

일 상 가 전
PLUX

가전관념을
바꿔라



Earnings Release, 1Q 2025

'The Place Where Home Appliances Become Easy'

LOTTE HIMART

Investor Relations | 2025.5.7

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The financial information in this document is prepared based on the preliminary operating performance of individual financial standards prepared in accordance with Korean International Financial Reporting Standards (K-IFRS).

As this material has been prepared for the convenience of investors while the external auditor has not completed the accounting audit, some of the contents may be changed during the audit process.

Summary

“First Revenue Increase in 3 Years and 7 Months”

Revenue

KRW 529.0 billion (+0.7%), with all channels showing growth trends (Total Revenue: Company +3.4%, OFF +2.4%, ON +9.1%)

Operating Profit

Operating Loss: 11.1 billion KRW (Previous Year: 16 billion KRW loss), improved by 5 billion KRW YoY (one-time cost of 3 billion KRW related to ordinary wages)

Excluding one-time costs: 8.1 billion KRW loss, improved by 7.9 billion KRW YoY

“Foundation for Growth Established Over the Past 2 Years → Focus on Customer Needs to Accelerate Growth”

'23~'24

Structural Improvement ⇒

1Q '25

Growth Turning

'25

Overcoming Economic Downturn and Focusing on Small Families

- ✔ Customer Touchpoint Expansion: Lifetime Care Service doubled annually
- ✔ Company-wide, expanded assortment and standardized product management capabilities by market characteristics
- ✔ Store Renewal: 82 stores by 2024 (including 6 new stores)

① Alleviating Lump-Sum Payment Burden – Launch of 'Broad Hi-Mart Subscription' (May 1)

② Cost-Effective, Everyday Electronics PB – Launch of 'PLUX' (April 21)

③ Appliances Suitable for Small Families Combined with Furniture and Interior

I . Detailed Performance for Q1 2025

- ① **Business Performance**
- ② **Detailed Revenue Status**
- ③ **Operating Profit Performance and Outlook**

1Q 2025 Business Performance

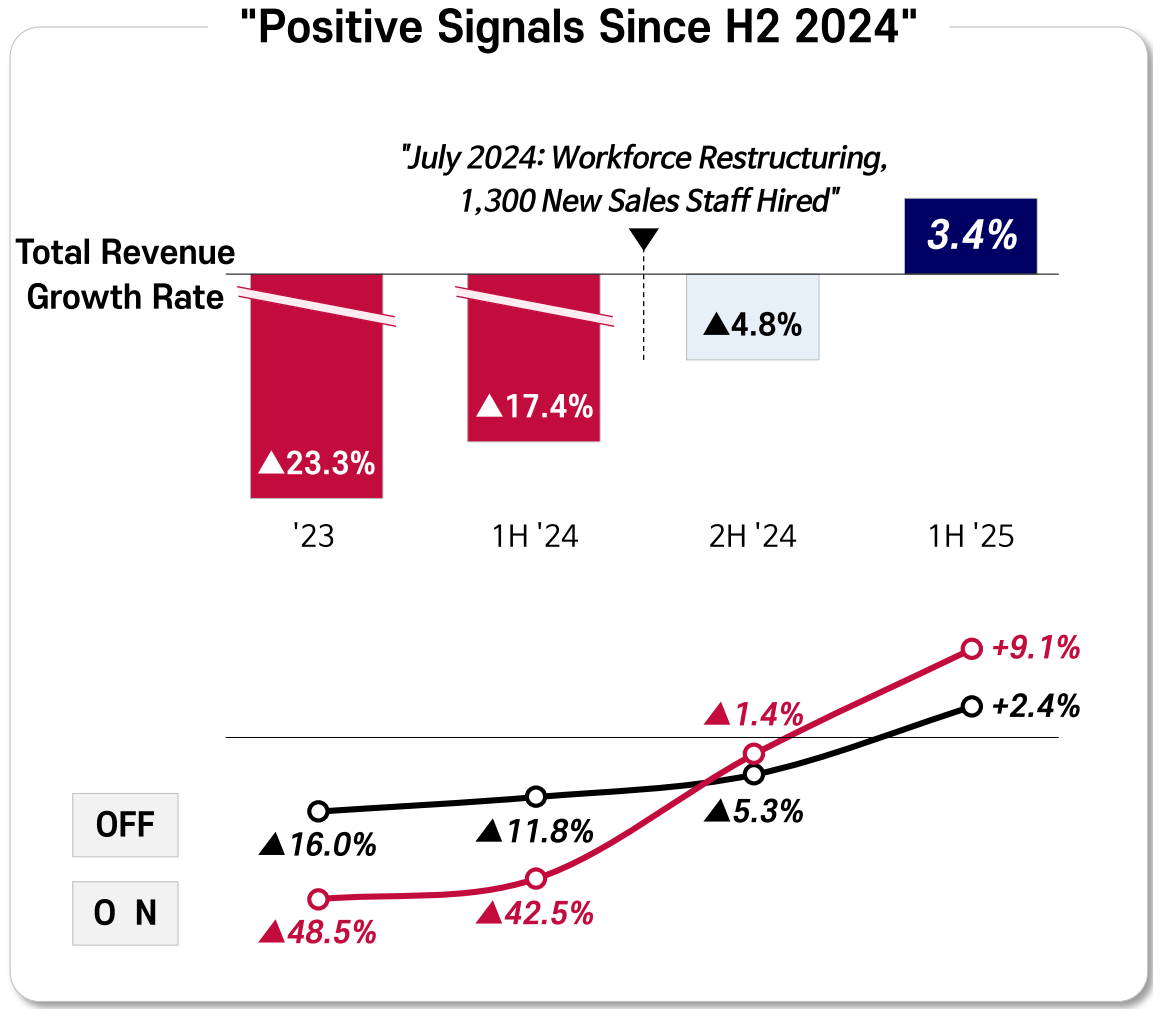
[Unit : KRW in 100 million]

Category	1Q '24		1Q '25		YoY		
		Ratio		Ratio	Change in Amount	Ratio	Change Ratio
Total Revenue	6,438	-	6,654	-	+217	<u>+3.4%</u>	-
Reported Revenue	5,251	100.0%	5,290	100.0%	+39	<u>+0.7%</u>	-
Gross Profit	1,323	25.2%	1,517	28.7%	+194	+14.7%	+3.5p
SG & A Expenses	1,483	28.2%	1,627	30.8%	+144	+9.7%	+2.6p
Operating Profit	▲160	▲3.1%	▲111	▲2.1%	+50	Improving Deficit	+1.0p
Excluding One-Time Factors	▲160	▲3.1%	▲81 ¹⁾	▲1.5%	+79	Improving Deficit	+1.5p
Profit Before Tax	▲215	▲4.1%	▲153	▲2.9%	+62	Improving Deficit	+1.2p
Net Profit	▲195	▲3.7%	▲138	▲2.6%	+57	Improving Deficit	+1.1p

※ The above business performance figures are prepared prior to the completion of the external auditor's review and are subject to change during the review process.

1) one-time cost of 3 billion KRW related to ordinary wages

Q1 2025: Sales Growth Across All Channels & Increased Customer Traffic!



Customer Purchases Up by +4.9%

<p>Target Age Group 30s~40s</p> <p>+6.6%</p>	<p>Returning Long-Term Customers (3-5 Years)</p> <p>+14.1%</p>
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Total Units Sold Up by +9.4%

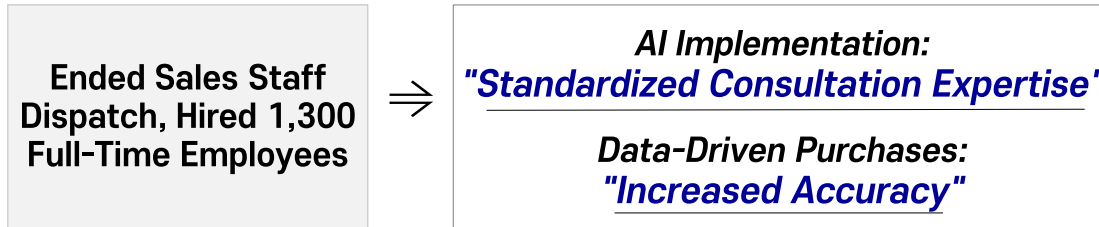
- Total SKUs Up by +632 (+23.6% YoY)
- Strengthened Mid-Range Daily Life Product Lineup

	Major Appliances	Home & Kitchen Appliances	IT · Mobile
Sales Growth Rate	+6.7%	+17.4%	+3.3%

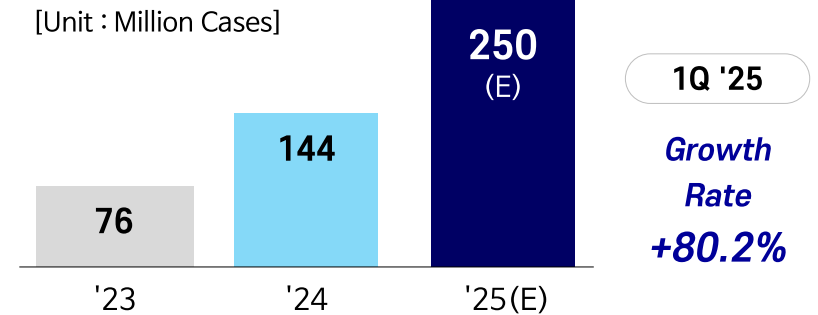
Results of Two Years of Structural Innovation → “ Foundation for Sustainable Growth ”

① Secured Strong Workforce Expertise

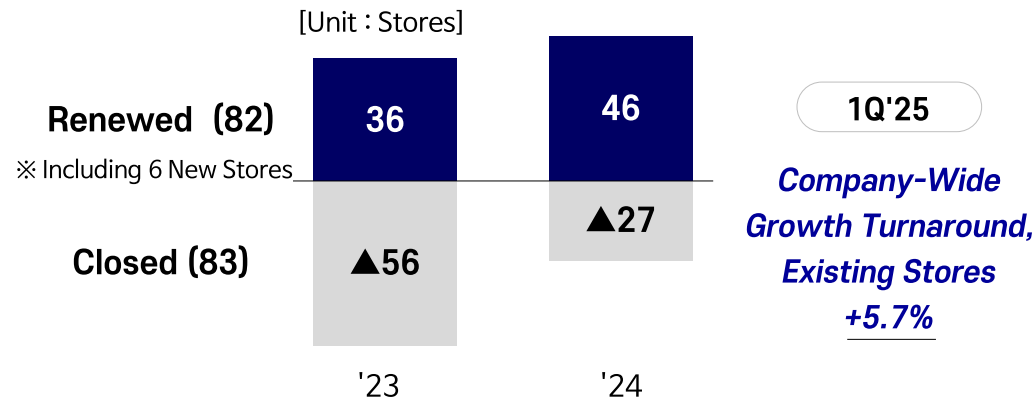
July 2024: Resolved Workforce Issues



② Reset HIMART Safety Care Service Reset → Significantly Expanded Customer Touchpoints



③ Simultaneous Scrap & Rebuild



④ E-Commerce Growth Activation

“ Q1 2025: OMNI Activation ”

Expanded Direct Purchase on Own Mall +40%
 Offered Non-Store Products Online +10%

“ 2H, Advanced Customer Communication ”

AI-Based Semantic Search
 Outbound CRM Solution Implementation

Q1 2025: Slight Operating Loss, But Exceeded Internal Targets & Expected to Meet Annual Guidance!

Q1 Performance Exceeded Internal Targets

[Excluding One-Time Revenues and Expenses] [Unit : KRW in 100 million]

Category	1Q '25	Remaining Period	'25(E)
Internal Target	▲133	Around 230	<i>Guidance 100</i>
Actual Performance	▲81	-	



Q1 Operating Profit Typically Lowest of the Year

※ Peak Sales for Low-Margin IT, Mobile, and PC

[Unit : KRW in 100 million]

Category	1Q '23	1Q '24	1Q '25
Operating Profit	▲192	▲160	▲81

"Addressing Root Causes of Q1 Operating Losses Annually"

1 Strengthened Negotiation Power through Increased Mobile & IT Sales

Developed Regional Mega POST Stores

- Optimal Consultation: Honest Plans, Easy Explanations
- Experience: Self Studio, Mobile Games, etc.
- Largest Selection of Mobile Products

Easy Online Sign-Ups!



Mobile Specialty Store 'Motopia'
First Location in Godeok

2 Accelerated Growth of High-Margin Strategic Items

Q1 2025 Growth Rate	PB	Service	Home & Kitchen
	+13%	+91%	+18%

II. Growth **Acceleration Focus** Following Q1 Performance

- Addressing Severe Recession, Consumer Spending Contraction, and Real Estate Market Downturn
- Focus on Generating Purchases from 'Small Family' with Limited Budget

1

Alleviating Lump-Sum
Payment Burden,

***Broad HIMART
Subscription***

(Starting in May)

2

Launch of Cost-Effective
Everyday Appliances

PB - PLUX

(Launching on April 21)

3

Suitable for Small Families

***Combination of
Appliances with
Furniture and
Interior***

1 Alleviating Lump-Sum Payment Burden, Broad HIMART Subscription

Expand 'Small Family' to Lifetime Care Ecosystem

Current Competitors



Increase Range of Top Brands

LG, Samsung, SK Magic, Cuckoo ...



Broaden Product Line

Focus on Major Appliances



Expand Price Options

Purchase Amounts: Over 1M KRW / 1.5M KRW



HIMART Strategy



Hair Stylers	Electric Rice Cookers	Tablets
Robot Vacuums	Handheld Vacuums	...

700K KRW and above
+ Over 1M KRW / 1.5M KRW

② Launch of Cost-Effective Everyday Appliances PB 'PLUX'

**Innovative Appliances
for 'Small Family'**



Optimized for 10-20 pyeong spaces

Space-efficient, low noise, high energy efficiency, 70-80% price range



Key Products

330L Refrigerator



High-efficiency Grade 1 Refrigerator, Ideal for Small Spaces and Stylish Interiors

Slim Station Vacuum



Ultra-light with essential functions

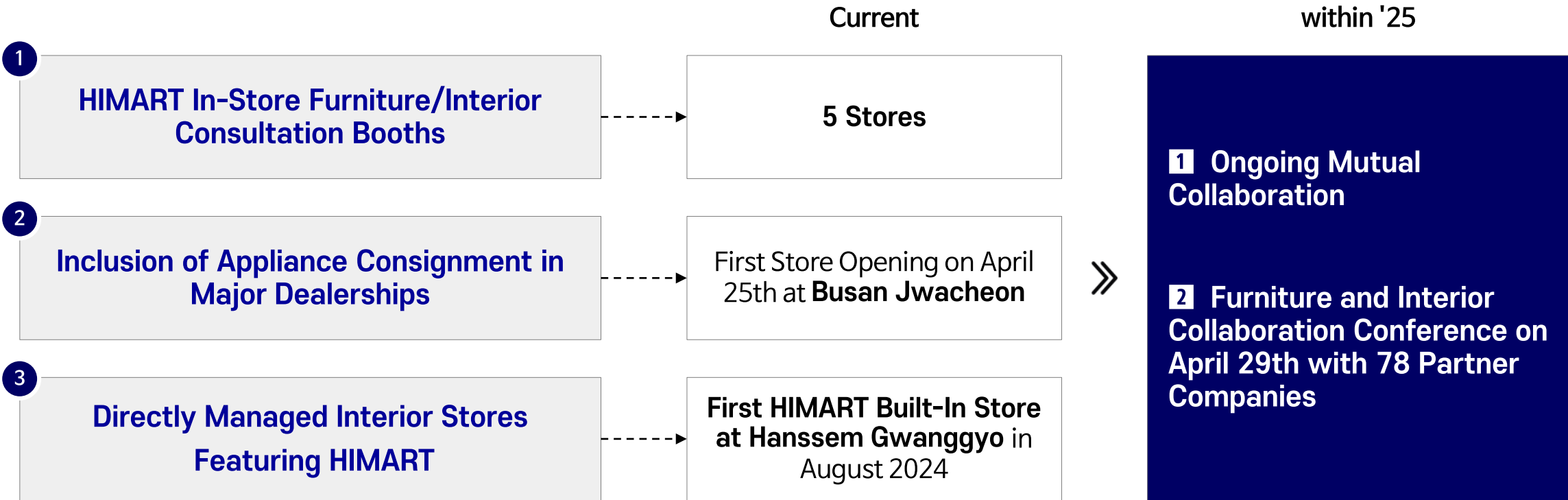
Smokeless Electric Grill



Easy to clean, no smoke concerns in small areas

③ Suitable for Small Families Combination of Appliances with Furniture and Interior

Domestic Appliances and Furniture/Interior Simultaneous Purchase: 1.4 Trillion KRW



Opening of First Consignment Store ‘ Busan Jwacheon Branch ’

Hanssem Individual Dealership
(Jwacheon Branch)

6F	LOTTE HIMART Built-in
5F	Remodeling, Kitchen & Bath
4F	Study, Children's Room, Living Room, Dining
3F	Bedroom, Mattress Testing, Living Room, Dining
2F	Bedroom, Living Room, Dining
1F	Parking Available



Owner of Jwacheon Branch -
First Consignment Store

“ Realized long-awaited goal of integrated furniture and appliance sales ”

“ HIMART provides comprehensive staff training and dispatches sales personnel for stable operation ”

“ Minimized financial burden with supported appliance display without inventory purchase ”

“Today's presentation outlines three strategies to overcome a hostile environment and accelerate sustainable growth”

1

Alleviating Lump-Sum
Payment Burden,

***Broad HIMART
Subscription***

2

Launch of Cost-Effective
Everyday Appliances

PB - PLUX

3

Suitable for Small Families

***Combination of
Appliances with Furniture
and Interior***

We aim to achieve a 10 billion operating profit this year and mark a significant business turnaround

롯데하이마트 비전·미션

가전 라이프 평생 케어, 롯데하이마트

라이프 스테이지에 꼭 맞는 가전 제품과 세심한 케어 서비스로
고객의 평생 가전 라이프를 안심하게 한다.

롯데하이마트 Brand Value

Selection

비교, 체험할 수 있는
다양한 구색

Curation

나에게 딱 맞는
최적의 큐레이션

Care Service

끝까지
책임져주는 관리

롯데하이마트 Brand Slogan

“가전이 쉬워지는 곳, 롯데하이마트”



[Appendix] Key Financial Indicators for 2025

[Unit : KRW in 100 million]

Category	1Q '24		1Q '25		YoY	
		Ratio		Ratio		Ratio
A s s e t s	23,882	100.0%	19,383	100.0%	▲4,499	▲18.8%
C a s h a n d D e p o s i t s	2,003	8.4%	845	4.4%	▲1,158	▲57.8%
G o o d w i l l	8,376	35.1%	5,729	29.6%	▲2,647	▲31.6%
L i a b i l i t i e s	11,692	49.0%	10,246	52.9%	▲1,446	▲12.4%
B o r r o w i n g s (Excluding Lease Liabilities)	6,400	26.8%	5,200	26.8%	▲1,200	▲18.8%
L e a s e L i a b i l i t i e s	1,990	8.3%	1,656	8.5%	▲334	▲16.8%
E q u i t y	12,190	51.0%	9,137	47.1%	▲3,053	▲25.0%
C a p i t a l S t o c k	1,180	4.9%	1,180	6.1%	-	-
A d d i t i o n a l P a i d - i n C a p i t a l	7,452	31.2%	4,452	23.0%	▲3,000	▲40.3%
R e t a i n e d E a r n i n g s	3,640	15.2%	3,590	18.5%	▲50	▲1.4%

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HIMART Godeok : Mobile-Focused Store

"From Start to Finish in Mobile": Introducing 'Motopia'

Optimized Consultations by Life Stage



Consultations for 'Kids', 'Students', 'Seniors'
(Plans and Devices)

Largest Mobile Product Selection



Enhanced Brands and Products
(3x Mobile Devices, 10x Accessories)

Various Experience Zones



Experience Zones for 'Self-Studio',
'Gaming', 'Music'

