

Financial Results for Q2 Year Ending December 31, 2025

August 7, 2025
Suntory Beverage & Food Limited

Overview of First Half FY2025

Makiko Ono, President & Chief Executive Officer

Financial Results for Q2 YTD FY2025

(JPY BN)

	FY2025 Jan-Jun	Change			
		Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY
Revenue	806.4	-10.9	-1.3%	-3.6	-0.4%
Operating Income	71.8	-9.1	-11.2%	-8.3	-10.4%
Non-recurring Items	-2.6	-1.5	—	-1.5	—
Operating Income (Organic basis*1)	74.5	-7.6	-9.3%	-6.8	-8.3%
Net Income*2	41.1	-5.4	-11.5%	-4.9	-10.7%

*1 Extraordinary factors and profit/loss impact from transferred business deducted from operating income

*2 Profit attributable to owners of the Company

**The trend recovered in Q2(Apr-Jun),
but revenue and profits decreased in 1H overall.**

Revenue

Revenue decreased due to deteriorating performance in APAC that could not be offset by other segments.

- APAC was below expectations due to macroeconomic sluggishness in Vietnam and Thailand.
- Japan and the Americas were on par with last year, in line with expectations.
- Europe exceeded expectations as a result of effective marketing activities in the UK.

Operating income (Organic basis)

Operating income decreased due to factors such as a sales decrease in APAC and cost increases in Japan.

- Japan's decrease was due to high raw material and logistics costs, as well as increased marketing investments for future sales growth. This was in line with expectations.
- Europe exceeded expectations as a result of increased revenue and appropriate cost management.

Steadily implemented growth initiatives despite a challenging environment.

Strengthening of core brands

Continued marketing activities from the consumer's perspective.

Strengthened investment despite the tough competitive environment.



(*) Total of *Iyemon* brand

(*) Total of *BRAND'S*, Thai domestic only

(*) UK and Ireland

(*) Total of *Lucozade*

Global rollout of strategic categories



New product launches and increased marketing investments



Expanding into new countries, with sales progressing smoothly

<Sales Regions>

APAC

Oceania

Europe

France, UK etc.^(*)

Americas

USA

Actively promoting initiatives to establish infrastructure for future growth.

Structural transformation of the vending machine business in Japan

Cashless payment app “Jihanpi”
Steady progress in enhancing convenience
and expanding revenue

	FY2025 target	As of June 2025
- App-enabled vending machines	150k units	<u>160k units</u>
- App downloads	5mil DL	<u>6.5mil DL</u>



Strategic CAPEX

Enhancing production capacity
and streamlining logistics



Donnery, France
New logistics hub

Takasago, Japan: New line and logistics warehouse
Saraburi, Thailand: New line
Long An, Vietnam: New plant

Initiatives for existing businesses

Revenue and profit maximization during the peak season

- Active new product launches and strengthened marketing activities in each segment

Acceleration of recovery initiatives for the beverage business in Vietnam and Thailand

- Implementing effective measures aligned with market dynamics

Price revisions in Japan (Oct 2025)

New challenges in strategic categories

Production and sales of RTD launched in Australia in July

Good start toward FY2025 revenue target of JPY 20BN



Swanbank plant, Australia

- Progress in the first half was below expectations due to continued challenges in the business environment in APAC.
- In the second half, an uncertain market environment in Vietnam and Thailand, concerns about global recessions, and dynamics of foreign exchange and interest rates, among other factors, contribute to the business environment with low visibility. On the other hand, we expect an upside from favorable weather conditions in the peak season, price revisions, and effective marketing activities.
- We will maintain our full year guidance and continue striving to achieve it.
- The interim dividend is 60 yen per share, as guided at the beginning of the year.

Supplementary Explanation

Naoto Okinaka, Senior Managing Executive Officer

(JPY BN)

Revenue		Change			
		Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY
Japan	344.2	0.8	0.2%	-	-
APAC	185.6	-15.5	-7.7%	-12.6	-6.4%
Europe	189.3	6.7	3.7%	8.8	4.9%
Americas	87.3	-1.8	-2.0%	0.6	0.7%
Total	806.4	-9.8	-1.2%	-2.5	-0.3%

Segment Profit					
Japan	18.3	-4.3	-19.0%	-	-
APAC	24.7	-3.4	-12.3%	-3.2	-11.4%
Europe	32.4	4.2	15.0%	4.5	16.2%
Americas	10.4	-0.6	-5.9%	-0.4	-3.3%
Reconciliation	-11.2	-3.4		-3.5	
Total	74.5	-7.6	-9.3%	-6.8	-8.3%

Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.

Quarterly Revenue Growth Rate – Organic basis

(Currency neutral basis)					(Currency neutral basis)				
By Segment					Breakdown of APAC and Europe				
FY2024		FY2025			FY2024		FY2025		
1Q	2Q	1Q	2Q		1Q	2Q	1Q	2Q	
Japan	5%	4%	-0%	1%	APAC				
APAC	5%	7%	-6%	-6%	Vietnam	1%	7%	-12%	-11%
Europe	0%	-4%	-1%	10%	Thailand, beverage	15%	8%	-8%	-10%
Americas	8%	6%	0%	1%	Health supplement (*1)	5%	23%	2%	-2%
Total	4%	3%	-2%	1%	Oceania	2%	3%	3%	9%
					Europe				
					France	2%	-3%	-3%	4%
					UK (*2)	-2%	-14%	5%	27%
					Spain (*3)	-4%	2%	-8%	0%

Organic basis: Revenue excludes revenue from transferred business.

Segment profit excludes extraordinary factors and profit/loss impact from transferred business.

(*1) Health Supplement results consist of Thailand and Indochina Peninsula (*2) UK and Ireland (*3) Spain and Portugal

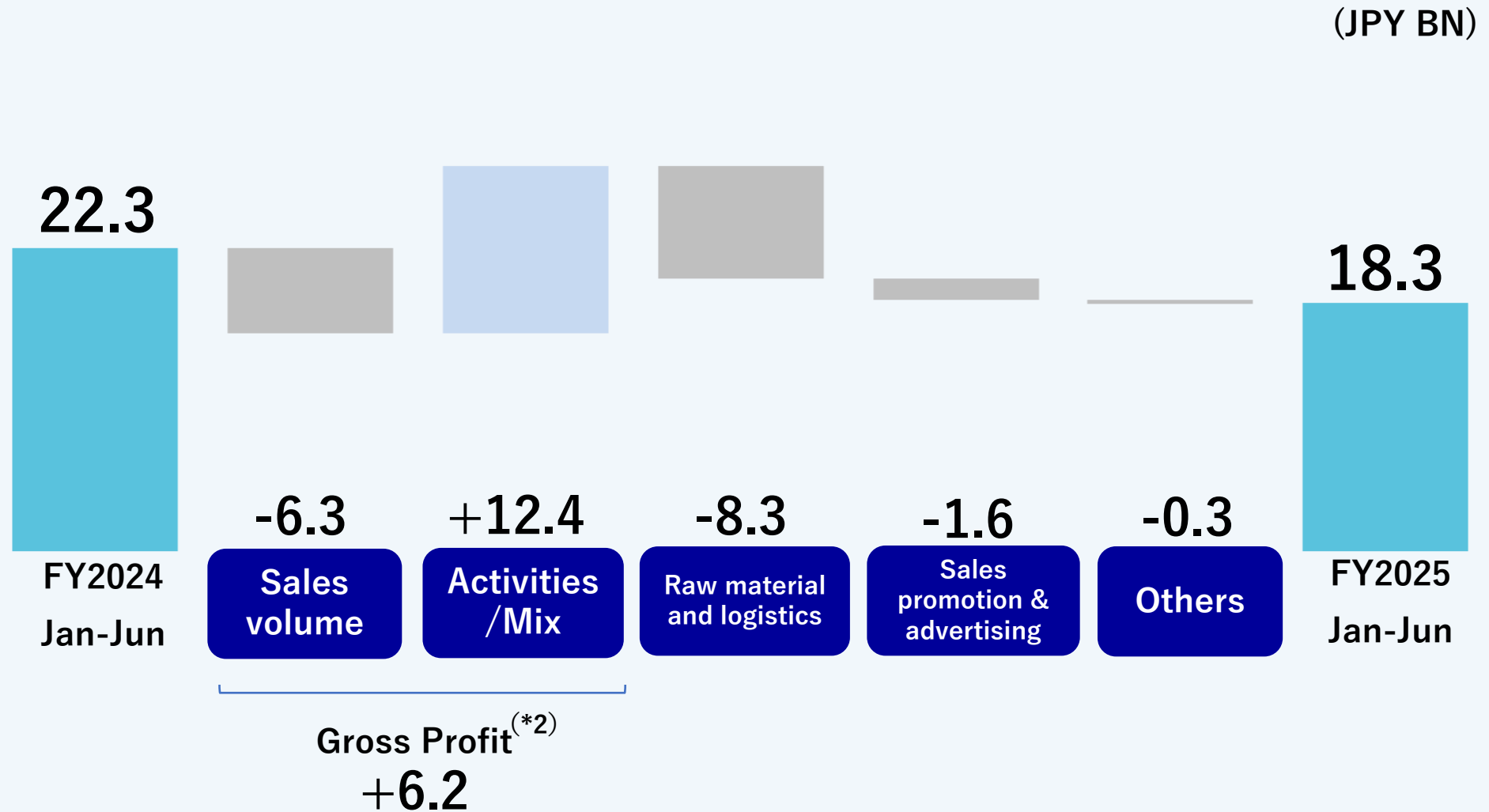
(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
344.2 BN	0.2%	—	18.3 BN	-19.0%	—

- Beverage market sales volume was estimated at 98% of last year, while SBF marked 96%. Despite a year-on-year decline due to price revisions and the reaction to the previous year's good weather, progress was in line with expectations.
- Revenue was in line with last year, as price revisions, focused brand and channel activities and mix improvements contributed as expected.
- Segment profit decreased due to the impact of higher raw material and logistics costs and aggressive marketing activities, despite the benefits of price revisions and mix improvements.



Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.



(*1) Segment profit including extraordinary factors.

(*2) Gross Profit excluding impact of raw material and logistics costs

(JPY BN)

Revenue

185.6 BN

%YoY

Incl.
currency
effectCurrency
neutral

-7.7%

-6.4%

Segment
Profit

24.7 BN

%YoY

Incl.
currency
effectCurrency
neutral

-12.3%

-11.4%

Revenue

%YoY

Incl. currency
effect

Currency neutral

Beverage
(Vietnam)

67.6 BN

-16.0%

-11.2%

Sales volume decreased due to sluggish consumption in the overall beverage market and delays in clearing inventory for the Lunar New Year.

Beverage
(Thailand)

53.0

-4.2%

-9.0%

Sales volume decreased due to sluggish consumption in the overall beverage market caused by low temperatures, an early rainy season and a decrease in foreign tourists.

Health
Supplement
(*)

19.2

5.1%

-0.1%

Solid sales in the Thai domestic market, but on par with last year due to some shipping delays.

Beverage
(Oceania)

35.4

-1.2%

5.8%

The energy category market is brisk, and growth of V^U outpaced the market.

(*) Health Supplement results consist of Thailand and Indochina Peninsula

Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.



(JPY BN)

Revenue

189.3 BN

%YoY

Incl.
currency
effect

3.7%

Currency
neutral

4.9%

Segment
Profit

32.4 BN

%YoY

Incl.
currency
effect

15.0%

Currency
neutral

16.2%

Revenue

%YoY

Incl. currency
effect

Currency neutral

France

69.1 BN

-0.7%

0.9%

Sales volume decreased due to the impact of a sugar tax increase, but revenue increased with higher selling prices.

UK

(*1)

58.5

16.3%

16.7%

Rebound from low production capacity utilization last year, strength in the energy and sport category market, and effective marketing activities resulted in growth outpacing the market.

Spain

(*2)

31.2

-4.5%

-3.0%

Revenue decreased as other brands have not yet fully offset the impact of the decline in the on-premise tonic market.

(*1) UK and Ireland (*2) Spain and Portugal

Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.



(JPY BN)					
Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
87.3 BN	-2.0%	0.7%	10.4 BN	-5.9%	-3.3%

- Sales volume was at the same level as last year for carbonated category (*PEPSI*). Non-carbonated category declined in sales volume due to tougher competition.
- Revenue was largely unchanged from the same period last year due to sustained sales volume and RGM activities including price revisions.
(*)
- Segment profit decreased due to the impact of rising logistics and labor costs.



(*) RGM (Revenue growth management): Pricing, pack price architecture, mix management, etc.

Organic basis: Revenue excludes revenue from transferred business.

Segment profit excludes extraordinary factors and profit/loss impact from transferred business.

	Vietnam	Beverage, Thailand
Market conditions	<ul style="list-style-type: none"> • Consumer sentiment cooled due to government layoffs resulting from administrative reforms, the US reciprocal tariffs, weather conditions, and other factors. 	<ul style="list-style-type: none"> • Consumer sentiment cooled due to decrease in outing occasions caused by weather factors, etc. and decrease in foreign tourists. (Particularly significant impact on the contraction of the carbonated category.)
Our situations	<ul style="list-style-type: none"> • Delay in clearing the inventory for the Lunar New Year. • Tougher competition due to the entry of local players. • Structural changes driven by the growth of supermarket and CVS channels. 	<ul style="list-style-type: none"> • The carbonated category market, which is our mainstay, is below the previous year's level, but we are maintaining our market share. • Lack of competitive brands in the growth categories (coffee and energy)
Actions for recovery	<ul style="list-style-type: none"> • More promotion and marketing activities in the carbonated and tea categories beyond the original plan. • Establish an organization that can adapt to the evolving market and channel structures. • Refine KPIs for sales activities. 	<ul style="list-style-type: none"> • More promotion and marketing activities in the carbonated and tea categories in addition to the original plan. • Gain market share by launching new products in the carbonated category. • Expand product portfolio in the growth categories.

Upside opportunities

Downside risks

Japan

- Favorable weather conditions in the peak season
- Price revisions in October and beyond

- Higher costs of coffee beans, logistics, etc.
- Decline in consumption demand after price revisions

APAC

- Growth acceleration in the energy category in Oceania

- Persistent macroeconomic sluggishness in Vietnam and Thailand

Europe

- Favorable weather conditions in the peak season

- Decline in demand due to sugar tax in France

Americas

- Start of sales of new products

- Higher procurement costs due to increased tariffs

SUNTORY

SUNTORY BEVERAGE & FOOD

Reference materials are disclosed separately on the website of Suntory Beverage & Food Limited.
Please refer to the following URL.

URL :

(Japanese website) https://www.suntory.co.jp/softdrink/ir/library_earnings/

(English website) https://www.suntory.com/softdrink/ir/library_earnings/

This document has been prepared for informational purposes only and is not intended to constitute an investment solicitation or any other similar activity in Japan or abroad.

This document contains forward-looking statements related to business and financial performance of the Company or the Group.

These forward-looking statements are projections made based on the currently available information and are subject to risks and uncertainties including, but not limited to, economic trends, competition in the industry in which the Company and the Group operate, market needs, exchange rates, as well as tax and other systems.

Therefore, actual business results and other outcomes published in the future may vary due to these factors. The Company accepts no liability for any loss or damage arising from the use of the information contained in this document.