

Third Quarter 2024 Earnings Presentation

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Coca-Cola Bottlers Japan Holdings Inc.

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Coca-Cola Bottlers Japan Holdings Inc. (CCBJH)

Third Quarter 2024 Earnings Presentation

Q3YTD 2024 Results

Marketing Update

2024 Full-Year Earning Revision

**Mid- to Long-Term Shareholder Value
Improvement**

Today's Highlights

‡ **Q3YTD business income 14.7 billion yen, 2.5 times greater than last year.**

With good earnings progress, full-year earnings forecast revised upward.

2024 full-year business income now expected to be 11.5 billion yen, 5.7 times higher than previous year.

‡ Cumulative revenue increased 1.9%. Growth foundation built to date captured increased demand, volume grew above plan.

‡ Top-line growth and cost management accelerated earnings growth trends. Q3 earnings surpassed past year's strong earnings growth.

‡ Q4 to fully focus on October price revisions to push-up profit level.

‡ **Comprehensive shareholder return announced based on “Vision 2028”.**

Implement comprehensive shareholder returns on an unprecedented scale, centered around a revised dividend policy with an ambitious dividend increase through 2028 to improve shareholder value.

Q3YTD 2024 Results

Earnings improvement trend accelerated, achieved three consecutive quarters of revenue and profit growth

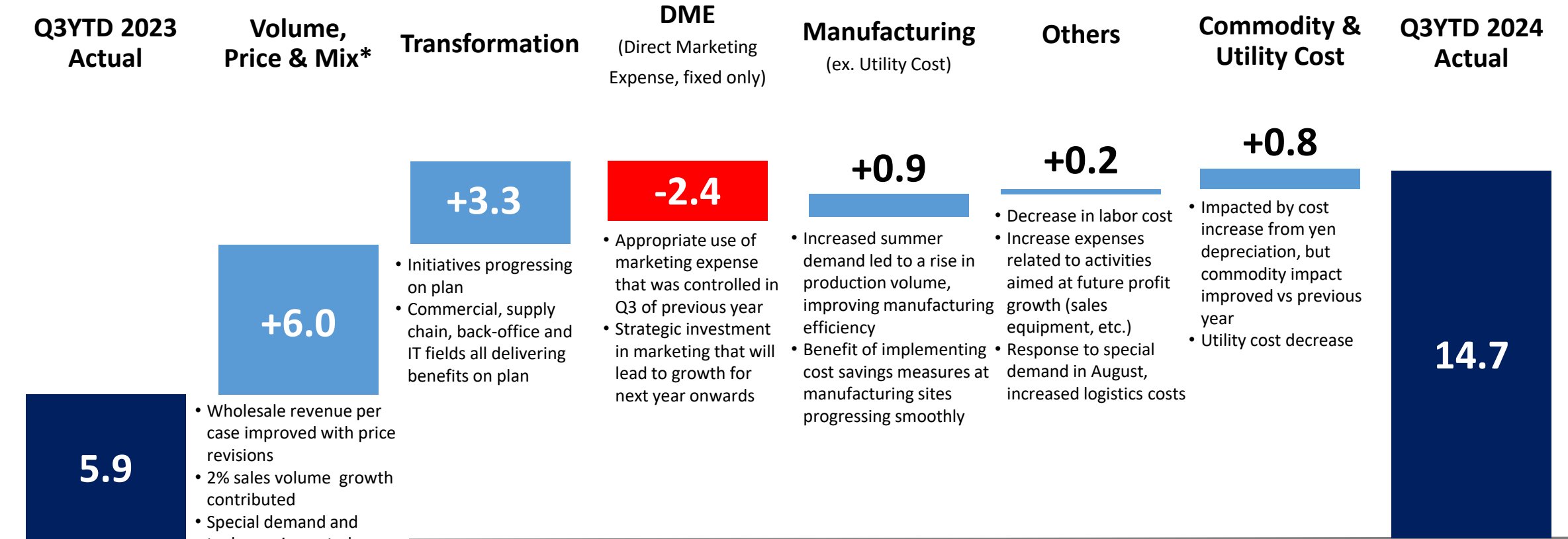
Unit: Million JPY

	Q3YTD 2024 Actual	Q3YTD 2023 Actual	Change YoY	YoY
Revenue	676,612	663,825	+12,788	+1.9%
Sales Volume (Million Cases)	385	379	+6	+2%
NARTD (Non-alcoholic ready to drink) Beverage Volume (Million Cases)	381	375	+7	+2%
COGS	373,090	369,229	+3,860	+1.0%
Gross Profit	303,523	294,595	+8,928	+3.0%
SG&A	288,536	287,961	+575	+0.2%
Business Income	14,690	5,867	+8,823	+150.4%
Operating Income	17,592	6,121	+11,472	+187.4%
Net Income attributable to owners of parent	10,017	3,862	+6,156	+159.4%

Please refer to appendix for Q3 (Jul - Sep) results.

Q3YTD Drivers of Business Income (vs 2023)

Top-line growth and transformation savings resulted in BI of 14.7B yen, 2.5 times previous year



(Unit: B JPY)	Q3YTD Actual	vs PY
Capex	17.9	-8.8
Depreciation	34.2	-0.7

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.

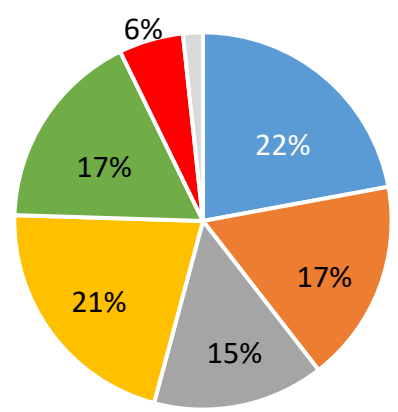
Capex related to real estate rental properties to which IFRS16 applies are not included in the above amounts.

New products drive volume, wholesale revenue per case growth trend continues

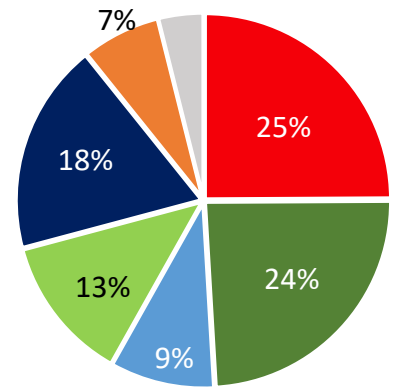
- Sales volume grew 2% with contribution of new products and effective commercial initiatives, steadily capturing increased demand from heat wave and other factors.
- Wholesale revenue per case trend continued to improve in each channel with price revision benefits.
- D&D grew including special demand benefit. CVS grew with new products and customer-exclusive products. VM volume impacted by price revisions and inclement summer weather but maintained flat with strong share base and digital initiatives. R&F grew by capturing dining out demand. Online grew with strengthened lineup capturing summer demand.
- Sparkling grew with Coca-Cola. Tea increased with continued strength of Ayataka. Water impacted by price revisions.

Sales Volume: +2%

Channel	Volume	Wholesale revenue per case (Yen)
Supermarket (SM)	-3%	+52
Drug & Discounter (D&D)	+3%	+50
Convenience Store (CVS)	+4%	-11
Vending (VM)	Flat	+59
Retail & Food Service (R&F)	+4%	+9
Online	+17%	+26



Category	Volume
Sparkling	+3%
Tea	+8%
Sports	-4%
Water	-3%
Coffee	-2%
Juice	+7%



Note: Volume doesn't include alcohol. Wholesale revenue per case doesn't include DFR (deduction from revenue). Some inconsistencies with the volume data provided in past presentations may be expected as a result of standardization of volume and revenue calculation.

Please refer to appendix for Q3 (Jul - Sep) sales volume.

Profitability focused activities led value share growth and sustained price premium

- 📌 Total channel value share maintained growth trajectory and grew 0.4 pts.
- 📌 VM value share continued to grow in an environment where channel trend declined. In OTC channels, supermarkets experienced impact in volume share in the first half due to last October's large PET price revisions. In contrast, CVS value share grew.
- 📌 Our products maintained price premium vs market average. OTC retail price improvement trend for large PET continued with price revision benefits from last year.

Market Share (Jan to Sep, vs PY, Pts)	Value	Volume
Total (CCBJH Area)	+0.4	+0.2
Of Which Vending (VM)	+0.9	+1.4
Of Which Over the Counter (OTC)	-0.2	Flat

Source: Coca-Cola Japan Internal Estimate

OTC Retail Price (Jan to Sep, JPY per bottle)	vs Market Average	vs PY
Small PET	+8.8	-1.8
Large PET	+29.0	+8.7

Source: Intage SRI+ soft drink market Small PET (351~650ml), Large PET products (1.251L~)
 CCBJH Area Jan - Sep 2024
 Market Ave: CCBJH avg. retail price (bottles) / market avg. retail price (bottles)
 YoY: CCBJH retail price (bottles) / previous year actuals

Growth strategy during peak demand period contributed to top-line growth and building a foundation for future earnings

Enhancing portfolio edge

- Fully leveraging strong Ayataka**
 - Ayataka full renewal contributed greatly to volume growth, through maximizing in-store exposure.
 - Expand tea category value share.
- Product deployment responding to consumer needs**
 - Strengthened sales of label less products and multi packs.
 - New product Aquarius Oral Rehydration Solution ORS, with a focus on drugstores.



Expand sales space

- Activities tailored to characteristics of each sales space**
 - Strengthen efforts to secure regular sales space with each customer.
 - Acquire new sales spaces (e.g., near cash registers, aisle ends, special events) through effective use of display racks.
- Strengthened activities to acquire new business**
 - In food service, strengthened approach to growing new businesses.
 - Secured prime vending machine locations while evaluating profitability.



Profitability focused commercial activity

- Optimized marketing activities**
 - Implemented marketing activities with focus on investment efficiency by customer.
 - Implement effective promotions via retail media and apps.
- Maximizing price revision benefits**
 - Focused on maintaining shipping prices after series of price revisions.
 - Preparing for smooth October price revision implementation, including negotiations with customers.



Initiatives for building a sustainable supply chain are steadily progressing

Expanding manufacturing capacity to strengthen local production for local consumption model

- Expand manufacturing capacity in Tokai region, key for promoting the local production for local consumption model. A new production line was introduced at the Tokai Plant (Aichi Prefecture).
- Aseptic (sterile filling) production line for small PET bottles. First ever introduction of equipment that simultaneously reduces water & energy consumption as well as production time.



New aseptic production line at Tokai Plant



Collaboration towards establishing a sustainable supply infrastructure

- Together with Toyota Industries, began field tests for Japan's first*¹ self driving four-fork forklifts that can handle truck loading.
- Began collaboration with Ito En in logistics (joint delivery to select stores).
- Began production of Georgia using world's lightest*² aluminum can for a 185g beverage manufactured by Toyo Seikan. Weight reduction promotes cost savings and resource conservation.



Automatic forklifts for loading and unloading trucks



Georgia, which uses 185g light weight aluminum beverage cans

*1 According to Toyota Industries Corporation (as of September 10, 2024). The first four-fork type self-driving forklift for cargo handling equipped with 3D-LiDAR in Japan.
 *2 According to Toyo Seikan Co., LTD (as of August 2024). For 190ml 202 diameter SOT (stay-on-tab) cans (do not include weight of laminated film on can body or the lid).

Marketing Update

Grew revenue & value share through strong campaigns & activations

CORE

Ayataka Core
with New Campaign #2



Coke with Meat
Summer Campaign



INNOVATIONS

Aquarius ORS
Renewal Communication
as the official Food for Medical Use



FANTA YogurRush
Marble Orange



MARKETING EXPERIENCE

Paris Olympics
Portfolio Promotion



Sprite
Waterbomb Tokyo 2024



Further strengthen CORE through campaigns & innovations

MARKETING INITIATIVES

Coca-Cola TM Winter Campaign



Ayataka Core Winter Campaign & Code Under the Cap Promotion



Georgia Winter Campaign



MARKETING EXPERIENCE

Coca-Cola TM Christmas Drone Show



Samurai Japan Portfolio Promotion



2024 Full-Year Earning Revision

Raised full-year earnings forecast, reflecting good earnings progress and inclusion of price revision benefits

Key Points	
Q3YTD	<p><u>Top-line growth and cost management led to accelerated profit growth trend</u></p> <ul style="list-style-type: none">• Volume grew by 2%, above original plan. Driven by Ayataka growth acceleration, as well as steadily capturing increased demand with the heat wave in Q3.• Initiatives such as price revisions and transformation that will lead to strengthening profit base progressing smoothly.• Achieved cost control above plan through improved productivity and appropriate cost management.
Q4 (Oct-Dec)	<p><u>Successfully implement October price revisions, elevating profit levels for this year and next year onwards</u></p> <ul style="list-style-type: none">• Focus on price revisions from October to maximize benefits.• Despite the impact of volume decline due to price revisions, top-line growth foundation we have built contributed. October sales volume increased by 5%. While mix require monitoring, revenue grew faster than volume growth.• Investments for future growth will be made at appropriate levels.

Target 2024 full-year business income of 11.5 billion yen, 5.7 times previous year

2024 Full-Year Revised Plan (vs 2023, vs Initial Plan)

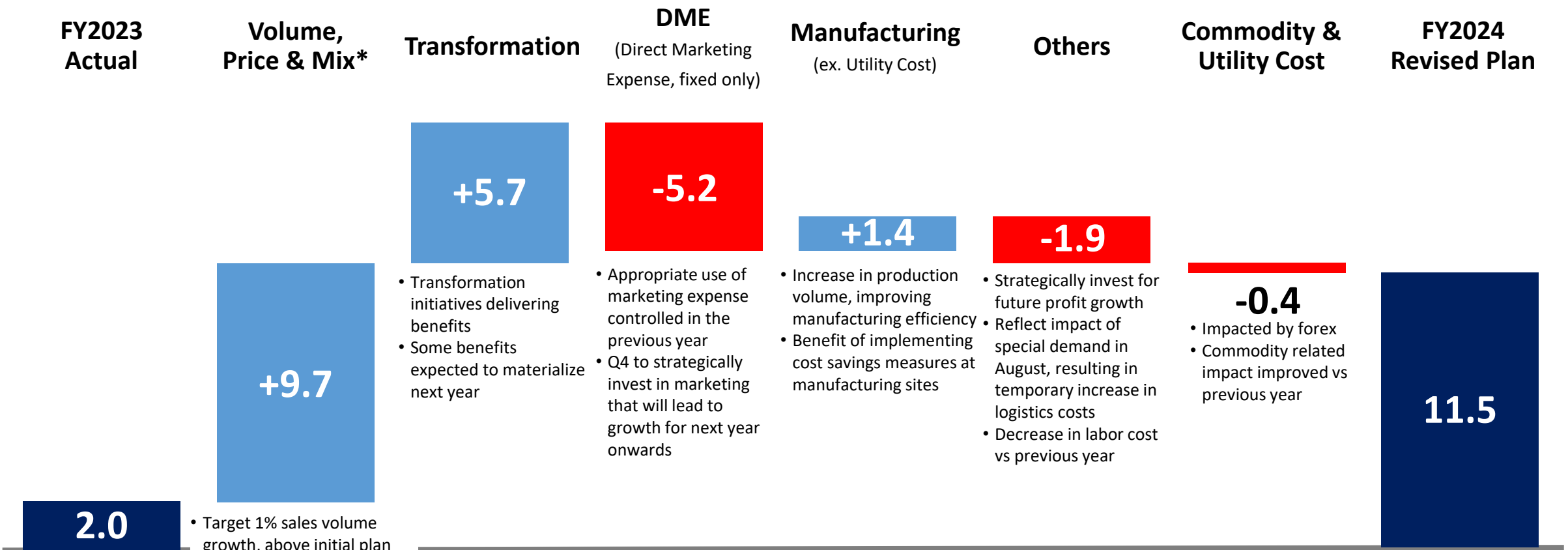
Revised up revenue and profit vs initial plan. Target BI growth of 9.5 billion yen vs previous year

Unit: Million JPY

	FY2024 Revised Plan	Change YoY	YoY	Change vs Initial Plan	vs Initial Plan
Revenue	888,000	+19,419	+2.2%	+5,600	+0.6%
Sales Volume (Million Cases)	497	+5	+1%	+5	+1%
NARTD (Non-alcoholic ready to drink) Beverage Volume (Million Cases)	492	+6	+1%	+7	+1%
COGS	488,800	+4,436	+0.9%	+4,300	+0.9%
Gross Profit	399,300	+15,084	+3.9%	+1,500	+0.4%
SG&A	386,900	+5,878	+1.5%	+500	+0.1%
Business Income	11,500	+9,475	+467.9%	+1,500	+15.0%
Operating Income	13,600	+10,159	+295.2%	+1,700	+14.3%
Net Income attributable to owners of parent	7,400	+5,529	+295.6%	+500	+7.2%

Note: Sales volume in 2023 is revised retroactively due to changes of counting segmentation and scope in some products.

BI target of 11.5 billion yen, 5.7 times previous year driven by top-line growth



- Target 1% sales volume growth, above initial plan
- Expect wholesale revenue per case improvement with May and October price revisions
- Accounting for channel & package mix trends

- Transformation initiatives delivering benefits
- Some benefits expected to materialize next year

- Appropriate use of marketing expense controlled in the previous year
- Q4 to strategically invest in marketing that will lead to growth for next year onwards

- Increase in production volume, improving manufacturing efficiency
- Benefit of implementing cost savings measures at manufacturing sites

- Strategically invest for future profit growth
- Reflect impact of special demand in August, resulting in temporary increase in logistics costs
- Decrease in labor cost vs previous year

- Impacted by forex
- Commodity related impact improved vs previous year

Unit: B JPY
(Rounding off less than unit)

(Unit: B JPY)	Revised FY Plan	vs PY	vs Initial Plan
Capex	29.7	-0.5	-4.2
Depreciation	45.6	-0.8	-1.4

Capex related to real estate rental properties to which IFRS16 applies are not included in the above amounts.

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

Mid- to Long-Term Shareholder Value Improvement

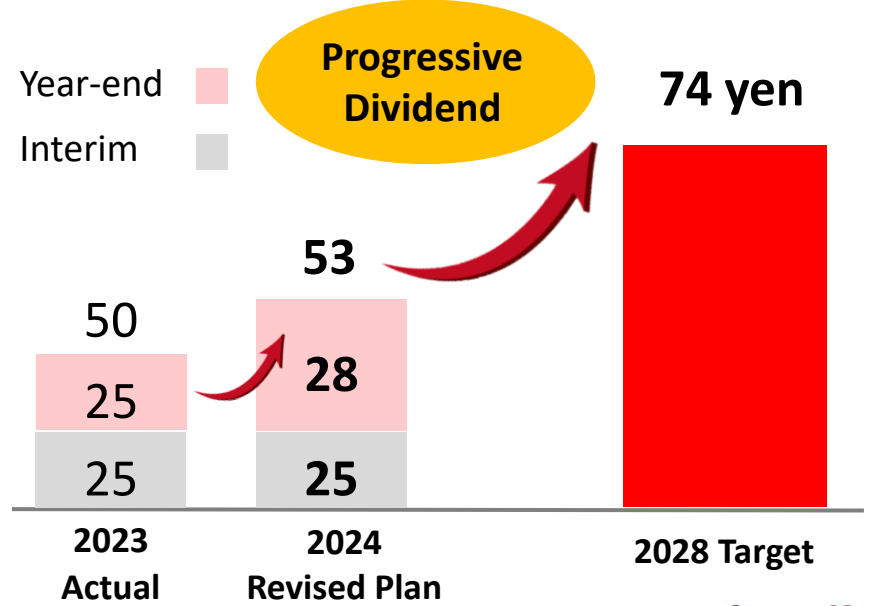
Based on “Vision 2028”, implement comprehensive shareholder returns on an unprecedented scale

- With good business performance and outlook for earnings and cash generation, implement comprehensive shareholder return program ahead of plan to enhance shareholder value outlined in “Vision 2028.”
- Renewed dividend policy, centered on an ambitious plan to increase dividends through 2028, and the deployment of multiple shareholder return measures.
- Improve capital efficiency and shareholder return, to increase shareholder value over mid- to long-term.

Comprehensive shareholder return measures	
Revision of dividend policy	Target 74 yen per share in 2028, payout ratio of 40%+ and DOE of 2.5%+ in 2028, implement progressive dividend
Share buyback	Up to 30 billion yen or 20 million shares . 11.0%^{*1} of total number of shares issued (excluding treasury shares)
Cancellation of shares	Cancellation of 23 million shares of treasury shares. 11.2%^{*2} of the total number of shares issued
Dividend increase (2024)	2024 year-end dividend raised by 3 yen per share . Annual dividend for 2024 to be 53 yen per share

^{*1} Period for repurchasing own shares: November 11, 2024 - October 31, 2025
^{*2} To be cancelled on November 11, 2024. The treasury shares to be canceled are the treasury shares held by the Company as of today.

Dividend per share trends and forecast (yen)



Summary

- ▶ Earnings set to exceed initial plan for important first year of Strategic Business Plan “Vision 2028”. Full-year business income to grow 5.7 times over last year to 11.5 billion yen.
- ▶ Business income progressing well, in line with “Vision 2028”. Based on results so far, will pursue sustainable profit growth into 2025.
- ▶ With steady earnings progress and outlook for earnings and cash generation for 2025 onward, announced measures to strengthen shareholder returns ahead of schedule. A major step towards achieving “Vision 2028”, focusing on profitability and capital efficiency.



THANK YOU

Investor Relations

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from the bottle.
We bottle happy moments.

Coca-Cola
BOTTTLERS JAPAN HOLDINGS INC.

Appendix

Q3QTD (Jul - Sep) Results (vs 2023)

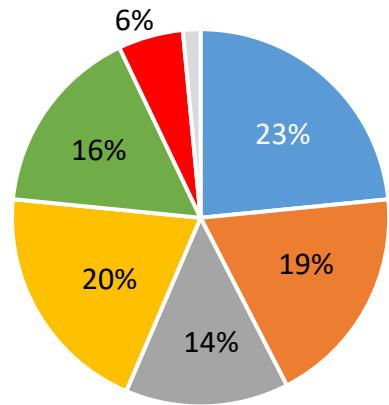
Unit: Million JPY

	Q3 2024 Actual	Q3 2023 Actual	Change YoY	YoY
Revenue	265,158	259,715	+5,443	+2.1%
Sales Volume (Million Cases)	153	149	+4	+3%
NARTD (Non-alcoholic ready to drink) Beverage Volume (Million Cases)	152	148	+4	+3%
COGS	142,839	141,917	+922	+0.6%
Gross Profit	122,319	117,799	+4,520	+3.8%
SG&A	104,565	104,748	-184	-0.2%
Business Income	17,481	12,630	+4,851	+38.4%
Operating Income	16,386	12,650	+3,736	+29.5%
Net Income attributable to owners of parent	10,314	7,808	+2,506	+32.1%

NARTD Sales Volume by Channel / Category / Package (vs 2023)

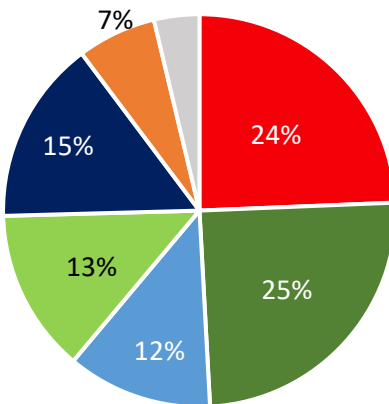
Q3QTD (Jul to Sep) Sales Volume +3%

By Channel



Channel	Volume	Wholesale revenue per case (Yen)
Supermarket (SM)	+2%	+10
Drug & Discounter (D&D)	+6%	+7
Convenience Store (CVS)	Flat	-15
Vending (VM)	-1%	+49
Retail & Food Service (R&F)	+3%	+16
Online	+16%	+27

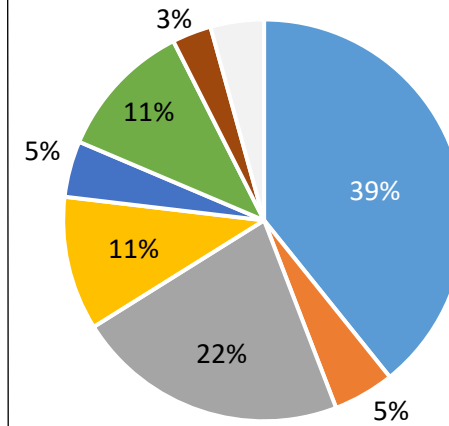
By Category



Category	Volume
Sparkling	+4%
Tea	+14%
Sports	-6%
Water	-1%
Coffee	-5%
Juice	+5%

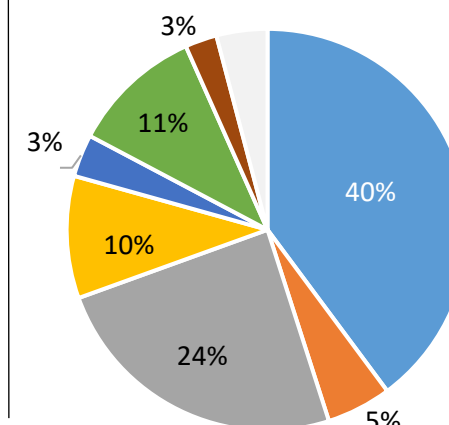
By Package

Q3YTD (Jan to Sep)



Package	Volume
S-PET	+5%
M-PET	+11%
L-PET	-5%
Can	+2%
Bottle Can	-2%
Syrup	+8%
Powder	+10%

Q3QTD (Jul to Sep)



Package	Volume
S-PET	+3%
M-PET	+4%
L-PET	+2%
Can	+6%
Bottle Can	-9%
Syrup	+6%
Powder	+7%

S-PET: Below 650ml / L-PET: Above 1.5L

Note: Volume doesn't include alcohol. Wholesale revenue per case doesn't include DFR (deduction from revenue). Some inconsistencies with the volume data provided in past presentations may be expected as a result of standardization of volume and revenue calculation.

ESG Initiatives: Focus on initiatives that create value

Major Initiatives

Values

Environment Local community Initiatives

- Began production of Georgia using world's lightest*¹ aluminum beverage can for a 185g beverage, saving resources
- First On-Site PPA Model Solar Power Generation Installed at Hiroshima Plant and we promote the use of renewable energy
- First disclosure on TNFD*². Analyzed on water, one of our key themes



*¹ As of August 2024, based on Toyo Seikan Co., LTD data for an empty 190ml 202-diameter SOT (stay-on tab) can. (Empty cans do not include weight of laminate film in the can body or the can lid.)
 *² TNFD (Taskforce on Nature-related Financial Disclosures)

Enhancing Human Capital/ DE&I promotion

- Set KPIs for People Strategy (Female manager ratio, ratio of male employees taking childcare leave, engagement score, etc.) as executive goals to achieve “Vision 2028” by strengthening human capital
- Held internal events to promote understanding of LGBTQ+ with Family Mart
- Introduced an initiative “Mandatory implementation of paid paternity leave for spouse’s childbirth” to encourage active participation in child-rearing by men



External Evaluation

- Selected as a constituent of the MSCI Japan Empowering Women Index (WIN), an ESG index developed by MSCI as a company exhibiting high commitment towards gender diversity
- Coca-Cola Bottlers Japan Water Source Forest Ebino was registered as OECM* in the global database

2024 CONSTITUENT MSCI日本株女性活躍指数 (WIN)



*Other Effective area-based Conservation Measures



Business
Expansion



Reduce
Environmental
Impact



Community
Development

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ボトルから。

We bottle happy moments.

Coca-Cola Bottlers Japan Holdings is committed to providing quality in every bottle, delivering great new tastes and happy moments while creating value for every occasion.

We are committed to conserving limited resources and achieving a sustainable cycle of production.

With diverse talents working together to accomplish transformation, we believe that we can create an overflowing of happiness that will enrichen lives.

We continue to drive forward every day with pride in our work and mission to support people, communities, and the natural environment.



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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