

SHINSEGAE

Shinsegae Inc.
194, Shinbanpo-ro, Seocho-gu
Seoul, Korea
06545

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Dear Shareholders,

We are grateful for your interest in our company and we would like to invite you to the 69th AGM.

The AGM will be held on **March 24st, 2026** at the Korea Post tower Building located in Seoul. The matters to be voted at the Annual Shareholders' Meeting can be found in the attached Notice of Annual Shareholders' Meeting.

- The dividend per share this year is **5,200 KRW**.
- Candidate for Inside Board of Directors: **Jeong-Seob Woo**, has served as Head of Finance of Shinsegae Co., Ltd., Head of Support at Shinsegae Simon, and Head of the Finance Team and Finance Division of the Strategy Office at Shinsegae. He currently serves as Head of the Corporate Support Division of Shinsegae Co., Ltd. With extensive experience in finance and management across the retail business, he has strengthened the Company's financial stability and operational efficiency through strategic planning and risk management. He is recommended as a suitable candidate to contribute to the Board and the Company's sustainable growth.
- Candidate for Election of an Outside Director as a Member of the Audit Committee: **Nansulhun Choi**, has served as a legal advisor and review committee member for various institutions, including the Fair Trade Policy Advisory Committee of the Fair Trade Commission and the Legal Advisory Committee of the Financial Services Commission. Based on his extensive experience and expertise in the relevant legal fields, he is expected to provide objective, independent, and valuable advice and oversight as a member of the Audit Committee. Accordingly, he is recommended as a suitable candidate.
- The Limit of Directors' Remuneration remains the same as the previous year (**7Billion KRW**). The total remuneration of FY2025 amounted to 3.9Billion KRW.

If you have any further questions, please do not hesitate to contact us at any time. We believe it is important that your shares are represented at the Annual Shareholders' Meeting. The estimated deadline for voting is **March 23rd**, therefore, we urge you to exercise your votes.

Thank you again for the participation as our shareholder.

Sincerely,

Jeong-Seob, Woo
Executive Vice President of Financing

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NOTICE OF ANNUAL SHAREHOLDERS' MEETING

Date: Tuesday, March 24th, 2026

Time: 10:00 am

Place: 10F Korea Post tower Building Auditorium
70, Sogong-ro, Jung-gu, Seoul, Korea

Agenda: - **Matters to be reported** -

1. Auditor's Report
2. Business Report
3. Report on the Appointment of External Auditor
4. Report of Internal Accounting Control System
5. Report of Transaction with the Largest Shareholder & Affiliates

- **Matters to be voted** -

1. Approval of Financial Statements for the 69th Fiscal Year
-including Statements of Appropriation of Retained Earnings
& Consolidated Financial Statements
2. Approval of Amendments to the Articles of Incorporation
 - 2-1 : Deletion of Provision Excluding Cumulative Voting
 - 2-2 : Amendment in accordance with the amended Commercial Act
 - 2-3: Clarification of the Term of Office of Directors Elected to Fill a Vacancy
 - 2-4: Improvement of Interim Dividend Procedures
3. Election of Directors
 - Election of Inside Board of Director WOO JEONG-SEOB
4. Election of an Outside Director as a Member of the Audit Committee
 - Election of Audit Committee CHOI NANSULHUN
5. Limit of Directors' Remuneration

Details of Agenda

No. 1 : Approval of Non-Consolidated and Consolidated Financial Statements for the 69th Fiscal Year

1. Non-Consolidated Financial Statements

Statements of Financial Position

| (KRW in Billions) | 2025 | 2024 |
|----------------------------|--------------|--------------|
| Current Assets | 820 | 664 |
| Non-current assets | 8,559 | 8,171 |
| Total assets | 9,379 | 8,835 |
| Current Liabilities | 2,869 | 2,828 |
| Non-current liabilities | 2,207 | 1,940 |
| Total liabilities | 5,076 | 4,768 |
| Capital Stock | 49 | 49 |
| Retained earnings | 3,611 | 3,628 |
| Other components of equity | 478 | 264 |
| Total equity | 4,302 | 4,060 |

Statement of Income

| (KRW in Billions) | 2025 | 2024 |
|--|--------------|--------------|
| Sales | 2,003 | 1,990 |
| Cost of sales | 318 | 336 |
| Gross profit | 1,684 | 1,654 |
| Selling, general and administrative expenses | 1,445 | 1,411 |
| Operating profit | 239 | 243 |
| Profit before income tax | 100 | 126 |
| Income tax expense | 40 | 33 |
| Net Income | 60 | 92 |

Statement of Comprehensive Income

| (KRW in Billions) | 2025 | 2024 |
|---|------|------|
| Profit for the period | 60 | 92 |
| Other comprehensive income(loss) | 214 | 80 |
| Total comprehensive income for the period | 274 | 172 |

Statement of Appropriations of Retained Earnings

| (KRW in Millions) | <u>2025</u> | <u>2024</u> |
|---|----------------------|----------------------|
| <u>I. Retained earnings before appropriations:</u> | <u>24,508</u> | <u>94,627</u> |
| Unappropriated Retained earnings from the previous year | - | - |
| Net Income | 59,525 | 92,276 |
| Retained earnings of the remeasurement on the defined benefit pension | 347 | 23,513 |
| Cancellation of Treasury Shares | (35,364) | |
| II. Reversal of Voluntary Reserves (etc.) | 22,000 | |
| <u>Appropriations:</u> | <u>45,592</u> | <u>94,627</u> |
| Legal reserve of retained earnings | - | - |
| Reserve for business expansion | - | 55,173 |
| Other capital adjustment | - | - |
| Cash dividends Per Share : <u>5,200 KRW</u> | 45,592 | 39,454 |
| IV. Retained Earnings Carried Forward | 916 | |

Statement of Changes in Equity

| (KRW in Billions) | <u>Total</u> |
|--|---------------------|
| <u>Balance as of Jan 1st, 2024</u> | <u>4,038</u> |
| Total Comprehensive Income | 172 |
| Annual Dividends | (38) |
| Acquisition of treasury stock | (105) |
| Issuance of Perpetual Bond etc | (-) |
| <u>Balance as of Dec 31, 2024</u> | <u>4,067</u> |
| <u>Balance as of Jan 1, 2025</u> | <u>4,067</u> |
| Total Comprehensive Income | 273 |
| Annual Dividends | (39) |
| Acquisition of treasury stock | (-) |
| Issuance of Perpetual Bond etc | (-) |
| Cancellation of Treasury Shares | - |
| <u>Balance as of Dec 31, 2025</u> | <u>4,302</u> |

Statement of Cash Flows

| (KRW in Billions) | <u>2025</u> | <u>2024</u> |
|---|-------------|-------------|
| Cash flows from operating activities | | |
| Net cash generated from operating activities | 514 | 432 |
| Cash flows from investing activities | | |
| Net cash used in investing activities | (344) | (324) |
| Cash flows from financing activities | | |
| Net cash generated from financing activities | 9 | (63) |
| Net increase in cash and cash equivalents | 179 | 45 |
| Cash and cash equivalents(Beginning of the period) | 143 | 98 |
| Cash and cash equivalents(End of the period) | 323 | 143 |

2. Consolidated Financial Statements

Statements of Financial Position

| (KRW in Billions) | <u>2025</u> | <u>2024</u> |
|---------------------------------|----------------------|----------------------|
| Current Assets | 2,767 | 2,343 |
| Non-current assets | 13,073 | 12,729 |
| <u>Total assets</u> | <u>15,840</u> | <u>15,071</u> |
| Current Liabilities | 5,183 | 4,947 |
| Non-current liabilities | 4,084 | 3,750 |
| <u>Total liabilities</u> | <u>9,268</u> | <u>8,697</u> |
| Capital Stock | 49 | 49 |
| Retained earnings | 3,658 | 3,718 |
| Other components of equity | 482 | 267 |
| Non-Controlling Interest | 2,117 | 2,110 |
| <u>Total equity</u> | <u>6,572</u> | <u>6,375</u> |

Statement of Income

| (KRW in Billions) | <u>2025</u> | <u>2024</u> |
|--|---------------------|---------------------|
| <u>Sales</u> | <u>6,929</u> | <u>6,570</u> |
| Cost of sales | 2,736 | 2,518 |
| <u>Gross profit</u> | <u>4,193</u> | <u>4,053</u> |
| Selling, general and administrative expenses | 3,713 | 3,576 |
| <u>Operating profit</u> | <u>480</u> | <u>477</u> |
| Profit before income tax | 132 | 195 |
| Income tax expense | 68 | 8 |
| <u>Net Profit</u> | <u>64</u> | <u>187</u> |

Statement of Comprehensive Income

| (KRW in Billions) | <u>2025</u> | <u>2024</u> |
|---|-------------|-------------|
| Profit for the period | 64 | 187 |
| Other comprehensive income(loss) | 218 | 69 |
| Total comprehensive income for the period | 283 | 255 |
| Comprehensive income attribute to : | | |
| Owners of parents | 230 | 180 |
| Non-controlling interests | 53 | 76 |

Statement of Changes in Equity

| (KRW in Billions) | <u>Total</u> |
|--|---------------------|
| <u>Balance as of Jan 1st, 2024</u> | <u>6,340</u> |
| Total Comprehensive Income | 255 |
| Annual Dividends | (82) |
| Acquisition of treasury stock | (105) |
| Acquisition of subsidiary's shares | (29) |
| Paid-in capital reduction of subsidiaries | (7) |
| Paid-in Capital Increase of Subsidiary | 4 |
| Change in consolidation scope | (-) |
| Other Adjustment | (-) |
| <u>Balance as of Dec 31, 2024</u> | <u>6,375</u> |
| | |
| <u>Balance as of Jan 1, 2025</u> | <u>6,375</u> |
| Total Comprehensive Income | 282 |
| Annual Dividends | (86) |
| Cancellation of Treasury Shares | (-) |
| Changes in Defined Benefit Plans (Remeasurements) | (1) |
| Foreign Currency Translation Differences | (2) |
| Other Adjustment | 4 |
| <u>Balance as of Dec 31, 2025</u> | <u>6,572</u> |

Statement of Cash Flows

| (KRW in Billions) | <u>2025</u> | <u>2024</u> |
|---|-------------|--------------|
| Cash flows from operating activities | | |
| Net cash generated from operating activities | 993 | 776 |
| Cash flows from investing activities | | |
| Net cash used investing activities | (646) | (981) |
| Cash flows from financing activities | | |
| Net cash generated from financing activities | (84) | (17) |
| Net increase in cash and cash equivalents | 263 | (222) |
| Cash and cash equivalents(Beginning of the period) | 582 | 802 |
| Cash and cash equivalents(End of the period) | 845 | 582 |

No. 2 : Approval of Amendments to the Articles of Incorporation

2-1 : Deletion of Provisions Excluding the Cumulative Voting System

| Current Provision | Proposed Amendment | Purpose of Amendment |
|---|--|---|
| <p>Article 27 (Election of Directors) (3) In the event that two (2) or more directors are to be appointed at a shareholders' meeting convened for the purpose of appointing directors, each shareholder holding one (1) share shall not be entitled to exercise cumulative voting rights pursuant to Article 382-2 of the Commercial Act.</p> | <p>Article 27 (Election of Directors) (3) Deleted</p> | Deletion of the provision excluding cumulative voting |
| <p>Supplementary Provision (1) This Articles of Incorporation shall enter into force on March 21, 2024.</p> | <p>Supplementary Provision (1) This Articles of Incorporation shall enter into force on March 24, 2026. (2) The amended Article 27 shall apply from the first shareholders' meeting convened for the appointment of directors on or after September 10, 2026.</p> | Establishment of Supplementary provisions in consideration of the enforcement date of the amended Commercial Act (September 10, 2026) |

2-2 : Amendments Following the Revision of the Commercial Act

| Current Provision | Proposed Amendment | Purpose of Amendment |
|--|---|---|
| <p>Article 28 (Term of Office of Directors) The term of office of directors shall be three (3) years, and the term of office of <u>outside</u> directors shall be two (2) years. However, if such term expires prior to the ordinary general meeting of shareholders relating to the final fiscal year, it shall be extended until the conclusion of such meeting.</p> | <p>Article 28 (Term of Office of Directors) The term of office of directors shall be three (3) years, and the term of office of <u>independent</u> directors shall be two (2) years. However, if such term expires prior to the ordinary general meeting of shareholders relating to the final fiscal year, it shall be extended until the conclusion of such meeting.</p> | - Change of designation to Independent Director |
| <p>Article 36-2 (Committees within the Board of Directors) ① The Company shall establish the following committees within the Board: 1. Audit Committee 2. <u>Outside Director</u> Nomination Committee 3. Other committees deemed necessary by the Board.</p> | <p>Article 36-2 (Committees within the Board of Directors) ① The Company shall establish the following committees within the Board: 1. Audit Committee 2. <u>Independent Director</u> Nomination Committee 3. Other committees deemed necessary by the Board.</p> | - Change of designation to Independent Director |
| <p>Article 38-2 (Composition of the Audit Committee) ① The Company shall establish an Audit Committee in lieu of an auditor pursuant to Article 36-2. ② The Audit Committee shall consist of three (3) or more directors. ③ At least two-thirds (2/3) of the members shall be outside directors, and members who are not outside directors shall satisfy the requirements under applicable laws and regulations. ④ Audit Committee members shall be appointed from among directors elected at</p> | <p>Article 38-2 (Composition of the Audit Committee) ①-② (Unchanged) ③ At least two-thirds (2/3) of the members shall be independent directors, and members who are not <u>independent</u> directors shall satisfy the requirements under applicable laws and regulations. ④ Audit Committee members shall be appointed from among directors elected at</p> | - Change of designation to Independent Director |

| | | |
|--|---|---|
| <p>the general meeting of shareholders. In such case, one (1) member shall be elected separately at the general meeting of shareholders as directors who will serve as members of the Audit Committee</p> <p>⑤ The appointment of Audit Committee members shall require a majority of the voting rights of shareholders present and at least one-fourth (1/4) of the total issued shares.</p> <p>⑥ In the election and dismissal of members of the Audit Committee, a shareholder holding more than three percent (3%) of the total issued shares (excluding non-voting shares) shall not exercise voting rights with respect to the shares in excess of such limit. (In the case of the largest shareholder, <u>when electing or dismissing a member of the Audit Committee who is not an outside director, the shares owned by such shareholder's related parties and other persons prescribed by the Enforcement Decree of the Commercial Act shall be aggregated.</u>)</p> <p>⑦ The Audit Committee shall designate a representative by resolution, and the chairperson shall be an <u>outside</u> director.</p> | <p>the general meeting of shareholders. In such case, <u>Two (2) members</u> shall be elected separately at the general meeting of shareholders as directors who will serve as members of the Audit Committee.</p> <p>⑤ (Unchanged)</p> <p>⑥ In the election and dismissal of members of the Audit Committee, a shareholder holding more than three percent (3%) of the total issued shares (excluding non-voting shares) shall not exercise voting rights with respect to the shares in excess of such limit. (<u>In the case of the largest shareholder, the shares owned by such shareholder's related parties and other persons prescribed by the Enforcement Decree of the Commercial Act shall be aggregated.</u>)</p> <p>⑦ The Audit Committee shall designate a representative by resolution, and the chairperson shall be <u>independent</u> director.</p> | <p>- Increase in the number of Audit Committee members to be elected separately at the general meeting of shareholders (1 → 2)</p> <p>- Reflection of the 3% voting cap applicable to the largest shareholder in the election and dismissal of Audit Committee members</p> <p>- Change of designation to Independent Director</p> |
| <p>Article 38-5(Composition of the Outside Director Nomination Committee)</p> <p>① The Company shall establish an <u>Outside</u> Director Nomination Committee pursuant to Article 36-2.</p> <p>② The Committee shall consist of two (2) or more directors.</p> <p>③ A majority of the members shall be outside directors.</p> | <p>Article 38-5(Composition of the <u>Independent</u> Director Nomination Committee)</p> <p>① The Company shall establish an <u>Independent</u> Director Nomination Committee pursuant to Article 36-2.</p> <p>② The Committee shall consist of two (2) or more directors.</p> <p>③ A majority of the members shall be independent directors.</p> | |
| <p>Article 38-6 (Duties of the <u>Outside</u> Director Nomination Committee)</p> <p>The Committee shall recommend candidates for <u>outside</u> director to the general meeting of shareholders.</p> | <p>Article 38-6 (Duties of the <u>Independent</u> Director Nomination Committee)</p> <p>The Committee shall recommend candidates for <u>independent</u> director to the general meeting of shareholders.</p> | <p>- Change of designation to Independent Director</p> |
| <p>Article 19 (Place of Convocation)</p> <p>The general meeting of shareholders shall be held at the location of the head office, and may also be held at a place adjacent thereto if necessary.</p> <p>(<u>Newly Inserted</u>)</p> | <p>Article 19 (Place and Method of Convocation)</p> <p>① (Unchanged)</p> <p>② Pursuant to Article 542-14(1) of the <u>Commercial Act, the Company may hold a general meeting of shareholders in a manner that allows certain shareholders to participate in resolutions by electronic means from a remote location without being physically present at the place of convocation.</u></p> | <p>- Establishment of legal basis for the introduction of electronic shareholders' meetings</p> |
| <p>Article 23 (Exercise of Voting Rights by Proxy)</p> <p>① A shareholder may exercise voting rights by proxy; provided that the proxy must be a shareholder of the Company and shall submit a <u>written power of attorney prior to the meeting.</u></p> | <p>Article 23 (Exercise of Voting Rights by Proxy)</p> <p>① A shareholder may exercise voting rights by proxy; provided that the proxy must be a shareholder of the Company and shall submit a <u>written or electronic Document evidencing such authority prior to the meeting.</u></p> | <p>- Allow submission of Proxy authorization by Electronic document; deletion of wording limiting proof of authority to written form</p> |

| | | |
|--|--|---|
| <p>Article 40 (Preparation and Retention of Financial Statements and Business Report)</p> <p>① The Representative Director shall, six (6) weeks prior to the date of the ordinary general meeting of shareholders, prepare the following documents and their supplementary schedules and the business report, obtain audit by the Audit Committee, and submit such documents and the business report to the ordinary general meeting of shareholders:</p> <p>1. Balance Sheet 2. Income Statement 3. Other documents prescribed by the Enforcement Decree of the Commercial Act indicating the financial position and business performance of the Company.</p> <p>② If the Company is subject to preparation of consolidated financial statements under the Enforcement Decree of the Commercial Act, the consolidated financial statements shall be included in the documents set forth in Paragraph (1).</p> <p>③ The Audit Committee shall submit the audit report to the Representative Director <u>within four (4) weeks from the date of receipt of the documents set forth in Paragraph (1).</u></p> | <p>Article 40 (Preparation and Retention of Financial Statements and Business Report)</p> <p>①-② (Unchanged)</p> <p>③ The Audit Committee shall submit the audit report to the Representative Director no later than <u>one (1) week prior to the date of the ordinary general meeting of shareholders.</u></p> | <p>- Application of special submission deadline for audit reports applicable to listed companies</p> |
| <p><u>(Newly Inserted)</u></p> | <p>Supplementary Provisions (March 24, 2026)</p> <p>③ <u>The amended provisions of Articles 28, 36-2, 38-2(3) and (7), and 38-5 and 38-6 shall enter into force on July 23, 2026.</u></p> <p>④ <u>The amended provision of Article 38-2(6) shall enter into force on July 23, 2026.</u></p> <p>⑤ <u>The amended provisions of Articles 19 and 23 shall enter into force on January 1, 2027.</u></p> | <p>- Separate supplementary provisions reflecting the enforcement date of the amended Commercial Act (July 23, 2026)</p> <p>- Separate supplementary provisions reflecting the enforcement date of the amended Commercial Act (January 1, 2027)</p> |

2-3: Clarification of Directors' Term of Office Related to By-Elections

| Current Provision | Proposed Amendment | Purpose of Amendment |
|--|---|---|
| <p>Article 29 (Filling of Vacancy of Director)</p> <p>① In the event of a vacancy among directors, a director shall be elected at the general meeting of shareholders; provided, however, that if the number of directors does not fall below the number prescribed by applicable laws and regulations, this shall not apply.</p> <p>② <u>The term of office of a director elected to fill a vacancy shall be the remaining term of office of his or her predecessor.</u></p> | <p>Article 29 (Filling of Vacancy of Director)</p> <p>① (Unchanged)</p> <p>② (Deleted)</p> | <p>- Clarification of directors' term of office to enhance management responsibility and accountability to shareholders</p> |

2-4: Improvement of Quarterly Dividend Procedures

| Current Provision | Proposed Amendment | Purpose of Amendment |
|--|--|---|
| <p>Article 42 (Interim Dividends)</p> <p>① The Company may, pursuant to Article 165-12 of the Financial Investment Services and Capital Markets Act, distribute interim dividends in cash to shareholders as of March 31, June 30, and September 30 of <u>each fiscal year by resolution of the Board of Directors.</u></p> <p>② <u>The resolution of the Board of Directors under Paragraph (1) shall be made within forty-five (45) days from each record date.</u> term of office of his or her predecessor.</p> | <p>Article 42 (Interim Dividends)</p> <p>① The Company may, pursuant to Article 165-12 of the Financial Investment Services and Capital Markets Act, distribute interim dividends in cash to shareholders as of March 31, June 30, and September 30 of <u>each fiscal year by resolution of the Board of Directors within forty-five (45) days from each record date.</u></p> <p>② <u>In order to ensure dividend predictability, the Company may set a record date for fixing shareholders entitled to receive dividends; in such case, public notice of such record date shall be given at least two (2) weeks prior thereto.</u></p> | <p>- Clarification of directors' term of office to enhance management responsibility and accountability to shareholders</p> |

No. 3 : Appointment of an Inside Director

The following candidate is nominated for Inside Board of Director.

| | |
|--|---|
| Name: | Woo, Jeong-Seob |
| Date of Birth: | May 10 th , 1972 |
| Term: | 3 years |
| Professional Background: | <p>* 2025-Present Head of Corporate Support Division, Shinsegae Co., Ltd.</p> <p>* 2023-2025 Executive Vice President, Finance Management Division, Shinsegae Co., Ltd.</p> <p>* 2021-2023 Executive Vice President, Finance Division, Strategy Office, Shinsegae Co., Ltd.</p> <p>* 2017-2021 Head of Finance Team, Strategy Office, Shinsegae Co., Ltd.</p> |
| Academic Qualification: | Bachelor of Science in Animal Science, Seoul University |
| Nationality: | Republic of Korea |
| Relationship with the largest shareholder: | None |
| Transactions with the company: | None |

No. 4 : Appointment of an Outside Director to Serve as a Member of the Audit Committee

The following candidate is nominated for Audit Committee Member.

| | |
|--|--|
| Name: | Choi, Nansulhun |
| Date of Birth: | February 18 th , 1975 |
| Term: | 2 years |
| Professional Background: | * 2024-Present Non-Standing Director, Korea Consumer Agency |
| | * 2023-Present Member, Fair Trade Policy Advisory Committee, Fair Trade Commission |
| | * 2022-Present Current Legal Advisory Committee Member, Financial Services Commission |
| | * 2015-Present Professor, Yonsei University Law School |
| Academic Qualification: | Master degree in Law, Yonsei University |
| Nationality: | Republic of Korea |
| Relationship with the largest shareholder: | None |
| Transactions with the company: | None |

No. 5 : Approval of the Limit on Directors' Remuneration

| | <u>2026</u> | <u>2025</u> |
|-----------------------------|-------------|-------------|
| The total remuneration | - | 3.9 |
| Remuneration Limit (KRW bn) | 7 | 7 |
| Number of Directors | 7 | 7 |

Shinsegae Inc.

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