



March 15, 2023

Company name: **Suntory Beverage & Food Limited**
Shares listed: Prime Market, Tokyo Stock Exchange
Securities code: 2587
Representative: Kazuhiro Saito, Representative Director, President
& Chief Executive Officer
Inquiries: Finance Department, Corporate Strategy Division
TEL: +81-3-5579-1837 (from overseas)

Notification Concerning Absorption-Type Merger of a Wholly Owned Subsidiary (Simplified Merger)

Suntory Beverage & Food Limited (SBF) hereby announces that a decision was made at its Board of Directors meeting held on March 15, 2023 to conduct an absorption-type merger (hereinafter the “Merger”) with Kyushu Sunvend Limited (hereinafter “Kyushu Sunvend”), which is a wholly owned subsidiary of SBF with an effective date of June 1, 2023 (planned). Details are set forth below.

Note that as this is a simplified absorption-type merger that involves a wholly owned subsidiary, some disclosure items and their content have been omitted.

1. Purpose of the Merger

The purpose is to transfer the real estate, etc. held by Kyushu Sunvend to SBF as part of the reorganization of the SBF Group’s equipment maintenance business.

2. Overview of the Merger

(1) Schedule of the Merger

The Merger shall be conducted without the approval of the merger agreement at the general meeting of shareholders of SBF as it falls under the category of simplified merger as per the provisions of Article 796, paragraph (2) of the Companies Act.

Date of Resolution by the Board of Directors (of SBF)	March 15, 2023 (the same day of this notice)
Date of Conclusion of Agreement	March 15, 2023 (the same day of this notice)
Date of Resolution by the General Meeting of Shareholders (of Kyushu Sunvend)	May 19, 2023 (planned)
Date of Merger (effective date)	June 1, 2023 (planned)

Prior to conducting the Merger, SBF will acquire all of the issued shares of SBF’s sub-subsidiary Kyushu Sunvend from SBF’s consolidated subsidiary Sunvend Limited through dividends in kind with an effective date of June 1, 2023 (planned), making Kyushu Sunvend a wholly owned subsidiary that is owned directly by SBF.

(2) Method of the Merger

The Merger shall be an absorption-type merger with SBF as the surviving company and Kyushu Sunvend as the disappearing company.

(3) Allotments Pertaining to the Merger

As Kyushu Sunvend is a wholly owned subsidiary of SBF, the Merger will not involve allotments or deliveries of shares or money, etc.

- (4) Handling of Share Acquisition Rights and Bonds with Share Acquisition Rights Associated with the Merger
No items to report.

3. Overview of the Companies Involved in the Merger

	Surviving Company	Disappearing Company
(1) Name	Suntory Beverage & Food Limited	Kyushu Sunvend Limited
(2) Location	1-1, Shibaura 3-chome, Minato-ku, Tokyo	27-1 Aza Hokashirage, Kuranouemachi, Tosu-shi, Saga
(3) Name and Title of Representative	Kazuhiro Saito, Representative Director, President & Chief Executive Officer	Tetsuo Hirata, Representative Director, President & Chief Executive Officer
(4) Businesses	Manufacture and sale of non-alcoholic beverages	Maintenance and storage of beverage-related equipment
(5) Share Capital	¥168,384 million	¥30 million
(6) Date of Establishment	January 23, 2009	August 19, 1997
(7) Number of Issued Shares	309,000,000 shares	600 shares
(8) Balance Sheet Date	December 31	December 31
(9) Major Shareholder and Holding Ratio	Suntory Holdings Limited: 59.48%	Sunvend Limited: 100%
(10) Financial Position and Operating Results for the Most Recent Fiscal Year	<u>Consolidated: IFRS</u> Total equity: ¥1,060,104 million Total assets: ¥1,783,349 million Equity attributable to owners of the Company per share: ¥3,123.69 Revenue: ¥1,450,397 million Operating income: ¥139,688 million Profit before tax: ¥139,291 million Profit for the year attributable to owners of the Company: ¥82,317 million Basic earnings per share: ¥266.40	<u>Non-consolidated: Japanese GAAP</u> Equity: ¥126,019 thousand Total assets: ¥186,732 thousand Equity per share: ¥210,031.08 Net sales: ¥260,968 thousand Operating income: ¥8,993 thousand Ordinary income: ¥10,316 thousand Net income: ¥9,453 thousand Net income per share: ¥15,755.47

4. Post-Merger Status

There is no change to the SBF's trade name, head office location, name and title of representative, businesses, share capital or balance sheet date as a result of the Merger.

5. Future Outlook

The Merger will have an immaterial impact on the SBF's consolidated financial results because it is a merger between SBF and its wholly owned subsidiary.