



Media release

## **DKSH partners with South Korea's number one confectionery brand Lotte**

**DKSH, the leading Market Expansion Services provider with a focus on Asia, has partnered with the South East Asian arm of Korean-Japanese conglomerate Lotte to sell and distribute the company's portfolio of confectionery products in Singapore.**

Singapore, August 14, 2018 – DKSH's Business Unit Consumer Goods, Asia's leading Market Expansion Services provider for fast-moving consumer goods of international and local brands, has partnered with Lotte to manage its market penetration and expansion efforts in Singapore.

Established in 2011, Lotte is headquartered in Singapore and is a wholly-owned subsidiary of LOTTE Confectionery Ltd, a consumer food and lifestyle conglomerate based in South Korea. Lotte's target markets are Singapore, Malaysia, Indonesia, Brunei and the Philippines. Its main business is the sale and export of Lotte's confectionery products, such as its well-known Pepero biscuit sticks available in six flavors, the Lotte Choco Pie as well as the Lotte Custard Cream Cake.

With this partnership, Lotte entrusts the full suite of marketing and distribution activities for its products in Singapore to DKSH. This includes sales management, key account and product management, credit control services, warehousing and stock management as well as order fulfillment. With DKSH's vast experience in the consumer goods industry and its unique capillary distribution network, Lotte can tap into comprehensive market expansion solutions that include diversified marketing strategies and advanced distribution methods to achieve its goal of penetrating the Singaporean market.

In recent years, Asia has become a prime target for market expansion, resulting in the growth in inner-Asian trade. DKSH, with its pan-Asian footprint, is well positioned to help not only Western brands to break into the Asian market, but also local Asian brands looking to expand their Asian footprint. Today, approximately 30 percent of DKSH's clients are of Asian origin.

This partnership with Lotte in Singapore is therefore another great example of this increasing inner-Asian trade and DKSH driving the expansion of a well-known Asian consumer goods brand in the region.

The outlook for Asia's confectionery market is also bright. According to Statista, revenues in the Asia confectionery segment amounts to USD 80.3 billion and are expected to grow annually by 5.7 per cent (CAGR 2018 to 2021). Singapore's confectionery segment is even expected to grow annually by 7.4 percent.

Mr. Kim Kyo Hee, Managing Director, Lotte said: "Lotte's philosophy has always been to enrich our customers' lives by providing them with superior products that they love and trust in. With DKSH, we are confident that we can fulfill this mission, by ensuring that our delicious products are easily accessible to everyone in Singapore. We do not just want to sell our products, we also want to establish greater connections with our consumers."

Bhima Liwlom, Vice President, FMCG, DKSH Singapore added: "It is our privilege to partner with one of South Korea's most prominent consumer goods companies in South Korea. Over the last 150 years, DKSH has conscientiously built up its reputation with a proven track record and success stories in South East Asia. We are convinced that we can help Lotte achieve its goal in Singapore."

### **About LOTTE**

Established in 1967 in Korea, LOTTE Confectionery has since grown to be No.1 in the industry, exporting to more than 70 countries and remained the market leader through continued development of new products, adoption of diversified marketing strategies and advanced distribution methods. It has also contributed to the sophistication and globalization of the nation's food industry with the development of

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technology related to foods of the future.

LOTTE Confectionery (S.E.A.) is a wholly-owned subsidiary of LOTTE Confectionery and is headquartered in Singapore. Since its establishment in 2011, LOTTE Confectionery (S.E.A.) has been embarking on an aggressive market expansion and penetration plan into Singapore and the S.E.A. markets to bring its world of sweets to this part of the world.

The core products in the five Southeast Asia regions, Singapore, Malaysia, Indonesia, Brunei and Philippines, are PEPERO, choco pies and custard cream cakes. The company also plan to bring in LOTTE Korea domestic products into the regions.

#### **About DKSH**

DKSH is the leading Market Expansion Services provider with a focus on Asia. As the term "Market Expansion Services" suggests, DKSH helps other companies and brands to grow their business in new or existing markets. Publicly listed on the SIX Swiss Exchange since 2012, DKSH is a global company headquartered in Zurich. With 825 business locations in 37 countries – 800 of them in Asia – and 31,970 specialized staff, DKSH generated net sales of CHF 11.0 billion in 2017. DKSH was founded in 1865. With strong Swiss heritage, the company has a long tradition of doing business in and with Asia and is deeply rooted in communities and businesses across Asia Pacific.

**DKSH Business Unit Consumer Goods** is Asia's leading Market Expansion Services provider with a focus on fast moving consumer goods, food services, luxury goods, fashion and lifestyle products as well as hair and skin cosmetics. The Business Unit's comprehensive Market Expansion Services extend from product feasibility studies and registration to importation, customs clearance, marketing and merchandising, sales, warehousing, capillary physical distribution, invoicing, cash collection and after-sales services. With 700 business locations in 22 countries and around 18,340 specialized staff, Business Unit Consumer Goods serves 310,000 retail outlets on a daily basis and generated net sales of CHF 3.6 billion in 2017.

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