

**[Key Q&A] Conference Call on Financial Results
for the Second Quarter of 2025**

Date and time: Thursday, August 7, 2025, at 5:00 p.m.

Speaker: Makiko Ono, President & Chief Executive Officer
Hachiro Naiki, Senior Managing Executive Officer, SBF Japan CEO
Naoto Okinaka, Chief Financial Officer

[Company level]

Q. What is the full-year outlook for segment profit on an organic basis?

A. We are making progress in various activities in each segment to achieve the initial forecast. The Northern Hemisphere, home to our main markets, is entering its peak season. Depending on the weather conditions, there is potential for additional demand, as the initial forecast did not factor in the effects of extreme heat. In Japan, we expect profits to be boosted by price revisions in October, which were not included in the initial forecast. The UK is performing particularly well in Europe. In APAC, the market environment in Vietnam and Thailand is still uncertain. However, we plan to implement additional marketing initiatives and introduce new products. The Americas have the potential to improve through increased supply chain efficiency.

Q. How do you view the medium-term management plan?

A. We acknowledge that our targets under the medium-term management plan are ambitious, and that the business environment has become more challenging since the plan was formulated. Nevertheless, we remain committed to our policy of responding to environmental changes and exploring opportunities to improve the profitability of our existing businesses, invest in the growth of our brands, people, and business infrastructure, and pursue M&A. We will strive to achieve sales and profit growth by creating new value across categories and expanding our portfolio, particularly overseas.

Q. Have the recent market changes in Thailand and Vietnam affected your M&A strategy? Have your appetite or criteria for growth through M&A changed?

A. The current situation has no impact on our M&A strategy, and our approach and appetite remain unchanged. We will continue to refine our strategy and move forward with even greater determination.

Q. Are there ongoing discussions within the company regarding ROE targets?

A. Discussions within management are progressing more than ever before. While maximizing growth in R remains our top priority, we recognize that there are various options available for E and are currently exploring them.

Q. Non-recurring items for the first half appear to be small relative to the full-year guidance.

A. We are on track, and the full-year guidance remains unchanged.

[Japan]

Q. What is the likelihood of achieving the full-year guidance for Japan, and what risks and countermeasures are in place for the second half of the year?

A. Progress in the first half was as planned. For the second half, we anticipate both upside and downside. Although rising coffee bean prices and logistics costs pose risks, we plan to meet the full-year guidance by revising prices and launching new products.

Q. Do you feel confident about steadily implementing price revisions in Japan starting in October 2025?

A. We will continue our efforts steadily. For your reference, our initial forecast for the year does not include the effects of the price revisions from October 2025.

Q. Why does the impact of Japan's activities and mix appear smaller in the second quarter than in the first quarter?

A. Profit improved in the second quarter due to price revisions implemented last October and mix improvements, but was also affected by "Jihanpi" campaign expenses. Please note that the effects of price revisions were greater in the second quarter than in the first quarter.

Q. Are there any impairment risks associated with the vending machine business?

A. The vending machine business is not operating at a loss, and the current risk of impairment is low. We believe that our sales per vending machine and efficiency are the best in the industry. We distinguish ourselves from our peers by offering unique cashless payment options and services for corporate customers.

Q. What is the current domestic pricing situation, and how are you addressing commoditization?

A. The competitive environment is becoming increasingly challenging, but we will continue to refine our brands and communicate their value to customers. We will differentiate ourselves through package variations and new product development. Our strong brands in each category will be leveraged to create new value that transcends categories.

[Overseas]

Q. How is the competitive environment in Vietnam changing, and how are you responding?

A. Due to the entry of local brands and changes in channel structures, we feel that the competitive dynamics of the market are changing. To stay ahead of the curve, we anticipate these changes and work not only on product development, but also on improving organizations and fine-tuning KPIs related to sales activities.

Q. What is the profit outlook and medium-term growth potential of the RTD alcoholic beverage business in Australia?

A. Our revenue target for 2025 is 20 billion yen (excluding alcohol tax). Although we do not manufacture or sell our own brands, we expect to steadily achieve a certain level of profit margin.

Q. Could you give some specific examples of marketing initiatives in the UK? What is your outlook for the second half of the year?

A. The energy category market is performing well, and promotional activities featuring athletes have been successful. The new TV commercial launched in July has also been well-received. The trend is very positive, and we have high expectations for the second half of the year.