

**Summary of Consolidated Financial Results
for the Three Months Ended March 31, 2025
<IFRS> (UNAUDITED)**

Company name: **Suntory Beverage & Food Limited**
 Shares listed: Tokyo Stock Exchange
 Securities code: 2587
 URL: <https://www.suntory.co.jp/sbf/>
 Representative: Makiko Ono, President & Chief Executive Officer
 Inquiries: Naoto Okinaka, Chief Financial Officer
 TEL: +81-3-5579-1837 (from overseas)
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results presentation meeting (for institutional investors and analysts): Yes

(Millions of yen with fractional amounts discarded, unless otherwise noted)

**1. Consolidated financial results for the Three Months Ended March 31, 2025
(from January 1, 2025 to March 31, 2025)**

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Revenue		Operating income		Profit before tax for the period		Profit for the period	
Three months ended	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
March 31, 2025	365,782	(1.6)	27,302	(19.4)	26,732	(22.9)	20,373	(21.3)
March 31, 2024	371,657	10.2	33,876	28.5	34,651	30.7	25,879	33.3

	Profit for the period attributable to owners of the Company		Comprehensive income for the period		Basic earnings per share	Diluted earnings per share
Three months ended	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)	(Yen)
March 31, 2025	15,417	(23.9)	(12,606)	—	49.90	—
March 31, 2024	20,253	38.9	62,070	68.1	65.55	—

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets
As at	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)
March 31, 2025	1,974,766	1,282,437	1,177,646	59.6
December 31, 2024	2,058,032	1,315,278	1,209,587	58.8

(3) Consolidated cash flows

	Net cash inflow (outflow) from operating activities	Net cash inflow (outflow) from investing activities	Net cash inflow (outflow) from financing activities	Cash and cash equivalents at the end of the period
Three months ended	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
March 31, 2025	11,506	(17,825)	(24,425)	126,314
March 31, 2024	10,535	(20,918)	(11,389)	154,595

2. Dividends

	Annual cash dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended December 31, 2024	—	55.00	—	65.00	120.00
Fiscal year ending December 31, 2025	—				
Fiscal year ending December 31, 2025 (Forecast)		60.00	—	60.00	120.00

Note: Revisions to the forecast of dividends most recently announced: None

3. Consolidated earnings forecast for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes)											
	Revenue		Operating income		Profit before tax		Profit for the year		Profit for the year attributable to owners of the Company		Basic earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Fiscal year ending December 31, 2025	1,796,000	5.8	161,000	0.5	160,500	(0.3)	117,000	(0.5)	90,000	(3.7)	291.26

Note: Revisions to the earnings forecast most recently announced: None

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies and changes in accounting estimates
- | | | |
|----|--|------|
| a. | Changes in accounting policies required by IFRS: | None |
| b. | Changes in accounting policies due to other reasons: | None |
| c. | Changes in accounting estimates: | None |
- (3) Number of issued shares (ordinary shares)
- | | | |
|----|--|--------------------|
| a. | Total number of issued shares at the end of the period (including treasury shares) | |
| | As at March 31, 2025 | 309,000,000 shares |
| | As at December 31, 2024 | 309,000,000 shares |
| b. | Number of treasury shares at the end of the period | |
| | As at March 31, 2025 | 306 shares |
| | As at December 31, 2024 | 272 shares |
| c. | Average number of outstanding shares during the period (cumulative from the beginning of the year) | |
| | Three months ended March 31, 2025 | 308,999,722 shares |
| | Three months ended March 31, 2024 | 308,999,852 shares |

*** Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.**

*** Proper use of earnings forecast, and other special matters**

The earnings forecast contained in these materials are based on our judgment attributable to information available to the Company and the Group as of the date of announcement of these materials, and include certain risks and uncertainties. These statements are not intended as a promise by the Company to achieve such results. Actual business results may differ substantially due to various factors such as economic situation surrounding the Company and the Group, market trend, exchange rates and other factors.

Attached Materials

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1. Qualitative Information Regarding Settlement of Accounts for the First Three Months

(1) Operating results

Suntory Beverage & Food Limited Group (the Group) has set the achievement of high-quality growth as its target in order to realize sustainable business growth and enhancement of corporate value as a truly global beverage enterprise. Under the medium-term management plan covering the period from 2024, the Group has established the four important strategic themes of “Brand strategy”, “Business structural transformation”, “DEI (diversity, equity and inclusion)” and “Sustainability”, and is actively developing business in line with these themes.

In the first quarter of the year ending December 31, 2025, while the external environment remained challenging, the Group implemented aggressive marketing activities centered on core brands. However, revenue and profits decreased for the Group as a whole. Revenue in Japan and the Americas was largely unchanged from the same period last year, but decreased in other segments. Operating income decreased in all segments except Europe, due to higher raw material costs in Japan and increased marketing expenses in key countries.

For the operating results of the first three months of the year ending December 31, 2025, the Group reported consolidated revenue of ¥365.8 billion, down 1.6% year on year and down 2.4% on a currency neutral basis. Consolidated operating income was ¥27.3 billion, down 19.4% year on year and down 20.6% on a currency neutral basis. Net profit attributable to owners of the Company was ¥15.4 billion, down 23.9% year on year and down 24.9% on a currency neutral basis.

Results by segment are described below:

< Japan business >

The beverage market was below the same period last year (based on the Company’s own estimates) due to the continued impact of price revisions.

Our sales volume was lower than in the same period last year, despite the continued strengthening of focused activities for core brands, new product launches, and increased marketing activities, due to the same factors affecting the beverage market.

By brand, we continued to implement a variety of marketing activities for *Suntory Tennensui*. The impact of price revisions was particularly pronounced for large-size products, but *Tokusei Lemon Squash* in the 1L PET bottle, which was renewed last year, performed well. For *BOSS*, *Amakunai Italiano* of the *Craft BOSS* series remained strong. In addition, two products from the first series of *Craft BOSS Sekaino TEA* contributed to the growth of sales volume. For *Iyemon*, sales volume was down from the same period last year due to increased competition and the impact of price revisions, particularly for large-size products. However, the effects of the March renewals are beginning to be felt, especially in small-size products. Both *Iyemon Koi Aji* (food with functional claims) and *Tokucha* continued to perform well.

Revenue was largely unchanged from the same period last year as price revisions and product mix improvements offset lower sales volume. Segment profit decreased due to high raw material prices and increased marketing expenses despite strict cost management.

The Japan business reported revenue of ¥152.7 billion, down 0.4% year on year, and segment profit of ¥4.9 billion, down 37.5% year on year.

< Asia Pacific business >

In Asia Pacific, we continued to strengthen our marketing activities.

Revenue decreased due to lower sales volume in the beverage business in Vietnam and Thailand, despite strong performance in the health supplement business in Thailand and the beverage business in Oceania. Segment profit decreased in line with the decrease in revenue.

In the beverage business, Vietnam saw a strong performance in the water category with *Aquafina*, but sales volume of the main brand *PEPSI* and *TEA+* was lower than in the same period last year as a reaction to the previous quarter and due to the impact of deteriorating market conditions. In Thailand, sales volume was lower than in the same period last year due to a decline in the overall beverage

market caused by a reduction in the number of outings due to severe air pollution since the beginning of the year and lower than usual temperatures. In Oceania, the strong performance of the main brand V in the energy category increased sales volume, contributing to revenue growth.

In the health supplement business, *BRAND'S Essence of Chicken* maintained its recovery trend due to improved market conditions, sales volume of *BRAND'S Bird's Nest* continued to increase significantly year on year, resulting in revenue growth.

The Asia Pacific business reported revenue of ¥94.1 billion, down 5.6% year on year and down 7.4% on a currency neutral basis. Segment profit was ¥11.5 billion, down 15.7% year on year and down 18.1% on a currency neutral basis.

< Europe business >

In Europe, revenue was down due to declines in France and Spain, which more than offset a good performance in the UK. Segment profit was largely unchanged from the same period last year due to the timing of marketing expenses.

By key countries, revenue in France decreased due to the impact of a more challenging competitive environment and other factors. In the UK, revenue increased as sales volume of the core brand *Lucozade* increased year on year. In Spain, revenue decreased as sales volume was down year on year due to deteriorating market conditions.

The Europe business reported revenue of ¥77.8 billion, down 1.0% year on year and down 1.1% on a currency neutral basis. Segment profit was ¥11.8 billion, up 0.3% year on year and up 0.1% on a currency neutral basis.

< Americas business >

In the Americas, increased marketing activities in the core carbonated beverage category resulted in steady growth in sales volume.

Revenue was largely unchanged from the same period last year due in part to RGM activities, including price revisions. Segment profit decreased due to the impact of higher manufacturing costs, including raw materials.

The Americas business reported revenue of ¥41.2 billion, up 2.8% year on year and up 0.2% on a currency neutral basis. Segment profit was ¥4.0 billion, down 7.0% year on year and down 9.3% on a currency neutral basis.

(2) Financial position

Total assets as at March 31, 2025 stood at ¥1,974.8 billion, a decrease of ¥83.3 billion compared to December 31, 2024. The main factors were decreases in cash and cash equivalents and trade and other receivables.

Total liabilities stood at ¥692.3 billion, a decrease of ¥50.4 billion compared to December 31, 2024. This was due in part to a decrease in trade and other payables.

Total equity stood at ¥1,282.4 billion, a decrease of ¥32.8 billion compared to December 31, 2024, due in part to a decrease in other components of equity.

(3) Analysis of cash flows

Cash and cash equivalents as at March 31, 2025 amounted to ¥126.3 billion, a decrease of ¥34.2 billion compared to December 31, 2024.

Net cash inflow from operating activities was ¥11.5 billion, an increase of ¥1.0 billion compared to the same period of the previous year. This was mainly the result of an increase in inventories of ¥19.6 billion, a decrease in trade and other payables of ¥24.7 billion and income tax paid of ¥15.3 billion, despite profit before tax for the period of ¥26.7 billion, depreciation and amortization of ¥19.8 billion and a decrease in trade and other receivables of ¥33.5 billion.

Net cash outflow from investing activities was ¥17.8 billion, a decrease of ¥3.1 billion compared to the same period of the previous year. This was mainly the result of payments for property, plant and equipment and intangible assets of ¥19.1 billion.

Net cash outflow from financing activities was ¥24.4 billion, an increase of ¥13.0 billion compared to the same period of the previous year. This was mainly the result of dividends paid of ¥20.1 billion and payments of lease liabilities of ¥3.3 billion.

(4) Consolidated earnings forecast and other forward-looking statements

The consolidated earnings forecast for the fiscal year ending December 31, 2025, is unchanged from that announced on February 13, 2024. On the assumption that a high level of uncertainty persists, the Group will work steadily toward achieving its earnings forecast by focusing on what needs to be done, particularly in terms of continuing with initiatives such as concentrating its activities on core brands in all segments and implementing thorough cost management inclusive of SCM activities.

2. Condensed Quarterly Consolidated Financial Statements and Significant Notes Thereto (Unaudited)

(1) Condensed quarterly consolidated statement of financial position

	Millions of yen	
	As at December 31, 2024	As at March 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	160,493	126,314
Trade and other receivables	341,028	302,431
Other financial assets	4,558	2,965
Inventories	118,412	135,344
Other current assets	34,206	40,156
Subtotal	658,699	607,212
Assets held for sale	1,842	961
Total current assets	660,541	608,173
Non-current assets:		
Property, plant and equipment	481,950	470,235
Right-of-use assets	61,495	60,136
Goodwill	285,224	281,435
Intangible assets	530,886	514,569
Investments accounted for using the equity method	241	499
Other financial assets	14,534	14,365
Deferred tax assets	15,589	17,877
Other non-current assets	7,566	7,474
Total non-current assets	1,397,490	1,366,592
Total assets	2,058,032	1,974,766

Millions of yen

	As at December 31, 2024	As at March 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities:		
Bonds and borrowings	26,666	25,764
Trade and other payables	460,147	424,672
Other financial liabilities	26,995	24,093
Accrued income taxes	22,054	13,174
Provisions	1,578	1,502
Other current liabilities	6,733	8,498
Total current liabilities	544,176	497,705
Non-current liabilities:		
Bonds and borrowings	550	536
Other financial liabilities	55,484	54,945
Post-employment benefit liabilities	15,240	15,197
Provisions	7,361	7,168
Deferred tax liabilities	111,666	109,530
Other non-current liabilities	8,274	7,245
Total non-current liabilities	198,578	194,623
Total liabilities	742,754	692,329
Equity		
Share capital	168,384	168,384
Share premium	185,311	185,334
Retained earnings	716,919	712,253
Treasury shares	(1)	(1)
Other components of equity	138,973	111,676
Total equity attributable to owners of the Company	1,209,587	1,177,646
Non-controlling interests	105,690	104,790
Total equity	1,315,278	1,282,437
Total liabilities and equity	2,058,032	1,974,766

(2) Condensed quarterly consolidated statement of profit or loss

Millions of yen

	Three months ended March 31, 2024	Three months ended March 31, 2025
Revenue	371,657	365,782
Cost of sales	<u>(232,465)</u>	<u>(227,104)</u>
Gross profit	139,191	138,677
Selling, general and administrative expenses	(106,000)	(110,321)
Gain on investments accounted for using the equity method	416	272
Other income	1,660	1,084
Other expenses	<u>(1,391)</u>	<u>(2,410)</u>
Operating income	33,876	27,302
Finance income	1,780	842
Finance costs	<u>(1,005)</u>	<u>(1,412)</u>
Profit before tax for the period	34,651	26,732
Income tax expense	<u>(8,772)</u>	<u>(6,358)</u>
Profit for the period	<u>25,879</u>	<u>20,373</u>
Attributable to:		
Owners of the Company	20,253	15,417
Non-controlling interests	<u>5,625</u>	<u>4,955</u>
Profit for the period	<u>25,879</u>	<u>20,373</u>
Earnings per share (Yen)	65.55	49.90

(3) Condensed quarterly consolidated statement of comprehensive income

Millions of yen

	Three months ended March 31, 2024	Three months ended March 31, 2025
Profit for the period	25,879	20,373
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Changes in the fair value of financial assets	72	32
Remeasurement of defined benefit plans	(26)	11
Total	45	43
Items that may be reclassified to profit or loss:		
Translation adjustments of foreign operations	35,448	(32,169)
Changes in the fair value of cash flow hedges	626	(839)
Changes in comprehensive income of investments accounted for using the equity method	69	(14)
Total	36,145	(33,023)
Other comprehensive income for the period, net of tax	36,191	(32,979)
Comprehensive income for the period	62,070	(12,606)
Attributable to:		
Owners of the Company	52,774	(11,877)
Non-controlling interests	9,295	(728)
Comprehensive income for the period	62,070	(12,606)

(4) Condensed quarterly consolidated statement of changes in equity

Three months ended March 31, 2024

	Millions of yen							
	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Retained earnings	Treasury shares	Other components of equity	Total		
Balance at January 1, 2024	168,384	182,229	652,706	(0)	84,050	1,087,370	97,656	1,185,027
Profit for the period			20,253			20,253	5,625	25,879
Other comprehensive income					32,521	32,521	3,669	36,191
Total comprehensive income for the period	–	–	20,253	–	32,521	52,774	9,295	62,070
Dividends			(12,359)			(12,359)	(51)	(12,411)
Transactions with non-controlling interests						–	66	66
Reclassification to retained earnings			6		(6)	–		–
Total transactions with owners of the Company	–	–	(12,353)	–	(6)	(12,359)	15	(12,344)
Balance at March 31, 2024	<u>168,384</u>	<u>182,229</u>	<u>660,607</u>	<u>(0)</u>	<u>116,564</u>	<u>1,127,785</u>	<u>106,967</u>	<u>1,234,752</u>

Three months ended March 31, 2025

	Millions of yen							
	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Retained earnings	Treasury shares	Other components of equity	Total		
Balance at January 1, 2025	168,384	185,311	716,919	(1)	138,973	1,209,587	105,690	1,315,278
Profit for the period			15,417			15,417	4,955	20,373
Other comprehensive income					(27,295)	(27,295)	(5,684)	(32,979)
Total comprehensive income for the period	–	–	15,417	–	(27,295)	(11,877)	(728)	(12,606)
Purchase of treasury shares				(0)		(0)		(0)
Dividends			(20,084)			(20,084)	(144)	(20,229)
Transactions with non-controlling interests		22				22	(27)	(4)
Reclassification to retained earnings			0		(0)	–		–
Total transactions with owners of the Company	–	22	(20,084)	(0)	(0)	(20,062)	(171)	(20,234)
Balance at March 31, 2025	<u>168,384</u>	<u>185,334</u>	<u>712,253</u>	<u>(1)</u>	<u>111,676</u>	<u>1,177,646</u>	<u>104,790</u>	<u>1,282,437</u>

(5) Condensed quarterly consolidated statement of cash flows

	Millions of yen	
	Three months ended March 31, 2024	Three months ended March 31, 2025
Cash flows from operating activities		
Profit before tax for the period	34,651	26,732
Depreciation and amortization	18,373	19,810
Impairment losses (reversal of impairment losses)	32	48
Interest and dividends income	(980)	(812)
Interest expense	979	1,019
Loss (gain) on investments accounted for using the equity method	(416)	(272)
Decrease (increase) in inventories	(7,750)	(19,604)
Decrease (increase) in trade and other receivables	1,037	33,531
Increase (decrease) in trade and other payables	(17,962)	(24,660)
Other	(4,962)	(9,519)
Subtotal	23,001	26,273
Interest and dividends received	833	1,058
Interest paid	(437)	(501)
Income tax paid	(12,862)	(15,324)
Net cash inflow (outflow) from operating activities	10,535	11,506
Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(23,291)	(19,059)
Proceeds on sale of property, plant and equipment and intangible assets	1,323	1,191
Proceeds from sale of subsidiaries	991	—
Other	57	42
Net cash inflow (outflow) from investing activities	(20,918)	(17,825)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	4,206	(882)
Repayments of long-term borrowings	(35)	(20)
Payments of lease liabilities	(3,149)	(3,287)
Dividends paid to owners of the Company	(12,359)	(20,084)
Dividends paid to non-controlling interests	(51)	(144)
Other	—	(5)
Net cash inflow (outflow) from financing activities	(11,389)	(24,425)
Net increase (decrease) in cash and cash equivalents	(21,771)	(30,744)
Cash and cash equivalents at the beginning of the period (Statement of financial position)	171,755	160,493
Reclassification of cash and cash equivalents included in assets held for sale	1,301	—
Cash and cash equivalents at the beginning of the period	173,057	160,493
Effects of exchange rate changes on cash and cash equivalents	3,310	(3,434)
Cash and cash equivalents at the end of the period	154,595	126,314

(6) Notes to condensed quarterly consolidated financial statements**(Going concern)**

The condensed quarterly consolidated financial statements are prepared on going concern basis.

(Segment information)

The reportable segments are components of the Group for which separate financial information is available and regularly reviewed by management to make decisions about the allocation of resources and to assess segment performance.

The Group manufactures and distributes soft drinks and foods, including mineral water, coffee drinks, tea drinks, carbonated drinks, sports drinks and food for specified health uses. The Company, together with its manufacturing and sales subsidiaries, operates in the domestic market, and its regional subsidiaries operate in overseas markets. Therefore, the Group comprises of four reportable segments: "Japan business", "Asia Pacific business", "Europe business", and "Americas business". The intersegment transactions are considered on an arm's length basis.

Profit or loss for each reportable segment of the Group is as follows:

Three months ended March 31, 2024

Millions of yen

	Reportable segments				Segment total	Reconciliations	Consolidated
	Japan	Asia Pacific	Europe	Americas			
Revenue:							
External customers	153,302	99,678	78,593	40,083	371,657	–	371,657
Intersegment	26	–	362	–	388	(388)	–
Total revenue	153,328	99,678	78,955	40,083	372,045	(388)	371,657
Segment profit	7,758	13,582	11,762	4,258	37,361	(3,485)	33,876

Three months ended March 31, 2025

Millions of yen

	Reportable segments				Segment total	Reconciliations	Consolidated
	Japan	Asia Pacific	Europe	Americas			
Revenue:							
External customers	152,650	94,094	77,843	41,193	365,782	–	365,782
Intersegment	21	–	128	–	150	(150)	–
Total revenue	152,672	94,094	77,972	41,193	365,932	(150)	365,782
Segment profit	4,852	11,455	11,800	3,960	32,069	(4,767)	27,302

"Reconciliations" to segment profit represents overhead costs incurred by the Company to manage the Group's operations and is not allocated to each reportable segment. Segment profit agrees with operating income presented in the condensed quarterly consolidated statement of profit or loss.