



***Full-year 2021
Earnings Presentation
February 14, 2022***

Coca-Cola Bottlers Japan Holdings Inc.

Calin Dragan, President

Bjorn Ivar Ulgenes, Vice President & CFO

(Posted to CCBJH website on February 10, 2022)

Forward-looking statements

The plans, performance forecasts, and strategies appearing in this material are based on the assumptions and judgment of the management of Coca-Cola Bottlers Japan Holdings Inc. (CCBJH or Company) in view of data obtained as of the date this material was released. These forecasts may differ materially from actual performance due to risks and uncertain factors such as those listed below.

Risks and uncertain factors are not limited to the items listed below. They are also included in our annual securities report, or “Yuka Shoken Houkokusho”.

- Agreements with The Coca-Cola Company and Coca-Cola (Japan) Company Limited.
- The quality and safety of products
- Market competition
- Natural environment, such as climate, disaster, water resources, etc.
- Legal environment
- Leakage or loss of information
- Change of economic conditions, such as personal consumption, currency exchange rates, prices of raw materials, fair value of assets, etc.
- Business integration, streamlining and optimization of business processes, etc.
- Uncertain factors other than those above

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Coca-Cola Bottlers Japan Holdings Inc. (CCBJH)

Full-year earnings presentation

Overview and Situational Analysis

Full-year 2021 Results and 2022 Outlook

Q&A

Overview and Situational Analysis

2021 Overview – Business Environment

- 🍷 Q4 sales volume and business income grew YoY and exceeded guidance, as traffic improved after lifting of state of emergency
- 🍷 Key initiatives in 2021 showed results, focusing on what we can control
- 🍷 2021 full-year business performance was heavily impacted by COVID-19 and bad weather during peak summer season

Market Environment

- ✓ Consumer spending pattern impacted by pandemic
- ✓ Bad weather during peak summer
- ✓ Competition continues to be intense
- ✓ Rise in commodity and energy prices
- ✓ Renewed sense of uncertainty with Omicron

Key Initiatives

- ✓ Vending value share growth for 33 months
- ✓ New products contributing to volume growth
- ✓ Marketing investment & pricing for sustainable growth
- ✓ Transformation continues to deliver savings
- ✓ Good stewards of capital

Financial Highlights

- 🔥 Full-year volume growth of +2% YoY, with multiple new products contributing. Full-year revenue down -1% YoY with changing consumer spending patterns due to COVID-19 impacting channel and package mix, and lower revenue per case
- 🔥 Value share continued to grow in the vending channel for 33 consecutive months. Clear recovery trend for supermarkets, drugstores and discounters
- 🔥 Business income for full-year decreased by -14.8B yen YoY due to challenging business environment, cycling of one-time cost savings from previous year and rising commodity prices. Volume growth and additional cost saving measures allowed us to exceed our earnings forecast by +1.2 billion yen
- 🔥 With steady transformation, achieved about 9 billion yen of recurring cost savings

Full-year 2021 Results

Full-year 2021 results vs. 2020

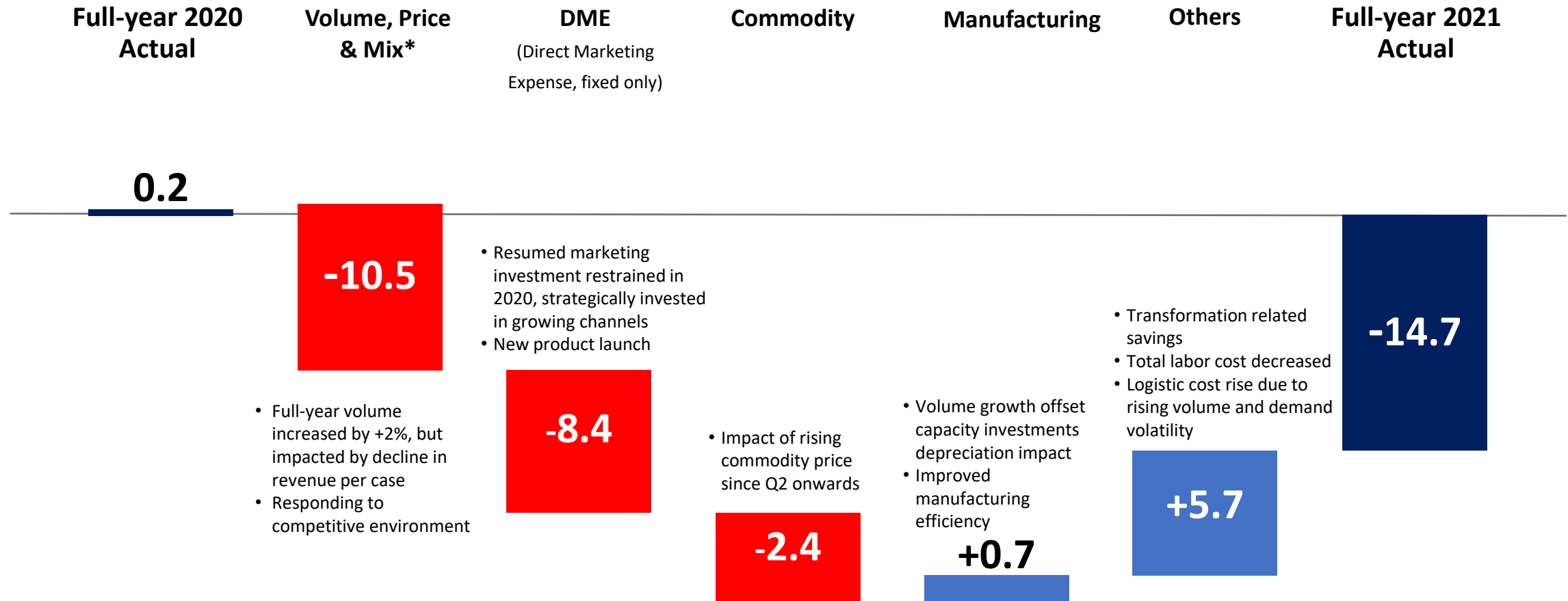
Continued COVID-19 impact; slow volume recovery

Unit: Million JPY

	2021 Actual	2020 Actual	YoY	2021 Plan
Continuing Operations (Beverage Business)				
Revenue	785,837	791,956	-0.8%	782,600
Beverage Sales Volume (Million Cases)	468	458	+2%	467
NARTD (Non-alcoholic ready to drink) Beverage Volume (Million Cases)	460	450	+2%	459
COGS	435,332	429,040	+1.5%	435,400
Gross Profit	350,505	362,916	-3.4%	347,200
SG&A	363,750	359,645	+1.1%	361,800
Business Income (Loss)	(14,662)	169	-	(15,900)
Operating Income (Loss)	(20,971)	(11,722)	-	(24,200)
Net Income (Loss) attributable to owners of parent (Total of continuing and discontinued operations)	(2,503)	(4,715)	-	(4,600)

Full-year 2021 drivers of Business Income

Volume recovery not enough to offset pricing and commodity pressure



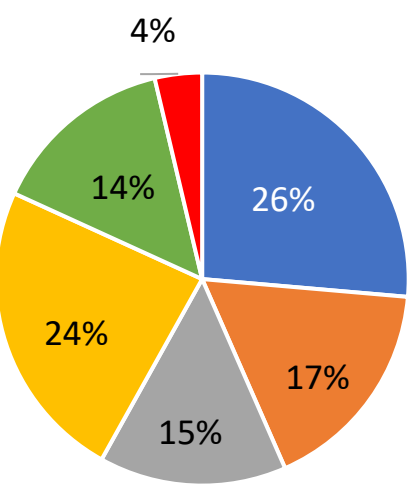
Unit: B JPY
(Rounding off less than unit)

*Volume, Price & mix represent marginal profit of our commercial activities including variable costs and deduction from revenue in IFRS.

NARTD beverage volume performance by channel

Despite new products, slow traffic recovery & bad weather impacted, volume recovery +2%

Full-year total volume +2%
By channel



	Vs. PY	Volume	Wholesale revenue per case
Supermarket (SM)		+5%	-48Yen
Drug & Discounter (D&D)		+8%	-58Yen
Convenience Store (CVS)		-2%	-41Yen
Vending (VM)		+1%	-30Yen
Retail & Food (R&F)		-10%	+26Yen
Online		+62%	-77Yen

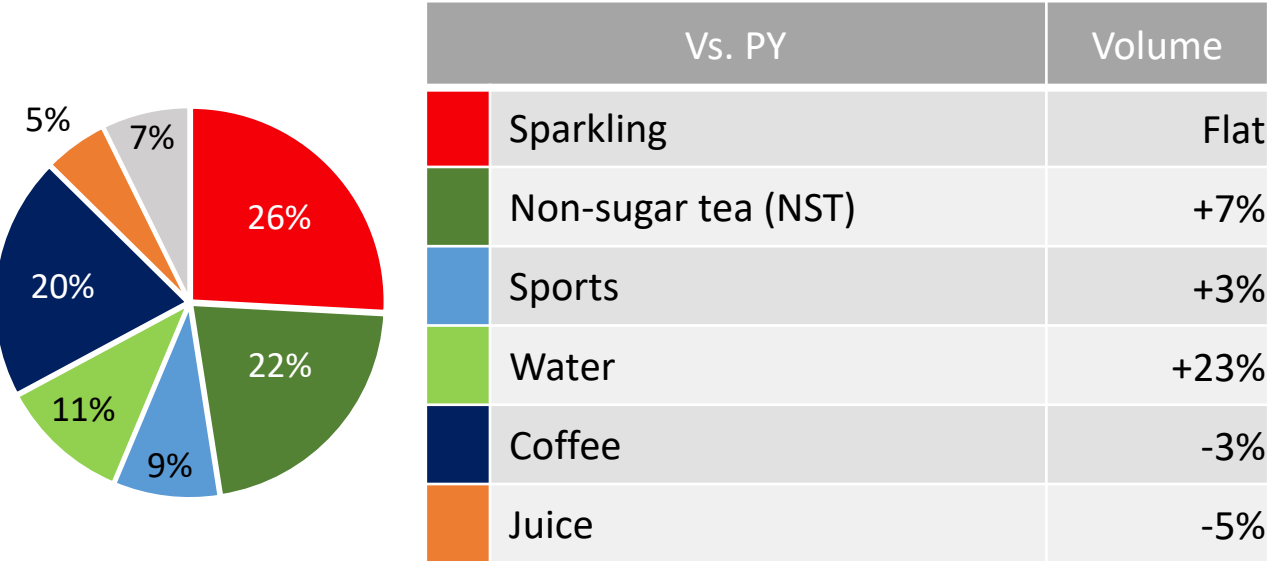
Volume, wholesale revenue per case : Includes impact of case configuration change for 1.5LPET products.

- SM, D&D: Large size PET growth in water, sparkling, NST benefitting from rise in at home consumption
- CVS: Strategically implemented 950ml PET contributed, but overall decreased due to intensified competition
- VM: Slow traffic recovery and bad weather during peak summer season. New products in NST, water and sport contributed
- R&F: Impacted by COVID-19 for the whole year especially in food channel
- Online: Growth in all categories, capturing at home consumption and expansion of label-less products
- Wholesale revenue per case: SM, D&D decreased due to changes in case configurations for 1.5LPET products. VM was affected by continued implementation of low-priced products to promote purchasing opportunities.

NARTD: Non-alcoholic ready-to-drink

NARTD beverage volume performance by category

Full-year total volume +2%
By category



Volume: Includes impact of case configuration change for 1.5LPET products.



- Sparkling:** 500ml PET volume was impacted by bad weather in summer. Premium Fanta series contributed and large PET grew
- NST:** New products such as Yakan Barley Tea from Hajime, Ayataka Cafe Matcha Latte contributed
- Sports:** Aquarius with increased package size sold mainly in VM contributed
- Water:** Growth driven by both small and large PET. New products ICY SPARK contributed to growth
- Coffee:** Can coffee declined, but new products COSTA COFFEE, Georgia Shot & Break contributed to PET bottle volume growth
- Juice:** Weakness in R&F as outlets were impacted by COVID-19

Building a foundation for value share growth

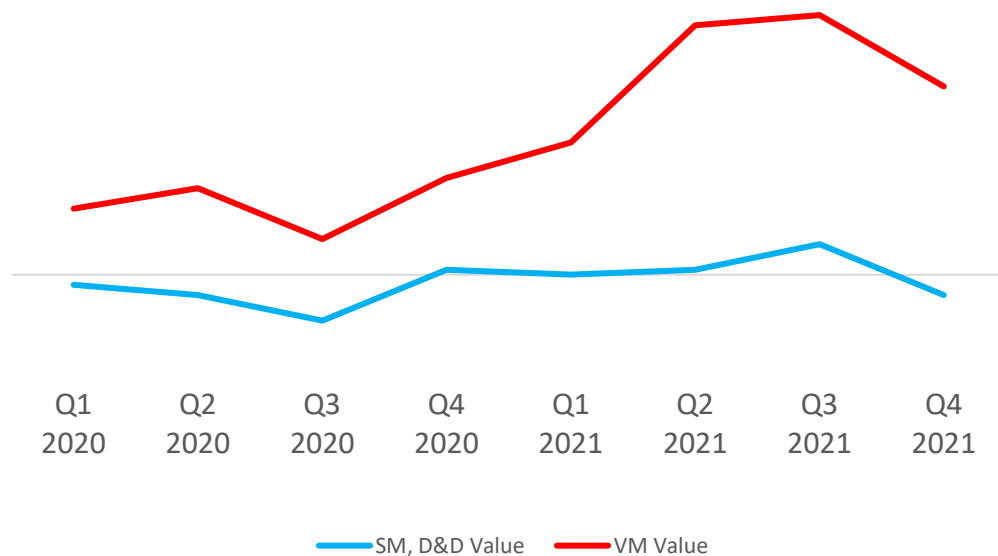
Vending, SM, D&D market share growth on annual basis

Full-year Market Share (Jan. to Dec., vs. PY, PP)	Value	Volume
VM	+4.2	+4.3
OTC	-0.7	-0.5
SM, D&D	+0.1	+0.2

OTC Retail Price (Jan. to Dec., JPY per bottle)	Vs. Market Average	Vs. PY
Small PET	+4.6	-2.1
Large PET	+21.0	-4.3

Data source standards changed from 2021. SPET(351~650ml), LPET(1.251L~)
Source: Intage

VM, SM, D&D Value Share (vs. PY, PP)



Source: Intage (SCI/SRI)

Market share

- 📌 Vending value share continues to grow for 33 consecutive months
- 📌 SM, D&D value share showing recovery despite the competitive environment
- 📌 CVS continues to be a channel facing challenges with intensified competition

Retail pricing trends

- 📌 Continued price premium vs. market average with effective promotional activities in the market

Priority on good stewards of capital

Focus on shareholder value creation

Shareholder value creation

Dividends

- Resumed stable dividend payout despite challenging business environment

2021

50 Yen/share
(+25 Yen YoY)

Interim

Year-end

25
Yen/share
(+25 Yen YoY)

25
Yen/share
(Flat YoY)

Balance sheet and cash flow

- Solid financial position: 56.8% equity ratio at end of 2021
- Sold Q'sai shares to focus on core business
- Continue to sell down idle assets and cross-held shares
- Consolidating and closing sales centers allows us to free up capital

Capex and depreciation

- Continued restraint in purchasing and placement of new sales equipment helps to control capex and depreciation
- In July 2022, new Akashi Mega DC will be completed

(Billion JPY)	2021 Actual	Vs PY
CAPEX*	39.1	-23.8
Depreciation	57.2	-1.8

*Not including IFRS16 non cash items.

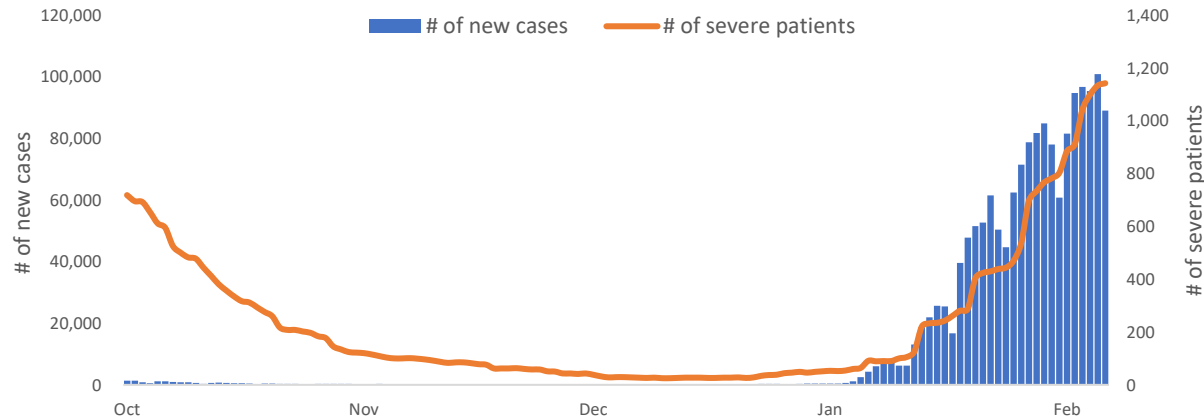
2022 Outlook

2022 Operating Environment

Omicron strain rapidly rising, reintroducing uncertainty

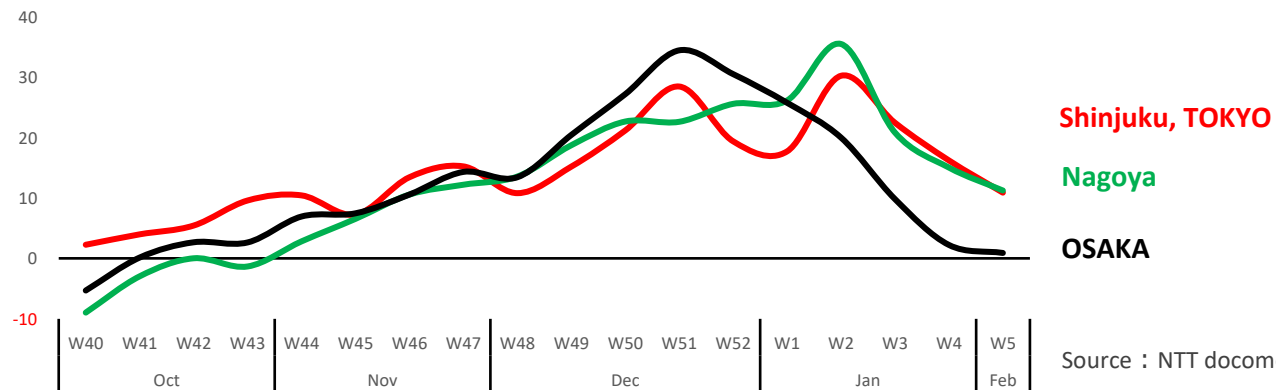
COVID-19 cases on the rise again

Number of new cases, severe patients



Source: Minister of Health, Labor and Welfare, as of Feb

Traffic data in major stations (% vs. LY)



Source : NTT docomo

- ✓ Omicron strain has once again brought back uncertainty in the market. Expecting some volume recovery in the market. However, the recovery may be delayed
- ✓ Rising commodity prices continue to put pressure on profitability
- ✓ Need to account for the cycling impact of the one-time cost savings achieved in 2021
- ✓ With the re-introduced uncertainty, 2022 full-year guidance is not provided. We will disclose it at the appropriate time

2022 Targets

Focusing on what we can control

Market share

Target



Value share growth in vending
Balanced approach in OTC with
sustainable pricing in mind

Recurring cost savings

Target

5 B yen

Transformation continues to
deliver savings

Capex

Target

46 B yen

Control capex and monitor
market environment for
expanding investments gradually

*Not including IFRS16 non cash items

Depreciation

Target

55 B yen

Controlled capex spending and
decrease YoY

Annual dividends

Target

50 yen / share

Solid balance sheet allowing
stable dividend payout

Sustainable PET Ratio

Target

50%

About 60% reduction in CO2 per
bottle, switching from virgin PET
bottle to 100% sustainable PET bottle

Marketing and branding update

Update from Coca-Cola (Japan) Company, Limited

2021 FY Review

2022 Q1 Initiative Highlights

2021 FY Review

Successfully gained KO NARTD value share and Weekly+ purchasers (+690K people to total 10 mil. people) in tough market condition

Successful Innovations

13.1%^{※2}
value share
(Barley Tea)



100mil+
bottles^{※3}



25.9%^{※4}
value share
(Small PET Coffee)



100mil+
bottles^{※5}



50mil+
bottles^{※6}



Coke ON expansion

VM value share +3.9pts.^{※1}
Coke ON 33mil+ downloads^{※7}



コカ・コーラの自販機が
おトクになるアプリ

Coke ON

Cultural Leadership

World Without Waste



Diversity & Inclusion



ここにあるロゴは15%が、ぼやけています。
世界人口の15%が障がいを持っている事実
目を向けてもらうために。

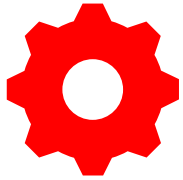
まずはこの事実を知り、向き合うこと。
それがよりよい世界へと進む第一歩となります。
チームコカ・コーラは障がいの有無に関わらず、
あらゆる人が個性を尊重して、
ポジティブに生きる世界を目指します。

#チームコカコーラ #WeThe15

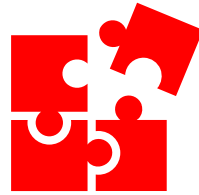
※1. Investigated by CCJC, 2021 FY, ※2. Apr.26-Jul 25,2021 INTAGE SRI+, All Channels, in Barley Tea market, Value share ※3. May10-Dec31 2021 (Shipment base, CCJC data), ※4. Apr-Dec,2021 INTAGE SRI+, All Channels, Under 350ml PET Bottle Coffee market, Value share, ※ Mar - Nov 5,2021 (Shipment base, CCJC data) ※6. 2021 FY (Fanta Premier Grape + Peach + Orange Total, Shipment base, CCJC data), ※7. 2021 FY

2022 Marketing Strategy

Strengthen the core & grow year-2 and selective innovations with continuously flexible and timely actions



PIVOT TO CORE
コアへの原点回帰



FEWER, BIGGER
INNOVATIONS
選択と集中



STAY@HOME
家庭内需要の獲得

2022 Q1 Initiative Highlights Drive core growth for Coke, Georgia, COSTA and Ayataka & Tap into Non-Alcohol category as a white space

Coca-Cola TM

AR Fortune bottle from Jan. & Coke & Meal from Feb. under Global “Real Magic” platform



Georgia TM & COSTA

New campaign “The coffee that makes you glow” from Jan. & Upgrade black coffee portfolio from Feb. & COSTA Restage from March



Ayataka Core & Ayataka Café Matcha Latte

Ayataka spring “Sakura” campaign to drive the Core and Matcha Latte



Yowanai Lemon-Dou


KO's first ever Non-Alcoholic brand with ABV 0.00%



2022 Key collaboration points with CCBJH

Further accelerate our strengths & improve growth opportunities

WIN IN IN-STORE EXECUTION

- **System approach to Strategic Customers**
(OTC + Online + HORECA)
- **Leverage Coke ON **
for VM

FURTHER ACCELERATE KO SYSTEM COLLABORATION



ROI OPTIMIZATION

- **Revenue growth**
- **MIX improvement**
(Channel/Portfolio)
- **DME effectiveness**

Areas of Focus & Strategy

2022 Commercial Strategic Pillars

Expand Portfolio Edge



- High quality innovation to drive growth in volume / revenue / market share and premiumization
- Focus on core to enhance presence for solid base
- Capture consumer / social needs with packaging
- Expansion into white space

Margin Focused Pricing



- Targeted marketing investments focused on growth channels and categories
- Strengthen consumer-oriented marketing investment
- Appropriate level of promotion
- Price revision and continuous monitoring

Growth through Vending Channel



- Revenue recovery by per machine growth and VM placement, supported by high market share base
- Leverage our digital platform "Coke ON" and update functions for improved engagement
- Improve operations further through DX

Customer Management & Execution Excellence



- Strengthen customer relationships with proposal type sales
- Accelerate DX across various areas of analysis, planning, operation and execution
- Transformation continues
- Collaboration with Coca-Cola Japan to leverage Coke System network

Pricing & Marketing Investment Strategy for 2022

Strengthen profit base for sustainable growth

- Price revision announced. Enhancing foundation for sustainable growth
- COVID-19 impact and competition expected to remain intense, price revision will be combined with strategic marketing investments
- Implement appropriate pricing and promotional activity

Price revision to improve profitability

- ✓ Large PET (1.5L, 2L) *with some exceptions such as water
- ✓ Shipping price revision rate: Approx. +5 to 8%
- ✓ Revision Date: May 1, 2022 *based on shipment
- ✓ Target Channels: Supermarkets, drugstores, discounters, online

Execute strategic marketing spend

- ✓ Targeted marketing investments with ROI focus to expand market share over the mid- to long-term
- ✓ Strategy based on balance between competitiveness and profitability
- ✓ Control promotion intensity according to demand

Growth through Vending Channel

Vending business as a key driver for returning to growth trajectory

Initiatives for Growth

Improve per-machine sales

- Focus on core
- Pricing balanced with business environment and profitability
- DX to enhance product line-up

Expand Selling Space

- Increase new vending location with ROI focus
- Offering new solutions

Leveraging Coke ON

Enhance customer engagement with Coke ON

- Achieved 33 Million downloads
- Increased purchases through Coke ON

Strengthen promotion through Coke ON

- Increase attractive new services for consumers

Further Operation Optimization

Stable operation of the new business model

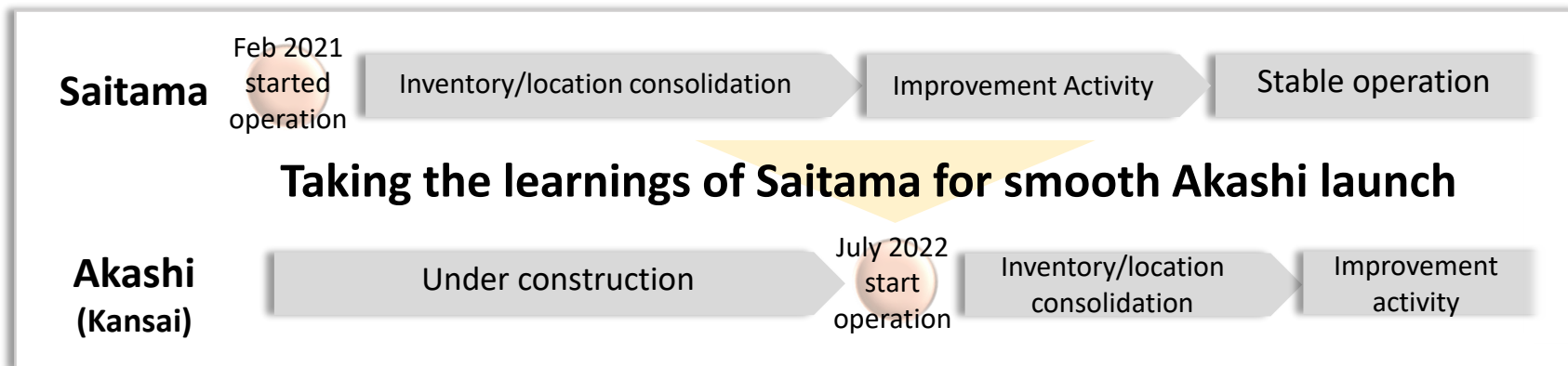
- Increase on-line vending machines
- Use of IT tools and DX
- Enhance collaboration with supply chain (Mega DC)
- Improve efficiency & capabilities



Solid Supply Chain Network for Sustainable Growth

Take measures for short-term challenges and keep driving transformation

- Improving commercial and supply chain collaboration and standardizing operation with DX
- Logistics network optimization leveraging Mega DC progressing as planned. Working towards stable operation of "Saitama Mega DC" and smooth launch of "Akashi Mega DC"
 - Saitama: Steadily contributing to the new logistics model. Majority of target sales centers have relocated their inventory to the Mega DC and have been consolidated or closed
 - Akashi: Expected to start operation in July ahead of initial plan. Aiming for a smooth transition to the new model by incorporating the experiences from Saitama Mega DC



Agile & low-cost operation for sustainable growth



ESG Initiatives

Steady progress in creating shared value



Towards “World Without Waste”

- ! Achieved 40% use of sustainable materials, including “bottle to bottle,” ahead of the industry
- ! On track towards 2030 package vision
- ! Expansion of label-less bottle products



Water Sustainability

- ! A- score in a survey by CDP, an international environmental non-profit organization



Greenhouse Gas (GHG) Reduction

- ! Ambitious GHG reduction targets as Japan Coca-Cola system
- ! Plan and execution in place for 2030



Innovation and diversity

- ! 4.5-star in Nikkei Smart Work Management Survey for productivity revolution through work-style reforms
- ! Gold rating in PRIDE Index, recognition for initiatives related to sexual minorities



Workplace safety

- ! 3rd round of COVID-19 vaccination starting at our workplaces in early March



Excellence in ESG initiatives

- ! Included in DJSI Asia Pacific listing for four consecutive years

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

Staying true to our Mission, Vision & Value



Mission
*Deliver happy moments
to everyone while creating value*

Vision

- We are the preferred partner for our customers
- We win in the market through sustainable growth
- We lead a learning culture with commitment to grow
- We are the best place to work with pride for Coca-Cola

Values

- Learning
- Agility
- Result-orientation
- Integrity

Key Takeaways

Key Takeaways

- While 2021 was a challenging year, key initiatives we focused on are delivering results. Performance in Q4 makes us confident that we can grow when the market recovers
- Omicron has reintroduced uncertainty into the market. In uncertain business and a competitive environment, cost headwinds have to be accounted for when operating our business
- We will continue to prepare ourselves for when the market normalizes. Strengthening our ability to capture growth opportunities, solidifying our profitability base and accelerating transformation that will lead to sustainable future growth

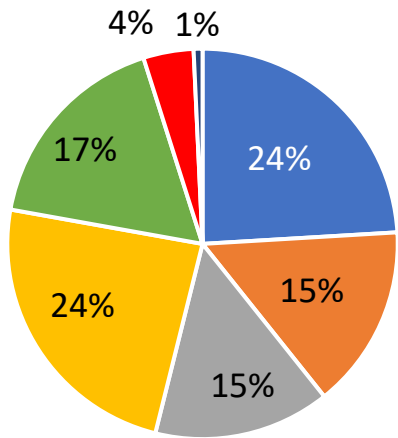
Q & A

Appendix

NARTD channel/category/package volume performance

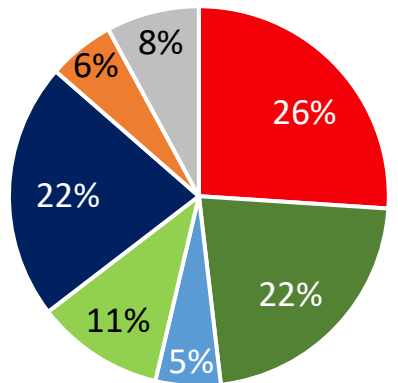
Q4 QTD 2021 (Oct to Dec) volume: +3%

By channel



Vs. PY	Volume	Wholesale revenue per case
Supermarket (SM)	+1%	-11Yen
Drug & Discounter (D&D)	+8%	-36Yen
Convenience Store (CVS)	-4%	-12Yen
Vending (VM)	+1%	-19Yen
Retail & Food (R&F)	-1%	+19Yen
Online	+76%	-115Yen

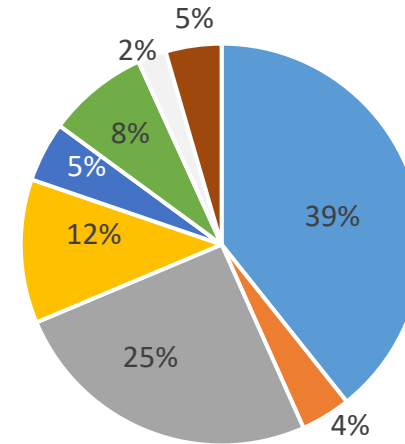
By category



Vs. PY	Volume
Sparkling	-2%
Non-sugar tea (NST)	+10%
Sports	+17%
Water	+20%
Coffee	-2%
Juice	-1%

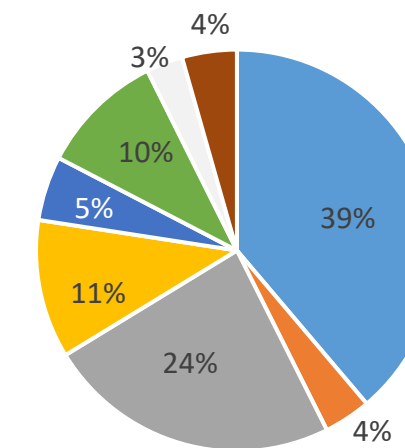
By package

Full-year 2021



	vs PY	Volume
S-PET		+3%
M-PET		+89%
L-PET		+6%
Can		-6%
Bottle Can		Flat
Syrup		-13%
Powder		-4%

Q4 QTD 2021



	vs PY	Volume
S-PET		+2%
M-PET		+101%
L-PET		+4%
Can		-8%
Bottle Can		-1%
Syrup		-3%
Powder		+6%

S-PET: PET under 600ml/L-PET: PET above 1.5L

THANK YOU

Investor Relations

Coca-Cola Bottlers Japan Holdings Inc.

ir@ccbj.co.jp

<https://en.ccbj-holdings.com/ir/>