	%
Global	1,474	1,607	9.0	88	51	▲42.1	6.0	3.2	▲2.8P							
Kazakhstan	389	423	8.8	35	31	▲10.4	9.0	7.4	▲1.6P	KZT 100 mn	147	160	9.2	13	12	▲10.1
Pakistan	197	201	2.1	4	3	▲26.0	1.8	1.3	▲0.5P	PKR mn	2,804	2,959	5.5	51	39	▲23.5
Belgium	213	206	▲3.2	9	▲15	▲272.5	4.1	▲7.3	▲11.4P	EUR 100 thou	159	153	▲3.9	7	▲11	▲271.3
India(Conf)	168	210	25.3	8	7	▲14.5	4.6	3.2	▲1.4P	INR mn	1,097	1,310	19.5	51	41	▲18.5
India(Ice)	249	311	25.1	30	45	49.7	12.2	14.6	2.4P	INR mn	1,628	1,944	19.4	199	284	42.8
China	54	42	▲22.2	▲2	▲5	▲131.6	▲4.0	▲11.8	▲7.8P	CNY 100 thou	312	220	▲29.4	▲12	▲26	▲110.0
Russia	115	122	5.7	2	▲17	▲1,196.1	1.3	▲13.9	▲15.2P	RUB mn	771	867	12.5	10	▲120	▲1,266.3
Singapore	31	25	▲19.6	2	1	▲37.7	4.9	3.8	▲1.1P	SGD 100 thou	37	28	▲24.6	2	1	▲41.5
Myanmar	59	67	13.5	1.5	0.8	▲45.5	2.5	1.2	▲1.3P	MMK 100 mn	70	97	39.8	2	1	▲32.8

Domestic business | ① Re-opening / New-item

GUM Gum and candy consumption will be recovered due to endemic such as stop wearing mask and social distancing. (May, 2022~)

NEW ITEM We plan to **strengthen our ZERO brand** in respond to “**Health & Wellness**” market consumption trends that has increased after COVID-19.

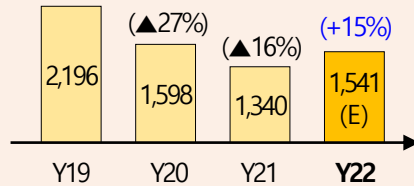
[GUM market]

• Consumption of gum and candy decreased due to Covid-19

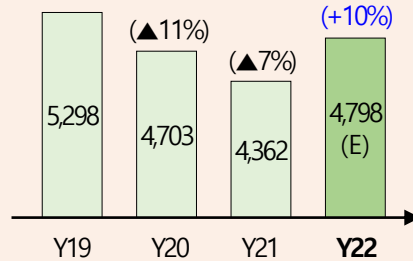
- Annual sales of our gum and candy expected to increase yoy in 2022

[Remark] Gum, Nielsen POS

(unit : KRW bn)



[Remark] Candy, Nielsen POS



• Re-inflow deviant consumers and make chewing gum daily using BTS



STEP1
(Y21)

- Launch model on-pack products, ISP
- TV-CF, Digital AD, SNS boom-up

STEP2
(Y22)

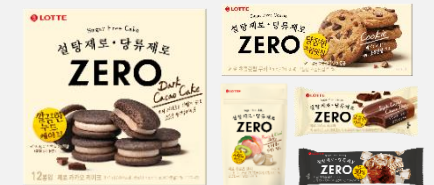
- Launch special products, ISP

[Plan of ZERO Brand]

• Direction of developing new business

Health & Wellness	ESG
Discover anti-aging functional materials, make products using them, establish product groups with reduced harmful substances, and develop natural wellness products (Post-biotics, etc)	Food upcycling, advancement of materials such as paper and bio PET, discovery of products using plant-based materials and business expansion (insect protein, substitute meat, cultured meat, plant-based, vegan, etc)

Brand	Concept
설탕제로·당류제로 ZERO	Maintain sweet without sugar No.1 Guilty free brand in domestic



- **Launch several products** (May, 2022~) : pie, biscuit, jelly, ice cream, etc.
- **Expand sugar-free products** : diversify line-up and formulation (chocolate, candy, etc)
- **Extend ZERO brand concepts using new materials** : rice planted-based, grain, etc.
- **Make guilty free mega brand in consideration of ESG** : label free, eco friendly printing

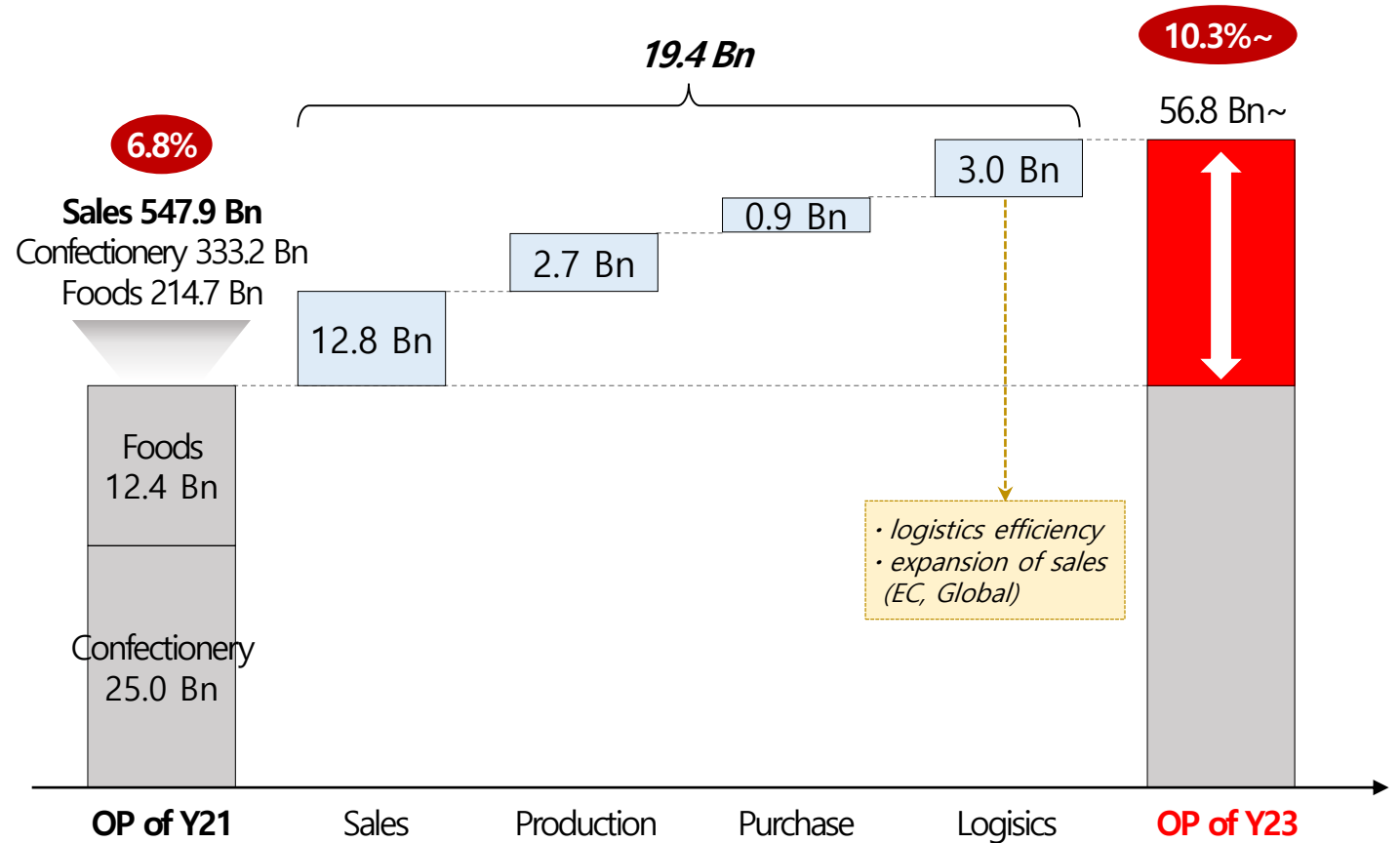
Domestic business I ② Expected Effect of Merger I

The first business part of the synergy after the merger is ice cream business which has many inefficient overlapping elements. We are seriously preparing for organizational efficiency, and the **profitability improvement will be visible from next year.**

[Synergy part]

[Cost Improvement Effect (P)]

- Sales**
 - Rationalize redundant sales organizations and offices
 - Consolidate offices in similar areas and relocate employee
 - Reduce promotional costs in distributor channel
- Production**
 - Short term : concentrate on high-efficiency line production ,insourcing, outsourcing integration
 - Mid-long term : consolidate ice cream factory in 2
 - Confectionery 3 (Yeongdeungpo/Daejeon/Yangsan), Foods 1 (Cheonan)
- Purchase**
 - Rationalize raw material prices, suppliers, and specifications
 - Purchase prices can be lowered by expanding duplicate items
 - Strengthen price negotiation ability by buying power
- Logistics**
 - Short term : Joint delivery, Adjustment of delivery zone
 - Current Maintenance Base of Logistics
 - Mid-long term : Design optimal network design through integration of base



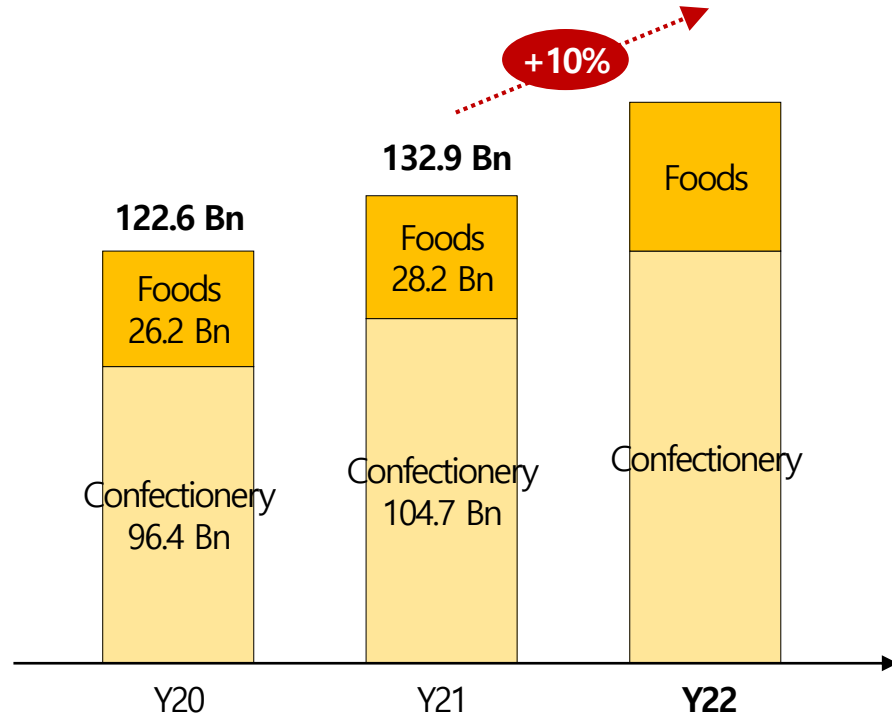
Domestic business I ③ Expected Effect of Merger II

Currently, we are preparing to integrate export organizations of both companies and plan to **expand exports of ice cream from the second half of the year**. Starting next year, we will **expand our export categories** and **generate new sales** by utilizing our trading lines.

[Export performance - Sales]

[Direction of Expanding export]

*Promote export activation after organizational integration
Export items and markets to be expanded in the future (Y23~)*



Global business | Expansionary trend

Kazakhstan We plan to expand the base of the market and secure new growth engines by launching new products in the first half of the year.

India In order to improve Lotte brand awareness in India, Worldcon was launched last year and is currently considering expanding its Choco Pie production line.

[Kazakhstan]

- **Securing sales growth engines through the launch of new Choco Bar**
- Choco Bar market has a high percentage of composition in the entire market


Y2021	Volume	Proportion	LOTTE
Choco candy	190.0 Bn	34.6%	○
Chocolate	132.5 Bn	24.1%	○
Choco Bar	122.2 Bn	22.2%	to advance
Other	104.7 Bn	19.1%	
Total	549.4 Bn	100.0%	

Note1. Euromonitor, Internal Data Reference

- **New Choco Bar Sales Plan**
- Launch scheduled in May 2022 (Schedule not confirmed)
- Incremental expansion based on cost competitiveness and brand power
- Sales : 2.2 Bn (Y2022) → 5.6 Bn (Y2023) → achieve 10.0 Bn (Y2024)

[India]

- **Worldcone (1st LOTTE Brand) launches in India (April 2021)**
- Sales : 0.5 Bn (Q1'22) → target 2.2 Bn (Y2022)

Image	SKU	Volume
	Vanilla Belgian Chocolate Choco Brownie	150ml

Ice cream

- **Preparation for the shortage of capa during peak season, construction of the second plant is under consideration (Y2023~)**

- **Planning to expand 3rd production line of Choco Pie**

- New line to be operated in June 2023 (Schedule not confirmed)
- Increase sales of pie categories based on improved utilization

		Y2021	Y2022	Y2023
Capa	2Line	80%	86%	99%
	3Line	80%	86%	72%
Sales		2.6 Bn	5.0 Bn	7.4 Bn

Confec-tionery

Y2022 Guidance

Sales We plan to maintain sales firmly by strategically responding to domestic re-opening and strengthening overseas corporate sales.

Operating Profit As global inflation continues, there will be margin pressure at domestic and foreign, but we plan to actively defend profitability by raising prices.



Note1. Y2022 Guidance is likely to change depending on the time of preparation and includes the company's subjective judgment


Conclusion

The aim of this document is to provide practical assistance to shareholders and potential investors. This document cannot serve as any evidence of legal responsibility for investors nor the outcome of the investment.

If you have any questions about this document, please contact us and we will explain in detail under compliance regulations.

Thank you !

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Parent Income Statement

(unit : KRW 100million, %, %P)

	Q1'21		Q2'21		Q3'21		Q4'21		Y21		Q1'22		YoY	
	KRW	%	KRW	%	KRW	%	KRW	%	KRW	%	KRW	%	KRW	%(%P)
1. Sales	3,716	100.0	3,832	100.0	4,202	100.0	3,713	100.0	15,464	100.0	3,522	100.0	▲194	▲5.2
Confectionery	2,560	68.9	2,276	59.4	2,413	57.4	2,621	70.6	9,870	63.8	2,427	68.9	▲133	▲5.2
Ice Cream	719	19.3	1,113	29.0	1,319	31.4	608	16.4	3,759	24.3	736	20.9	17	2.4
Health Food	72	1.9	58	1.5	53	1.3	50	1.3	233	1.5	25	0.7	▲47	▲66.0
Bakery	269	7.2	272	7.1	286	6.8	327	8.8	1,154	7.5	282	8.0	13	5.0
Others	97	2.6	114	3.0	130	3.1	107	2.9	448	2.9	53	1.5	▲44	▲45.4
2. C.O.G.S	2,358	63.4	2,441	63.7	2,605	62.0	2,350	63.3	9,753	63.1	2,308	65.5	▲50	2.1P
3. G.P	1,359	36.6	1,391	36.3	1,597	38.0	1,363	36.7	5,710	36.9	1,214	34.5	▲145	▲2.1P
4. SG & A	1,160	31.2	1,190	31.1	1,251	29.8	1,283	34.5	4,883	31.6	1,129	32.0	▲31	0.8P
Salaries	309	8.3	315	8.2	314	7.5	331	8.9	1,269	8.2	328	9.3	19	1.0P
Others	851	22.9	875	22.8	937	22.3	951	25.6	3,614	23.4	801	22.7	▲50	▲0.2P
(Advertising)	104	2.8	103	2.7	125	3.0	134	3.6	466	3.0	84	2.4	▲20	▲0.4P
(Depreciation)	60	1.6	61	1.6	61	1.5	53	1.4	236	1.5	56	1.6	▲4	0.0P
(Amortization)	1	0.0	1	0.0	1	0.0	1	0.0	5	0.0	1	0.0	0	0.0P
5. O.P	198	5.3	201	5.2	347	8.3	81	2.2	827	5.3	86	2.4	▲112	▲2.9P
6. Other Income	14	0.4	15	0.4	27	0.6	123	3.3	179	1.2	12	0.3	▲2	▲0.1P
7. Other Expense	20	0.5	24	0.6	45	1.1	489	13.2	578	3.7	29	0.8	9	0.3P
8. Finance Income	51	1.4	150	3.9	58	1.4	5	0.1	265	1.7	31	0.9	▲20	▲0.5P
9. Finance Expense	83	2.2	32	0.8	90	2.1	36	1.0	240	1.6	66	1.9	▲17	▲0.3P
10. R.P	161	4.3	310	8.1	297	7.1	▲316	▲8.5	452	2.9	34	1.0	▲127	▲3.3P
11. Income tax	34	0.9	44	1.2	70	1.7	0	0.0	149	1.0	4	0.1	▲30	▲0.8P
12. N.P	127	3.4	266	6.9	227	5.4	▲316	▲8.5	304	2.0	29	0.8	▲98	▲2.6P

Consolidated Income Statement

(unit : KRW 100million, %, %P)

	Q1'21		Q2'21		Q3'21		Q4'21		Y21		Q1'22		YoY	
	KRW	%	KRW	%	KRW	%	KRW	%	KRW	%	KRW	%	KRW	%(%P)
1. Sales	5,080	100.0	5,091	100.0	5,797	100.0	5,487	100.0	21,454	100.0	5,058	100.0	▲22	▲0.4
Parent	3,716	73.2	3,832	75.3	4,202	72.5	3,713	67.7	15,464	72.1	3,522	69.6	▲194	▲5.2
Global														
Kazakhstan	389	7.7	380	7.5	437	7.5	548	10.0	1,754	8.2	423	8.4	34	8.8
Pakistan	197	3.9	231	4.5	216	3.7	211	3.9	855	4.0	201	4.0	4	2.1
Belgium	213	4.2	146	2.9	255	4.4	378	6.9	993	4.6	206	4.1	▲7	▲3.2
India(Conf)	168	3.3	109	2.1	198	3.4	194	3.5	668	3.1	210	4.2	42	25.3
India(Ice)	249	4.9	240	4.7	287	4.9	218	4.0	994	4.6	311	6.2	62	25.1
China	54	1.1	59	1.2	54	0.9	63	1.2	230	1.1	42	0.8	▲12	▲22.2
Russia	115	2.3	108	2.1	143	2.5	159	2.9	525	2.4	122	2.4	7	5.7
Singapore	31	0.6	28	0.6	27	0.5	30	0.5	116	0.5	25	0.5	▲6	▲19.6
Myanmar	59	1.2	78	1.5	81	1.4	86	1.6	303	1.4	67	1.3	8	13.5
Sweet With	3	0.1	3	0.1	2	0.0	3	0.1	12	0.1	3	0.1	0	▲2.9
Adjustment	▲113	▲2.2	▲124	▲2.4	▲105	▲1.8	▲118	▲2.2	▲460	▲2.1	▲74	▲1.5	39	▲34.4
2. C.O.G.S	3,345	65.8	3,356	65.9	3,752	64.7	3,670	66.9	14,123	65.8	3,461	68.4	116	2.6P
3. G.P	1,735	34.2	1,734	34.1	2,045	35.3	1,817	33.1	7,331	34.2	1,597	31.6	▲138	▲2.6P
4. SG & A	1,476	29.1	1,486	29.2	1,596	27.5	1,689	30.8	6,246	29.1	1,489	29.4	13	0.3P
Salaries	391	7.7	396	7.8	395	6.8	423	7.7	1,605	7.5	424	8.4	33	0.7P
Others	1,085	21.4	1,090	21.4	1,201	20.7	1,266	23.1	4,641	21.6	1,066	21.1	▲19	▲0.3P
(Advertising)	126	2.5	124	2.4	156	2.7	195	3.6	601	2.8	110	2.2	▲16	▲0.3P
(Depreciation)	85	1.7	85	1.7	85	1.5	79	1.4	334	1.6	80	1.6	▲5	▲0.1P
(Amortization)	31	0.6	31	0.6	31	0.5	31	0.6	122	0.6	30	0.6	▲1	0.0P
5. O.P	259	5.1	248	4.9	449	7.7	128	2.3	1,085	5.1	108	2.1	▲151	▲3.0P
6. Other Income	30	0.6	26	0.5	69	1.2	31	0.6	156	0.7	42	0.8	12	0.2P
7. Other Expense	38	0.8	48	0.9	69	1.2	405	7.4	560	2.6	58	1.1	20	0.3P
8. Finance Income	70	1.4	32	0.6	66	1.1	19	0.4	188	0.9	80	1.6	10	0.2P
9. Finance Expense	114	2.2	42	0.8	109	1.9	62	1.1	326	1.5	212	4.2	98	2.0P
10. R.P	207	4.1	216	4.3	407	7.0	▲289	▲5.3	541	2.5	▲41	▲0.8	▲248	▲4.9P
11. Income tax	54	1.1	64	1.2	96	1.7	▲36	▲0.7	178	0.8	▲0	▲0.0	▲54	▲1.1P
12. N.P	153	3.0	153	3.0	310	5.4	▲253	▲4.6	363	1.7	▲40	▲0.8	▲193	▲3.8P

Consolidated Income Statement (KRW vs Local Currency)

(unit : KRW 100million, %, %P)

		Sales					Operating Profit					Operating Margin (%)			
		Q1'20	Q1'21	Q1'22	YoY		Q1'20	Q1'21	Q1'22	YoY		Q1'20	Q1'21	Q1'22	%P
					KRW	%				KRW	%				
Total Consolidated	KRW100mn	5,018	5,080	5,058	▲22	▲0.4	184	259	108	▲151	▲58.5	3.7	5.1	2.1	▲3.0P
Parent	KRW100mn	3,659	3,716	3,522	▲194	▲5.2	138	198	86	▲112	▲56.8	3.8	5.3	2.4	▲2.9P
Global	KRW100mn	1,448	1,474	1,607	133	9.0	75	88	51	▲37	▲42.1	5.1	6.0	3.2	▲2.8P
Kazakhstan	KRW100mn	448	389	423	34	8.8	59	35	31	▲4	▲10.4	13.3	9.0	7.4	▲1.6P
	KZT 100mn	147	147	160	13	9.2	19	13	12	▲1	▲10.1	13.3	9.0	7.4	▲1.6P
Pakistan	KRW100mn	200	197	201	4	2.1	▲4	4	3	▲1	▲26.0	▲1.9	1.8	1.3	▲0.5P
	PKR mn	2,614	2,804	2,959	155	5.5	▲50	51	39	▲12	▲23.5	▲1.9	1.8	1.3	▲0.5P
Belgium	KRW100mn	221	213	206	▲7	▲3.2	7	9	▲15	▲24	▲272.5	3.0	4.1	▲7.3	▲11.4P
	EUR 100thou	168	159	153	▲6	▲3.9	5	7	▲11	▲18	▲271.3	3.0	4.1	▲7.3	▲11.4P
India(Conf)	KRW100mn	144	168	210	42	25.3	▲4	8	7	▲1	▲14.5	▲2.4	4.6	3.2	▲1.4P
	INR mn	874	1,097	1,310	213	19.5	▲21	51	41	▲10	▲18.5	▲2.4	4.6	3.2	▲1.4P
India(Conf)	KRW100mn	166	249	311	62	25.1	▲8	30	45	15	49.7	▲5.1	12.2	14.6	2.4P
	INR mn	1,009	1,628	1,944	316	19.4	▲51	199	284	85	42.8	▲5.1	12.2	14.6	2.4P
China	KRW100mn	35	54	42	▲12	▲22.2	▲2	▲2	▲5	▲3	▲131.6	▲7.0	▲4.0	▲11.8	▲7.8P
	CNY 100thou	204	312	220	▲92	▲29.4	▲14	▲12	▲26	▲14	▲110.0	▲7.0	▲4.0	▲11.8	▲7.8P
Russia	KRW100mn	133	115	122	7	5.7	19	2	▲17	▲19	▲1,196.1	13.9	1.3	▲13.9	▲15.2P
	RUB mn	744	771	867	96	12.5	103	10	▲120	▲130	▲1,266.3	13.9	1.3	▲13.9	▲15.2P
Singapore	KRW100mn	26	31	25	▲6	▲19.6	1	2	1	▲1	▲37.7	4.6	4.9	3.8	▲1.1P
	SGD 100thou	30	37	28	▲9	▲24.6	1	2	1	▲1	▲41.5	4.6	4.9	3.8	▲1.1P
Myanmar	KRW100mn	73	59	67	8	13.5	7	1.5	0.8	▲0.7	▲45.5	9.6	2.5	1.2	▲1.3P
	MMK 100mn	95	70	97	27	39.8	9	2	1	▲1	▲32.8	9.6	2.5	1.2	▲1.3P
Sweet With Novel Food Adjustment	KRW100mn	3.2	3.0	2.9	▲0.1	▲2.9	▲0.3	▲0.3	▲0.5	▲0.2	▲47.8	▲8.1	▲10.3	▲15.7	▲5.4P
	KRW100mn	-	-	0	-	-	-	-	▲1	-	-	-	-	-	-
	KRW100mn	▲93	▲113	▲74	39	-	▲28	▲27	▲28	▲1	-	-	-	-	-

Summary of Balance Sheet/Financial indicators (Consolidated)

[Summary of B/S]

(unit : KRW 100 million)

	End of Y20	End of Y21	End of Mar,22
Total Assets	26,430	26,666	26,648
Current Assets	8,301	8,279	8,242
Quick Assets	5,990	5,808	5,764
Inventories	2,310	2,472	2,478
Non-Current Assets	18,130	18,387	18,405
Investments	1,432	1,648	1,812
Tangible Assets	13,054	13,316	13,223
Intangible Assets	3,467	3,169	3,102
Other Fixed Assets	177	254	269
Total Liabilities & Equity	26,430	26,666	26,648
Total Liabilities	13,631	13,397	13,607
Current Liabilities	5,081	6,856	5,315
Non-Current Liabilities	8,550	6,540	8,292
Total Equity	12,799	13,270	13,041
Current Capital	32	32	32
Capital Surplus	11,785	11,785	11,785
Other Capital Items	▲60	▲60	▲60
Other Accumulated Earnings	▲579	▲354	▲435
Retained Earnings	696	938	804
Minority Interest	925	929	915

[Financial indicators]

(unit : KRW 100 million, %, multiples)

	End of Y20	End of Y21	Note
EBITDA	2,361	2,267	· OP+Depreciation fee (include for intangible assets)
Total Debt	9,080	8,465	
Cashable assets	3,525	3,365	
Net Debt	5,555	5,100	· Total Debt - Cashable assets
FCF	1,188	647	
CAPEX	705	1,332	
Total Liabilities /Total Equity	106.5	101.0	· Ratio of Liabilities
Net Debt /Total Assets	21.0	19.1	· Dependence on Net Debt
Net Debt/EBITDA	2.4	2.2	
FCF/Total Debt	13.1	7.6	

Average exchange rate

(unit : KRW / Local Currency)

Nation	Currency	Jan ~ Dec			Jan ~ Mar				Note
		Y20	Y21	YoY(%)	Y20	Y21	Y22	YoY(%)	
Kazakhstan	KZT	2.86	2.68	▲6.3	3.05	2.65	2.64	▲0.4	
Pakistan	PKR	7.29	7.03	▲3.6	7.66	7.02	6.79	▲3.3	
Belgium	EUR	1345.99	1352.79	0.5	1316.58	1342.62	1352.44	0.7	
India	INR	15.92	15.48	▲2.8	16.47	15.28	16.02	4.8	
China	CNY	170.88	177.43	3.8	170.86	171.95	189.64	10.3	
Russia	RUB	16.41	15.53	▲5.4	17.93	14.96	14.06	▲6.0	
Singapore	SGD	855.11	851.47	▲0.4	861.19	836.13	891.11	6.6	
Myanmar	MMK	0.7987	0.78	▲2.3	0.7712	0.8426	0.6839	▲18.8	

Note1. Standard : Average exchange rate during the period (Jan 1st ~ Now)