Semi-Annual Report

（Article 24-5-1, Paragraph 1 of the Financial Instruments and Exchange Act）

Fiscal Year	From	January 1, 2026
（The first half of the 69th Term）	To	June 30, 2026

Coca-Cola Bottlers Japan Holdings Inc.

（E00417）

This is an English translation of the original semi-annual report ("Hanki Hokokusho") ended June 30, 2026 pursuant to the Japanese Financial Instrument and Exchange Law. In the event of any discrepancy between Hanki Hokokusho and this English translation, Hanki Hokokusho shall prevail.

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[Documents to be submitted]	Semi-Annual Report
[Underlying article]	Article 24-5-1, Paragraph 1 of the Financial Instruments and Exchange Act
[Recipient]	Director-General of the Kanto Local Finance Bureau
[Submission date]	July 31, 2026
[Semi-Annual accounting period]	69th fiscal term (from January 1, 2026 to June 30, 2026)
[Company name]	Coca-Cola Bottlers Japan Holdings Inc.
[Name and title of representative]	Calin Dragan, Representative Director & President
[Address of head office]	9-7-1 Akasaka, Minato-ku, Tokyo
[Telephone number]	+81-800-919-0509
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[Name of administrative contact]	Satoshi Kon, Head of Finance
[Location provided for viewing]	Tokyo Stock Exchange, Inc. （2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo）

This is an English translation of the original semi-annual report (“Hanki Hokokusho”) filed with the Director-General of the Kanto Local Finance Bureau via Electronic Disclosure for Investors’ NETwork (“EDINET”) pursuant to the Financial Instruments and Exchange Act of Japan. In the event of any discrepancy between Hanki Hokokusho and this English translation, Hanki Hokokusho shall prevail.

For the purposes of this semi-annual report, unless context indicates otherwise, the “Company,” “we,” and “CCBJH” refer to Coca-Cola Bottlers Japan Holdings Inc., and the “Group” refers to the Company and its subsidiaries.

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Part I Corporate information

Section 1. Corporate overview

1. Changes in key management indicators

Issuance		The 68th Term Semi-Annual Consolidated Accounting Period	The 69th Term Semi-Annual Consolidated Accounting Period	The 68th Term
Accounting period		From January 1, 2025 to June 30, 2025	From January 1, 2026 to June 30,2026	From January 1, 2025 to December 31, 2025
Revenue	(Millions of yen)	417,942	423,191	893,805
Net income (loss) before income taxes	(Millions of yen)	(92,259)	8,763	(72,718)
Net income (loss) attributable to owners of the parent	(Millions of yen)	(65,892)	4,778	(50,763)
Comprehensive income attributable to owners of the parent	(Millions of yen)	(65,654)	4,996	(48,001)
Equity attributable to owners of the parent	(Millions of yen)	379,255	365,347	379,892
Total assets	(Millions of yen)	697,499	722,135	698,486
Basic income (loss) per share	(Yen)	(378.02)	29.12	(296.51)
Diluted earnings per share	(Yen)	—	28.78	—
Ratio of equity attributable to owners of the parent to total assets	(%)	54.4	50.6	54.4
Cash flows from operating activities	(Millions of yen)	(1,694)	(1,909)	61,123
Cash flows from investing activities	(Millions of yen)	(16,474)	(8,706)	(25,744)
Cash flows from financing activities	(Millions of yen)	(25,123)	17,515	(47,507)
Cash and cash equivalents at the end of the period	(Millions of yen)	45,169	83,234	76,330

Notes
1. Because the Company prepares condensed semi-annual consolidated financial statements, changes in key management indicators for the filing company are not described.
2. Diluted earnings per share for the first half of the prior fiscal year and the prior fiscal year are not presented, as the effects of dilutive shares on earnings per share are anti-dilutive.
3. The above indicators are based on the condensed semi-annual consolidated financial statements and consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").
4. Fractions of one million yen are rounded to the nearest million.
5. The Company has introduced an Executive reward BIP Trust and Stock-granting ESOP Trust, and the Company shares held by these trusts are recorded as treasury shares in the condensed semi-annual consolidated financial statements. Accordingly, the Company shares held by these trusts are included in the treasury shares to be deducted from the average number of shares during the period for the calculation of basic income (loss) per share and diluted earnings per share.

2. Business content

There were no significant changes in the businesses that the Group (the Company and its subsidiaries) is engaged in this semi-annual consolidated accounting period (January 1, to June 30, 2026, hereinafter referred to as "first half").

Section 2. Business situations

1. Business risks

During the first half of the current fiscal year, there were no significant changes to the risk environment or to the business risks that were described in the Annual Securities Report for the prior fiscal year.

The company continues to monitor its operational environment for new risks and opportunities and will proactively work to mitigate risks and leverage opportunities.

2. Management's analysis of financial condition, results of operations and cash flows

Note that matters related to future developments that are mentioned in this section are judgments of the Group that were made as of the date of submission of this Semi-Annual report.

(1) Status of Business Performance

Please refer to our earnings presentation materials available on the Company IR website (https://en.ccbj-holdings.com/ir/library/presentation.php) for our earnings presentation on Thursday, July 30, 2026, at 5:30 PM (JST). The earnings presentation audio webcast will be available live and on demand through our company website.

A summary of the first half results is as below.

Summary of Business Performance

(Millions of yen except sales volume)

First half (January 1 to June 30)

	2025	**2026**	Change (%)
Revenue	417,942	**423,191**	1.3
Sales volume (million cases)	230	**234**	1.5
Gross profit	183,413	**189,642**	3.4
Selling, general & administrative expenses	181,599	**181,762**	0.1
Other income (recurring)	334	**514**	53.8
Other expenses (recurring)	686	**307**	(55.2)
Investment income on equity method	73	**51**	(29.8)
Business income	1,535	**8,137**	430.1
Other income (non-recurring)	839	**4,827**	475.7
Other expenses (non-recurring)	94,543	**3,866**	(95.9)
Operating income (loss)	(92,170)	**9,098**	—
Net income (loss) attributable to owners of parent	(65,892)	**4,778**	—

Note "Business income" is a measure of our recurring business performance. "Business income" deducts cost of sales and selling, general and administrative expenses from revenue, and includes other income and expenses which we believe are recurring in nature.

Sales volume for the first half, although impacted by unfavorable weather in June, exceeded our targets and achieved 1.5% volume growth compared to the same period in the prior year. Price revisions led to improved wholesale revenue per case. By business unit, initiatives such as strengthening core categories, expanding sales floor space, and implementing marketing activities focused on drinking occasions helped improve competitiveness and drove volume growth.

Consolidated revenue was 423,191 million yen (an increase of 5,248 million yen or 1.3%, compared to the same period of the prior year). In addition to the increase in sales volume, wholesale revenue per case improved following price revisions, and despite changes in the channel mix, revenue exceeded the same period of the prior year.

Consolidated business income was 8,137 million yen (an increase of 6,602 million yen or 430.1%, compared to the same period of the prior year). Profit contributions from increased revenue and cost savings achieved through transformation contributed to improved profitability. While executing our planned investments for sustainable future growth, we achieved more than 60 percent of our annual profit growth target in the first half of this year. Furthermore, as the first year of our Strategic Business Plan Vision 2030, we have reviewed the useful life of our manufacturing machinery and equipment in accordance with our policy of making carefully selected capital investments aimed at improving capital efficiency and ensuring the long-term and effective utilization of capital. As a result, depreciation expenses for these assets have decreased.

Consolidated operating income was 9,098 million yen, an increase of 101,268 million yen compared to the same period of the prior year (consolidated operating profit for the same period of the prior year was a loss of 92,170 million yen). This was due to an increase in business income compared to the same period of the prior year, as well as a decrease in other expenses (non-recurring) resulting from the cycling of an impairment loss recognized in the vending business during the second quarter of the prior fiscal year (April 1, 2025–June 30, 2025).

Net income attributable to owners of the parent was 4,778 million yen, an increase of 70,670 million yen compared to the same period of the prior year (net income attributable to owners of the parent for the same period of the prior year was a loss of 65,892 million yen). Through steady recovery in business performance, we achieved a positive net income attributable to owners of the parent company in the first half period for the first time since 2018.

The financial results by segment are as follows.

a. Vending Business

Revenue amounted to 186,432 million yen (a decrease of 3,228 million yen or 1.7%, compared to the same period in the prior year). Segment income was 5,343 million yen, an increase of 6,732 million yen from the same period in the prior year, which amounted to a loss of 1,389 million yen.

b. OTC Business

Revenue amounted to 199,195 million yen (an increase of 5,021 million yen or 2.6%, compared to the same period in the prior year). Segment income was 22,750 million yen (an increase of 1,746 million yen or 8.3% from the same period in the prior year).

c. Food Service Business

Revenue amounted to 22,952 million yen (an increase of 3,119 million yen or 15.7%, compared to the same period in the prior year). Segment income was 3,136 million yen (an increase of 286 million yen or 10.0% from the same period in the prior year).

(2) Qualitative Information on Consolidated Financial Position

Assets at the end of the first half were 722,135 million yen, an increase of 23,649 million yen from the end of the prior fiscal year. This is mainly due to an increase in "inventories."

Liabilities at the end of the first half were 356,468 million yen, an increase of 38,181 million yen from the end of the prior fiscal year. This is mainly due to an increase in "bonds and debts."

Equity at the end of the first half was 365,667 million yen, a decrease of 14,532 million yen. This is mainly due to the repurchase of treasury shares.

(3) Qualitative Information on Consolidated Statements of Cash Flows

<Cash Flows from Operating Activities >

Net cash used for operating activities was 1,909 million yen (1,694 million yen used for operating activities in the same period of the prior fiscal year). This is mainly due to "increase in inventories" while "depreciation and amortization" were recorded.

<Cash Flows from Investing Activities>

Net cash used for investing activities was 8,706 million yen (16,474 million yen used for investing activities in the same period of the prior fiscal year). This is mainly due to "payments for acquisitions of property, plant and equipment and intangible assets" while "proceeds from sales of property, plant and equipment and intangible assets" was recorded.

<Cash Flows from Financing Activities>

Net cash generated from financing activities was 17,515 million yen (25,123 million yen used for financing activities in the same period of the prior fiscal year). This is mainly due to "proceeds from long-term borrowings" while "dividends paid," and "payments for purchases of treasury shares" were recorded.

As a result of these activities, cash and cash equivalents at the end of the first half totaled 83,234 million yen, an increase of 6,904 million yen from the end of the prior fiscal year.

(4) Accounting Estimates and the assumptions used in those estimates

In the "Management's analysis of financial condition, results of operations and cash flows" section of the Annual Securities Report for the prior fiscal year, the Group disclosed the significant accounting policies and the assumptions used in those estimates. However, the group revised the useful lives of property, plant and equipment during the first half of the current fiscal year.

For details, please refer to "Section 4 Accounting status, 1. Condensed Semi-Annual Consolidated Financial Statements, Notes to Condensed Semi-Annual Consolidated Financial Statements, 4. Critical accounting judgments, estimates and assumptions."

(5) Business and financial challenges to be addressed

1. Issues to be addressed

There were no significant changes in the issues to be addressed by the Group during the first half of the current fiscal year.

2. Basic Policies on the Control of the Joint-stock Company

a. Descriptions of basic policies

The Company believes that the persons and/or entities (hereinafter referred to as "Persons") who control decisions on the Company's financial and business policies need to understand the source of the Company's corporate value and will make it possible to ensure and enhance the Company's corporate value and, in turn, the common interests of its shareholders continually and persistently. The Company believes that a decision on any proposed acquisition that would involve a change of corporate control of the Company should ultimately be made based on the intent of its shareholders as a whole. Also, the Company would not reject a large-scale acquisition of shares in the Company if it would contribute to the corporate value of the Company and, in turn, the common interests of its shareholders.

However, there are some forms of large-scale acquisition of shares that benefit neither the corporate value of the target company nor the common interests of its shareholders: those with a purpose that would obviously harm the corporate value of the target company and, in turn, the common interests of its shareholders; those with the potential to substantially coerce shareholders into selling their shares; those that do not provide sufficient time or information for the target company's board of directors and shareholders to consider the terms of the large-scale acquisition of shares, or for the target company's board of directors to present a business plan or an alternative proposal; and those that require the target company to discuss or negotiate with the acquirer in order to procure more favorable terms for shareholders than those presented by the acquirer.

The Company believes that the Persons who control decisions on the Company's financial and business policies need to be Persons who (i) fully understand the importance of providing freshness and refreshment to people around the world and embedding the Coca-Cola brand, which is now a part of our lifestyle, in local communities; (ii) strive aggressively to win in the market as the customers' preferred partner with a deep understanding of the Company's corporate philosophy; (iii) appreciate employees who have a strong sense of responsibility to thoroughly pursue customer satisfaction, and proactively work on building a workplace environment that can make each and every employee feel rewarded, motivated and proud of being a member of the Coca-Cola family; and (iv) contribute to local communities and proactively address environmental issues with a strong sense of responsibility as a corporate citizen that continues to strive to assist in the realization of an affluent society, preserve relationships of mutual trust with customers, business partners, shareholders, and employees and perform to their expectations, and make it possible to continually and persistently ensure and enhance the Company's corporate value and, in turn, the common interests of its shareholders from a mid- to long-term perspective.

Therefore, the Company believes that Persons who would make a large-scale acquisition of the shares in the Company in a manner that does not contribute to the corporate value of the Company, and, in turn, the common interests of its shareholders would be inappropriate to become Persons who would control decisions on the Company's financial and business policies. We must secure the Company's corporate value and, in turn, the common interests of its shareholders by taking necessary and reasonable countermeasures against a large-scale acquisition of the Company's shares by such Persons.

b. Initiatives to realize the basic policies

(a) Summary of special initiatives that contribute to realizing the basic policies

The Group not only assumes a leading role in transforming the Coca-Cola business in Japan by deploying various joint initiatives such as product development and test marketing with The Coca-Cola Company and Coca-Cola (Japan) Company, Limited (100% subsidiary of The Coca-Cola Company) as a strategic partner, but also strives to become a company trusted by the stakeholder groups of consumers, customers, shareholders, and employees.

Soft drink industry volume growth in Japan is expected to be muted, given the developed nature of the market as a whole. The business environment surrounding the Company is projected to become even more intense with further acceleration of the industry's restructuring for survival, such as the expansion of business tie-ups between beverage manufacturers.

Under such circumstances, the Group aims to become the preferred partner of our customers and consumers in all drinking occasions by establishing a robust and sustainable operating model, pursuing success in high-priority areas, and drastically transforming the business to ensure growth.

The Company also made a transition to a company with an Audit and Supervisory Committee in order to further reinforce the governance system. The Audit and Supervisory Committee serves as the auditing body of the Company that is comprised exclusively of external directors, including multiple independent external directors. To strengthen the management oversight function, these external directors that serve as members of the Audit and Supervisory Committee have each been granted voting rights in Board of Director meetings, in addition to the right to state their opinions in shareholders' meetings on matters pertaining to the designation of board members and their remuneration, among others. In order to separate the decision-making, business management and business execution functions, the Company is implementing a corporate executive officer system. In addition to the above, for more productive discussions on highly important matters in the Board of Directors meetings, the Company is delegating the authority to make decisions on certain important matters that require prompt business executions to specific directors as well as facilitating speedy decision making of other matters.

(b) Outline of measures to prevent inappropriate persons from controlling the finance and business policy decisions of the Company in light of the basic policy

Upon any substantial acquisition of the Company shares, the Company strives to proactively collect and promptly disclose information in order to ensure and improve the corporate value of the Company and the common interest of shareholders as well as make appropriate measures as needed under the scope permitted by laws and regulations and the Articles of Incorporation.

When a Board Meeting determines it necessary to reapply anti-takeover measures in order to ensure and improve the corporate value of the Company and the common interest of shareholders, taking into consideration future trends in society, the Company consults with shareholders at the Meeting of Shareholders as stipulated in the Articles of Incorporation for decision of the implementation.

c. Decisions of the Board of Directors of the Company on the specific measures and the reasons

The measures described b. (a) were introduced as specific measures to continuously and sustainably improve the corporate value of the Company and the common interest of shareholders and is consistent with the Company's basic policy.

In addition, the measures described in b. (b) were introduced as specific measures to ensure and improve the corporate value of the Company and the common interest of shareholders as needed under the scope permitted by laws and regulations and the Articles of Incorporation focusing on the intention of shareholders, and it is not intended to undermine the shareholders' common interests and preserve the positions of the Company officers.

(6) Research and development activities

Not applicable.

(7) Major facilities

The following major facilities planned at the end of the prior fiscal year were completed during the first half of the current fiscal year are as listed below.

Name of company	Name of office / site (location)	Name of business segment	Facility description	Amount (millions of yen)	Completed in
Coca-Cola Bottlers Japan Inc.	Branches / (-)	Vending business	Vending machines, etc.	6,248	June 2026

Note　Consumption tax is not included in the above amounts.

3. Significant management contracts

There were no decisions or conclusions for significant management contracts in the first half of the current fiscal year.

Section 3. Status of the filing company

1. Status of shares

(1) Total number of shares

a. Total number of shares

Class	Total Number of Authorized Shares
Common shares	500,000,000
Total	500,000,000

b. Issued shares

Class	Number of issued shares as of June 30, 2026	Number of issued shares as of filing date (July 31, 2026)	Name of listed stock exchange or registered authorized financial instruments firms` association	Details
Common shares	171,268,593	171,268,593	Tokyo Stock Exchange (Prime Market)	100 shares per unit
Total	171,268,593	171,268,593	—	—

(2) Status of stock acquisition rights

a. Status of share options

Not applicable.

b. Other stock acquisition rights

Not applicable.

(3) Status of exercised moving strike convertible bonds

Not applicable.

(4) Total number of issued shares, transition of capital

Date	Increase/decrease in issued shares (Thousand shares)	Total number of issued shares (Thousand shares)	Increase/decrease in capital stock (Millions of yen)	Capital stock balance (Millions of yen)	Increase/decrease in capital reserve (Millions of yen)	Capital reserve balance (Millions of yen)
January 1, 2026 – June 30, 2026	—	171,269	—	15,232	—	108,167

(5) Major shareholder status

As of June 30, 2026

Name	Address	Number of shares held (Thousands of shares)	Percentage of the number of shares held to the total number of issued shares (excluding treasury stock) (%)
Coca-Cola (Japan) Company, Ltd.	4-6-3, Shibuya, Shibuya-ku, Tokyo	27,956	17.01
The Master Trust Bank of Japan, Ltd. (Trust Account)	1-8-1, Akasaka, Minato-ku, Tokyo	19,019	11.58
The Coca-Cola Export Corporation (Standing proxy: Morgan Stanley MUFG Securities Co., Ltd.)	CORPORATION TRUST CENTER,1209 ORANGE ST, WILMINGTON DELAWARE 19801 (Otemachi Financial City South Tower, 1-9- 7, Otemachi, Chiyoda-ku, Tokyo)	14,001	8.52
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12, Harumi, Chuo-ku, Tokyo	5,883	3.58
Ichimura Foundation for New Technology	1-26-10, Kitamagome, Ota-ku, Tokyo	5,295	3.22
Senshusha Co., Ltd.	339, Noda, Noda-shi, Chiba	4,088	2.49
Coca-Cola Holdings West Japan Inc. (Standing proxy: Coca-Cola (Japan) Company, Limited)	1013 Wilmington Center Road, U.S.A. Delaware (4-6-3, Shibuya, Shibuya-ku, Tokyo)	4,075	2.48
Satsuma Shuzo Co., Ltd	26, Kamamotos, Makurazaki-shi, Kagoshima	3,848	2.34
J.P. Morgan Securities Japan Co., Ltd.	Tokyo Building, 7-3, Marunouchi 2-chome, Chiyoda-Ku, Tokyo	2,899	1.76
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd.)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (Bldg. A, Shinagawa Intercity, 2-15-1, Konan, Minato-ku, Tokyo)	2,358	1.44
Total	—	89,422	54.42

Note 6,965 thousand treasury shares are not included in the status of major shareholders above because they do not have voting rights. Also, the treasury shares do not include the Company's shares held by the Executive reward BIP Trust and Stock-granting ESOP Trust.

(6) Status of voting rights

a. Issued shares

As of June 30,2026

Class	Number of shares	Number of votes	Details
Non-voting shares	—	—	—
Shares with restricted voting right (Treasury Shares)	—	—	—
Shares with restricted voting right (Others)	—	—	—
Shares with full voting rights (Treasury Shares)	Common shares 6,964,900	—	—
Shares with full voting rights (Others)	Common shares 163,639,600	1,636,396	—
Odd lot shares	Common shares 664,093	—	—
Total number of issued shares	171,268,593	—	—
Voting rights of all shareholders	—	1,636,396	—

Notes 1. "Shares with full voting rights (Others)" include 2,300 shares under in JASDEC's name (23 voting rights).

2. "Shares with full voting rights (Others)" include 496,800 shares (number of voting rights: 4,968) held by the Executive reward BIP Trust and 1,335,700 shares (number of voting rights: 13,357 held by the Stock-granting ESOP Trust.

b. Treasury shares

As of June 30,2026

Name of owner	Address of owner	Number of shares owned under own name	Number of shares owned under others' name	Total number of shares owned	Ratio of shares owned against total no. of issued shares (%)
Coca-Cola Bottlers Japan Holdings Inc.	9-7-1, Akasaka, Minato-ku, Tokyo	6,964,900	—	6,964,900	4.07
Total	—	6,964,900	—	6,964,900	4.07

Note The Company shares held by the Executive reward BIP Trust, and Stock-granting ESOP Trust are not included in the above number of shares owned.

2. Status of officers

Not applicable.

Section 4. Accounting status

1. Preparation of Accounting Methods for the Semi-Annual Consolidated Financial Statements

The Company’s condensed semi-annual consolidated financial statements have been prepared in accordance with International Accounting Standards Article 34 “Interim Financial Reporting” based on the Ordinance on the Terminology, Forms, and Preparation Methods of Semi-Annual Consolidated Financial Statements Article 312 (Cabinet Office Ordinance No. 28 of 1976).

The Company qualifies as a specified company under Article 24-5, Paragraph 1, Item 1 of the Financial Instruments and Exchange Act and prepares First Type Quarterly Consolidated Financial Statements in accordance with Parts I and V of the Ordinance on Consolidated Financial Statements.

2. Audit certification

The Company’s condensed semi-annual consolidated financial statements for the semi-annual consolidated accounting period of the current fiscal year (January 1, 2026 to June 30, 2026, hereinafter referred to as “first half”) have been reviewed by Ernst & Young ShinNihon LLC based on the provisions of Article 193-2 Paragraph 1 of the Financial Instruments and Exchange Act.

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1. Condensed Semi-Annual Consolidated Financial Statements

(1) Condensed Semi-Annual Consolidated Statement of Financial Position

(Millions of yen)

	Notes	As of December 31, 2025	As of June 30, 2026
Assets			
Current assets:			
Cash and cash equivalents		76,330	83,234
Trade and other receivables		114,385	112,481
Inventories		71,622	88,967
Other financial assets	12	1,172	1,640
Other current assets		8,584	14,347
Subtotal		272,092	300,670
Assets held for sale		2,634	543
Total current assets		274,726	301,212
Non-current assets:			
Property, plant, and equipment		299,336	298,240
Right-of-use assets		19,761	20,107
Intangible assets		48,951	49,007
Investments accounted for using the equity method		451	497
Other financial assets	12	9,682	9,552
Deferred tax assets		41,288	38,218
Other non-current assets		4,291	5,303
Total non-current assets		423,760	420,923
Total assets		698,486	722,135

(Millions of yen)

	Notes	As of December 31, 2025	As of June 30, 2026
Liabilities and equity			
Liabilities			
Current liabilities:			
Trade and other payables		123,236	126,384
Bonds and debts	12	63,978	63,493
Lease liabilities		6,364	6,192
Other financial liabilities	12	478	381
Income taxes payables		1,527	1,072
Other current liabilities		24,531	19,309
Total current liabilities		220,115	216,831
Non-current liabilities:			
Bonds and debts	12	49,924	89,855
Lease liabilities		13,595	14,015
Other financial liabilities	12	—	41
Net defined benefit liabilities		19,670	20,675
Provisions		1,541	1,519
Deferred tax liabilities		10,904	11,261
Other non-current liabilities		2,538	2,272
Total non-current liabilities		98,172	139,637
Total liabilities		318,287	356,468
Equity:			
Capital stock		15,232	15,232
Capital surplus		347,743	346,109
Retained earnings	9	30,156	29,640
Treasury shares	8	(14,810)	(27,057)
Accumulated other comprehensive income		1,571	1,423
Equity attributable to owners of parent		379,892	365,347
Non-controlling interests		307	320
Total equity		380,199	365,667
Total liabilities and equity		698,486	722,135

(2) Condensed Semi-Annual Consolidated Statements of Income

(Millions of yen)

	Notes	Six months ended June 30, 2025	Six months ended June 30, 2026
Revenue	6, 10	417,942	423,191
Cost of sales		234,529	233,549
Gross profit		183,413	189,642
Selling, general and administrative expenses		181,599	181,762
Other income	11	1,172	5,341
Other expenses	11, 14	95,229	4,173
Investment income on equity method		73	51
Operating income (loss)		(92,170)	9,098
Financial income		237	169
Financial expenses		326	505
Income (loss) before income taxes		(92,259)	8,763
Income tax expense (benefit)		(26,415)	3,936
Net income (loss)		(65,844)	4,827
Net income (loss) attributable to			
Owners of parent		(65,892)	4,778
Non-controlling interests		48	49
Basic income (loss) per share (yen)	13	(378.02)	29.12
Diluted earnings per share (yen)	13	—	28.78

(3) Condensed Semi-Annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	Notes	Six months ended June 30, 2025	Six months ended June 30, 2026
Net income (loss)		(65,844)	4,827
Other comprehensive income			
Items that will not be reclassified subsequently to income or loss:			
Net changes in financial assets measured at fair value through other comprehensive income		974	(359)
Subtotal		974	(359)
Items that may be reclassified subsequently to income:			
Exchange differences on translation of foreign operations		—	5
Cash flow hedges		(736)	572
Subtotal		(736)	577
Total other comprehensive income		238	218
Total comprehensive income		(65,606)	5,045
Comprehensive income attributable to:			
Owners of parent		(65,654)	4,996
Non-controlling interests		48	49

(4) Condensed Semi-Annual Consolidated Statements of Changes in Equity

Six months ended June 30, 2025

(Millions of yen)

	Notes	Equity attributable to owners of the parent							
		Capital stock	Capital surplus	Retained earnings	Treasury shares	Accumulated other comprehensive income (loss)	Total	Non-controlling interests	Total
Balance as of January 1, 2025		15,232	378,459	87,317	(16,297)	1,492	466,203	240	466,443
Comprehensive income									
Net income (loss)		—	—	(65,892)	—	—	(65,892)	48	(65,844)
Other comprehensive income		—	—	—	—	238	238	—	238
Total comprehensive income		—	—	(65,892)	—	238	(65,654)	48	(65,606)
Transactions with owners									
Dividends of surplus	9	—	—	(4,975)	—	—	(4,975)	(29)	(5,004)
Purchase of treasury stock	8	—	(2)	—	(16,588)	—	(16,590)	—	(16,590)
Disposal of treasury share		—	(193)	—	415	—	222	—	222
Transactions of share-based payment		—	15	—	—	—	15	—	15
Reclassification from accumulated other comprehensive income to retained earnings		—	—	8	—	(8)	—	—	—
Reclassification from accumulated other comprehensive income to non-financial assets		—	—	—	—	63	63	—	63
Other		—	(15)	—	—	(13)	(29)	—	(29)
Total transactions with owners		—	(195)	(4,967)	(16,173)	42	(21,294)	(29)	(21,323)
Balance as of June 30, 2025		15,232	378,263	16,458	(32,470)	1,772	379,255	259	379,514

Six months ended June 30, 2026

(Millions of yen)

	Notes	Equity attributable to owners of the parent							
		Capital stock	Capital surplus	Retained earnings	Treasury shares	Accumulated other comprehensive income (loss)	Total	Non-controlling interests	Total
Balance as of January 1, 2026		15,232	347,743	30,156	(14,810)	1,571	379,892	307	380,199
Comprehensive income									
Net income		—	—	4,778	—	—	4,778	49	4,827
Other comprehensive income		—	—	—	—	218	218	—	218
Total comprehensive income		—	—	4,778	—	218	4,996	49	5,045
Transactions with owners									
Dividends of surplus	9	—	—	(5,303)	—	—	(5,303)	(36)	(5,339)
Purchase of treasury stock	8	—	(1)	—	(14,866)	—	(14,868)	—	(14,868)
Disposal of treasury stock		—	(2,494)	—	2,619	—	125	—	125
Transactions of share-based payment		—	861	—	—	—	861	—	861
Reclassification from accumulated other comprehensive income to retained earnings		—	—	9	—	(9)	—	—	—
Reclassification from accumulated other comprehensive income to non-financial assets		—	—	—	—	(357)	(357)	—	(357)
Total transactions with owners		—	(1,634)	(5,294)	(12,247)	(366)	(19,541)	(36)	(19,577)
Balance as of June 30, 2026		15,232	346,109	29,640	(27,057)	1,423	365,347	320	365,667

(5) Condensed Semi-Annual Consolidated Statements of Cash Flows

(Millions of yen)

	Notes	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from operating activities			
Income (loss) before income tax benefit		(92,259)	8,763
Adjustments for:			
Depreciation and amortization		22,617	15,510
Impairment loss	14	88,939	239
Increase (decrease) in allowance for doubtful accounts		72	(60)
Interest and dividends income		(46)	(46)
Interest expenses		317	402
Share of income of entities accounted for using equity method		(73)	(51)
Gain on sale of property, plant, and equipment		(815)	(4,809)
Loss on disposal and sale of property, plant, and equipment, and intangible assets		554	318
Decrease (increase) in trade and other receivables		(6,874)	2,008
Increase in inventories		(9,134)	(17,346)
Increase in other assets		(4,654)	(6,167)
Increase in trade and other payables		10,124	7,988
Increase in net defined benefit liabilities		371	1,005
Decrease in other liabilities		(9,023)	(6,470)
Others		(20)	(1,388)
Subtotal		98	(104)
Interest received		12	23
Dividends received		34	22
Interest paid		(289)	(331)
Income taxes paid		(2,409)	(1,557)
Income taxes refund		861	37
Net cash used for operating activities		(1,694)	(1,909)
Cash flows from investing activities			
Payments for acquisitions of property, plant and equipment and intangible assets		(15,510)	(17,909)
Proceeds from sales of property, plant and equipment and intangible assets		1,863	9,201
Payments for purchases of other financial assets		(2)	(2)
Proceeds from sale of other financial assets		46	34
Payment for sale of shares of subsidiary due to change in scope of consolidation	7	(2,757)	—
Others		(114)	(30)
Net cash used for investing activities		(16,474)	(8,706)

(Millions of yen)

	Note	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from financing activities			
Repayments of long-term loans payable		(500)	(500)
Proceeds from long-term borrowings		－	39,919
Repayments of lease liabilities		(3,251)	(3,371)
Proceeds from disposal of treasury shares		222	1,651
Payments for purchases of treasury shares		(16,590)	(14,868)
Dividends paid	9	(4,975)	(5,303)
Dividends paid to non-controlling interests		(29)	(36)
Others		－	21
Net cash used for financing activities		(25,123)	17,515
Effect of exchange rate change on cash and cash equivalents		(13)	5
Increase (decrease) in cash and cash equivalents		(43,304)	6,904
Cash and cash equivalents at the beginning of the year		88,473	76,330
Cash and cash equivalents at the end of the period		45,169	83,234

Notes to Condensed Semi-Annual Consolidated Financial Statements

1. Introduction

Coca-Cola Bottlers Japan Holdings Inc. (hereinafter referred to as "the Company") is a holding company located in Japan and listed on the Prime Market of the Tokyo Stock Exchange. Under the Coca-Cola brand, the Company and its subsidiaries (collectively the "Group") engage in the purchasing, sales, production, bottling, packaging, distribution and marketing of carbonated beverages, coffee beverages, tea-based beverages, mineral water, alcohol, and other soft drinks in Japan.

The Group's condensed semi-annual consolidated financial statements consists of equities of the Company, subsidiaries, affiliated companies and jointly controlled enterprises. The condensed semi-annual consolidated financial statements were approved by Representative Director and President, Calin Dragan and our Representative Director, Vice President, and Chief Financial Officer, Bjorn Ivar Ulgenes on July 31, 2026 and take into account events after the reporting period to that date (see Note 15, "Subsequent events").

2. Basis of preparation

As the Group qualifies as a "Specified Company under Designated International Accounting Standards" as defined in Article 1-2, Item 2 of the Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (Ordinance of the Ministry of Finance No. 28 of 1976), the condensed consolidated semi-annual financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting," pursuant to the provisions of Article 312 of the said Regulation.

The condensed semi-annual consolidated financial statements should be used in conjunction with consolidated financial statements for the prior fiscal year as they do not include all the information required in the annual consolidated financial statements.

The condensed semi-annual consolidated financial statements are stated in Japanese yen. All condensed semi-annual consolidated financial statements are rounded to the nearest million yen unless otherwise stated.

3. Material accounting policies

The material accounting policies applied by the Group in the condensed semi-annual consolidated financial statements are the same as the accounting policies applied in the consolidated financial statements for the prior fiscal year.

Income tax expense for the first half of the current fiscal year has been calculated based on the Annual estimated effective tax rate.

4. Critical accounting judgments, estimates and assumptions

In preparing the condensed semi-annual consolidated financial statements in accordance with IFRS, management is required to make judgments, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, revenue, and expenses. Actual results may differ from these estimates. The estimates and the assumptions underlying the estimates are continually reviewed and are based on historical experience and other factors, including future events, which are believed to be reasonable under the environment.

Accounting estimates are based on the most appropriate information at the time the consolidated financial statements are filed, but if any estimates change in further periods, the impact of the revisions are recognized in the consolidated statements of profit or loss and consolidated statements of comprehensive income subsequent to the reporting period in which they are revised.

Accounting judgments, estimates and assumptions that have a significant impact on the condensed semi-annual consolidated financial statements will be revised based on the same concept as in the consolidated financial statements for the prior fiscal year.

(The Change in useful life of Property, Plant and Equipment)

The Group has historically depreciated machinery and equipment primarily over useful lives of 7 to 20 years using the straight-line method. As fiscal year 2026 marks the first year of the strategic business plan Vision 2030, the Group has adopted a policy of implementing carefully selected capital investments aimed at improving capital efficiency. In addition, based on a review that took into account the actual usage status of existing assets, the Group decided to extend the effective utilization period of manufacturing machinery and equipment. Accordingly, from the first half of the current fiscal year, the Group revised the principal useful lives of machinery and equipment used for manufacturing purposes to 15 to 20 years. This change has been applied prospectively.

As a result of this revision, operating income and income before income taxes for the first half each increased by 1,235 million compared with amounts calculated using the prior useful lives.

5. New accounting standard not yet adopted

As of the approval date of the condensed consolidated semi-annual financial statements, the following standard was newly issued but the Group has decided not to adopt it early. The Group is currently evaluating the impact of the adoption of this standard.

Standard	Standard name	Mandatory adoption (From fiscal years beginning on or after)	Scheduled adoption by the Group	Overview
IFRS 18	Presentation and disclosure in financial statements	January 1, 2027	Fiscal year ending December 31, 2027	New standard to replace IAS 1, the current accounting standard for the presentation and disclosure of financial statements.

6. Segment Information

(1) Overview of reportable segments

Operating segments are defined as the components of the Group for which separate financial information is available that is evaluated regularly by the chief operating decision maker in making resource allocation decisions and in assessing performance. The Group is organized and managed based on its major products, services, or business activities, and has established three business and reportable segments: "Vending Business," "OTC (Over the Counter) Business," and "Food Service Business." There are no business segments that are not included in the reportable segments, nor are there any aggregated segments.

The accounting methods used for operating segment reported are the same as those described in Note 3 "Materials accounting policies."

Reportable Segments	Major products, services or business activities
Vending business	Procurement, manufacturing and sales, bottling, packaging, distribution, marketing as well as other operations related to beverage vending machines in Japan's vending channel
OTC Business	Procurement, manufacturing and sales, bottling, packaging, distribution, and marketing of beverages in Japan's OTC (Over the Counter) channels such as supermarkets, drugstores, discount stores, convenience stores and online channels
Food Service Business	Procurement, manufacturing and sales, bottling, packaging, distribution, and marketing of beverages in Japan's restaurants and food service channels

(2) Information about reportable segments

Information by reportable segments of the Group is as follows.

Six months ended June 30, 2025

(Millions of yen)

	Reportable segment			Others (Note 1)	Total
	Vending	OTC	Food Service		
Revenue from external customers	189,660	194,174	19,833	14,276	417,942
Intersegment sales or transfer	—	—	—	—	—
Total revenue	189,660	194,174	19,833	14,276	417,942
Segment income (loss) (Note 2)	**(1,389)**	**21,004**	**2,850**	**(20,930)**	**1,535**

Notes 1. The "Others" category is defined as follows.

(1) "Others" of revenue from external customers represents revenues generated from business activities that are not attributable to any reportable segment, which includes sales to other Coca-Cola bottlers in Japan.

(2) "Others" of segment income (loss) includes 1,079 million yen of revenues generated from business activities that are not attributable to any reportable segment and 22,009 million yen of corporate overhead expenses. Corporate overhead expenses mainly consist of general and administrative expenses not attributable to any reportable segments.

2. Segment income is based on business income. "Business income" deducts cost of sales and selling, general and administrative expenses from revenue, and includes other income and expenses which we believe are recurring in nature.

Six months ended June 30, 2026

(Millions of yen)

	Reportable segment			Others (Note 1)	Total
	Vending	OTC	Food Service		
Revenue from external customers	186,432	199,195	22,952	14,612	423,191
Intersegment sales or transfer	—	—	—	—	—
Total revenue	186,432	199,195	22,952	14,612	423,191
Segment income (loss) (Note 2)	**5,343**	**22,750**	**3,136**	**(23,092)**	**8,137**

Notes 1. The "Others" category is defined as follows.

(1) "Others" of revenue from external customers represents revenues generated from business activities that are not attributable to any reportable segment, which includes sales to other Coca-Cola bottlers in Japan.

(2) "Others" of segment income (loss) includes 1,015 million yen of revenues generated from business activities that are not attributable to any reportable segment and 24,107 million yen in corporate overhead expenses. Corporate overhead expenses mainly consist of general and administrative expenses not attributable to any reportable segments.

2. Segment income is based on business income. "Business income" deducts cost of sales and selling, general and administrative expenses from revenue, and includes other income and expenses which we believe are recurring in nature.

Adjustments from the total of segment income to income before income taxes of the first half of the prior fiscal year and the current fiscal year are as follows.

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Total segment income	1,535	8,137
Gains on sales of property, plant, and equipment	815	4,808
Losses on sales and disposals of property, plant, and equipment	(5)	(311)
Gain on sale of shares of subsidiaries	23	—
Transformation-related expenses	(2,108)	(1,183)
Impairment loss	(88,939)	(239)
Special retirement allowance	(3,234)	(68)
Lump sum payment related to the amendment of the compensation system for Directors	—	(1,799)
Other	(258)	(247)
Operating income (loss)	(92,170)	9,098
Financial income	237	169
Financial expenses	(326)	(505)
Income (loss) before income taxes	(92,259)	8,763

7. Sale of subsidiary

Six months ended June 30, 2025

(Transfer of shares of onEQuest Co., Ltd.)

In January 2025, the Group transferred 51% of the shares of onEQuest Co., Ltd. (EQ Operation Preparation Company prior to share transfer), which were held by our group, to Thinkrun Holdings Co., Ltd. As a result, the company changed from a subsidiary to a jointly controlled enterprise accounted for using the equity method.

The relationship between the consideration received from the transfer and the proceeds or payments on the sale, as well as the major components of the subsidiary's assets and liabilities at the time control was lost, are as follows.

(1) Payments related to the sale of the subsidiary

(Millions of yen)

Consideration	
Cash proceeds received as consideration	49
Cash and cash equivalents of the subsidiary	(2,367)
Payments related to the sale of the subsidiary	(2,318)

(2) Assets and liabilities of the subsidiary on the date of the sale

(Millions of yen)

Current Assets	2,367
Non-current assets	45
Total assets	2,411
Current liabilities	818
Non-current liabilities	1,542
Total liabilities	2,360

(3) Gains or loss

In the first half of the prior fiscal year, the gain on the sale of the consolidated subsidiary was 23 million yen, which is included in "Other income" in the consolidated statements of income.

(Transfer of shares of Genpact Japan Smart Command Center K.K.)

In January 2025, the Group transferred all of its shares in Genpact Japan Smart Command Center K.K. (EQ Admin Preparation Company prior to share transfer) to Genpact Co., Ltd.

The relationship between the consideration received from the transfer and the proceeds or payments on the sale, as well as the major components of the subsidiary's assets and liabilities at the time control was lost, are as follows.

(1) Payments related to the sale of the subsidiary

(Millions of yen)

Consideration	
Cash proceeds received as consideration	51
Cash and cash equivalents of the subsidiary	(490)
Payments related to the sale of the subsidiary	(439)

(2) Assets and liabilities of the subsidiary on the date of the sale

(Millions of yen)

Current Assets	490
Non-current assets	—
Total assets	490
Current liabilities	151
Non-current liabilities	288
Total liabilities	439

(3) Gains or loss

There were no gains or losses on the sale of the consolidated subsidiaries during the first half of the prior fiscal year.

Six months ended June 30, 2026

There was no sale of subsidiary during the first half of the current fiscal year.

8. Repurchasing treasury shares

The repurchase of treasury shares for the first half of the prior fiscal year and the current fiscal year are as follows:

Six months ended June 30, 2025

Based on the resolution of the Board of Directors on November 6, 2024, the Company repurchased treasury shares during the first half of the prior fiscal year, and the number of treasury shares increased by 6,877,700 shares during the period.

Six months ended June 30, 2026

Based on the resolution of the Board of Directors on August 1, 2025, the Company repurchased treasury shares during the first half of the current fiscal year, and the number of treasury shares increased by 4,144,400 shares during the period.

9. Dividends

Dividend payments for the first half of the prior fiscal year and the current fiscal year are as follows:

Six months ended June 30, 2025

(1) Dividend payment amount

Resolution	Type of shares	Total amount of dividends paid (Millions of yen)	Dividends per share (Yen)	Dividend record date	Effective date
March 26, 2025 Ordinary General Meeting of Shareholders	Ordinary share	5,057	28	December 31, 2024	March 28, 2025

Note The total amount of dividends includes 81 million yen for the Company shares held by the Executive reward BIP Trust and Stock-granting ESOP Trust.

(2) Dividends with the cut-off date in the first half of FY 2025 and the effective date following the first half of FY 2025

Resolution	Type of shares	Total amount of dividends paid (Millions of yen)	Dividends per share (Yen)	Dividend record date	Effective date
August 1, 2025 Board of directors	Ordinary share	4,864	28	June 30, 2025	September 1, 2025

Note The total amount of dividends includes 77 million yen for the Company shares held by the Executive reward BIP Trust and Stock-granting ESOP Trust.

Six months ended June 30, 2026

(1) Dividend payment amount

Resolution	Type of shares	Total amount of dividends paid (Millions of yen)	Dividends per share (Yen)	Dividend record date	Effective date
March 26, 2026 Ordinary General Meeting of Shareholders	Ordinary share	5,390	32	December 31, 2025	March 30, 2026

Note The total amount of dividends includes 88 million yen for the Company shares held by the Executive reward BIP Trust and Stock-granting ESOP Trust.

(2) Dividends with the cut-off date in the first half of FY 2026 and the effective date following the first half of FY 2026

Resolution	Type of shares	Total amount of dividends paid (Millions of yen)	Dividends per share (Yen)	Dividend record date	Effective date
July 30, 2026 Board of directors	Ordinary share	5,751	35	June 30, 2026	September 1, 2026

Note The total amount of dividends includes 64 million yen for the Company shares held by the Executive reward BIP Trust and Stock-granting ESOP Trust.

10. Revenue

The Group separates revenue by three reportable segments, "Vending business," "OTC Business," and "Food Service Business", for the chief operating decision maker in making resource allocation decisions and in assessing performance.

In each business, the Group purchases, manufactures, and sells carbonated beverages such as Coca-Cola, coffee beverages, tea beverages, mineral water, alcohol, and other beverages in Japan. Revenue for sales of these products is recognized primarily at the time of delivery as customers have obtained control of the products, and the performance obligation is satisfied.

Payments relating to such performance obligation are received generally within two months of delivery. The contracts with customers do not include any material financial elements.

Revenue in the first half for both the prior fiscal year and the current fiscal year are recognized from the contracts with customers.

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Reportable segment		
Vending business	189,660	186,432
OTC business	194,174	199,195
Food service business	19,833	22,952
Other	14,276	14,612
Total	417,942	423,191

11. Other income and other expenses

The breakdown of other income and other expenses are as follows:

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Other income		
Gains on sales of property, plant, and equipment (Note 1)	815	4,809
Rent income	82	78
Gain on sale of shares of subsidiaries (Note 2)	23	—
Other	253	454
Total	1,172	5,341
Other expenses		
Impairment loss (Note 3)	88,939	239
Losses on sales and disposals of property, plant, and equipment	608	574
Transformation-related expenses (Note 4)	2,108	1,183
Special retirement allowance (Note 5)	3,234	68
Lump sum payment related to the amendment of the compensation system for Directors (Note 6)	—	1,799
Other	340	310
Total	95,229	4,173

Notes
1. Gains on sales of property, plant, and equipment represent gains on sales of land and other assets for the first half of the prior fiscal year and the current fiscal year.
2. Gain on sale of shares of subsidiaries represents gains from the transfer of 51% equity interest in onEQuest Co., Ltd.
3. Please refer to "Note 14. Impairment of non-financial assets" for more details about "impairment loss."
4. Transformation-related expenses are consulting expenses related to measures aimed at building an efficient new system with the aim of creating more value and further improving productivity for the sustainable growth of the Group for the first half of the prior fiscal year and the current fiscal year.
5. Special retirement allowance represents allowances and outplacement support expenses incurred in the implementation of the voluntary retirement program for the first half of the prior fiscal year and the current fiscal year.
6. Lump sum payment related to the amendment of the compensation system for Directors represents a one-time expense recognized during the first half of the current fiscal year as a result of the amendment to the Directors' compensation system approved at the Ordinary General Meeting of Shareholders held on March 26, 2026. In addition to this lump sum payment, key management personnel compensation is included in selling, general and administrative expenses.

12. Fair value of financial instruments

(a) Classification by level of the fair value hierarchy

Financial instruments measured at fair value on a recurring basis after initial recognition are classified into three levels of the fair value hierarchy, depending on the observability and significance of the inputs used in the measurement.

The fair value hierarchy is defined as follows:

Level 1: Fair value (unadjusted) in the active market of the same asset or liability

Level 2: Fair value based on inputs other than quoted prices included in Level 1, either directly observable inputs or indirectly, of observable inputs for asset or liability

Level 3: Fair value based on unobservable inputs for asset or liability

When more than one input is used to measure the fair value, the level of the fair value hierarchy is determined based on the lowest level of input that is significant to the fair value measurement as a whole. Transfers between levels of the fair value hierarchy are recognized as having occurred at the beginning of each period.

There was no transfer between Level 1, Level 2, and Level 3 during the prior fiscal year and the first half of the current fiscal year.

(b) Fair value measurement

Securities are classified as Level 1 of the fair value hierarchy by the measurement of share prices, if any, in an active market for the same asset or liability. If there is no active market share price for the same asset or liability, the Group uses valuation techniques such as share prices in non-active markets, and quoted market prices of similar companies. If significant inputs, such as quoted market prices and discount rates used in measurement are observable, such financial instruments are classified as Level 2, but are classified as Level 3 if inputs used in its measurement include significant unobservable inputs.

Unlisted securities are classified into Level 3 of the fair value hierarchy using valuation techniques based on quoted market prices of similar companies, valuation techniques based on net asset value, and other valuation techniques. In the fair value measurement of unlisted securities, the Group uses unobservable inputs such as valuation multiples and considers certain illiquidity discounts and non-controlling interest discounts as needed. The measurement methods for such fair value are determined by the Finance division in accordance with the Group's accounting policies.

The valuation techniques and significant unobservable inputs used in Level 3 fair value measurement are as follows:

As of December 31, 2025

Type	Valuation technique	Significant unobservable inputs	Interactions between significant unobservable inputs and fair value measurement
Financial instrument measured at fair value through other comprehensive income (Securities)	Comparison of similar companies	EBIT Multiple:10.4-14.3 times PBR: 1.1-2.4 times	Estimated fair value increases (decreases) when equity indices of comparable listed companies of the target are high (low)

As of June 30,2026

Type	Valuation technique	Significant unobservable inputs	Interactions between significant unobservable inputs and fair value measurement
Financial instrument measured at fair value through other comprehensive income (Securities)	Comparison of similar companies	EBIT Multiple: 17.9 times EBITDA Multiple: 8.4 times PBR: 1.1 - 1.7 times	Estimated fair value increases (decreases) when equity indices of comparable listed companies of the target are high (low)

EBIT Multiple: Corporate Value/EBIT

EBITDA Multiple: Corporate Value/EBITDA

PBR: Price Book Value Ratio

(c) Financial instrument measured fair value on a recurring basis

The breakdown of financial instrument measured at fair value on a recurring basis is as follows:

As of December 31, 2025

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instrument measured at fair value through profit or loss:				
Derivative assets	—	1,171	—	1,171
Subtotal	—	1,171	—	1,171
Financial instrument measured at fair value through other comprehensive income:				
Securities	3,061	—	2,231	5,292
Other	—	—	98	98
Subtotal	3,061	—	2,329	5,390
Total	3,061	1,171	2,329	6,561
Financial liabilities				
Financial instrument measured at fair value through profit or loss:				
Derivative liabilities	—	478	—	478
Total	—	478	—	478

As of June 30,2026

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instrument measured at fair value through profit or loss:				
Derivative assets	—	1,629	—	1,629
Subtotal	—	1,629	—	1,629
Financial instrument measured at fair value through other comprehensive income:				
Securities	2,488	—	2,226	4,715
Other	—	—	111	111
Subtotal	2,488	—	2,337	4,825
Total	2,488	1,629	2,337	6,455
Financial liabilities				
Financial instrument measured at fair value through profit or loss:				
Derivative liabilities	—	422	—	422
Total	—	422	—	422

A reconciliation of the beginning and ending balances of financial instrument classified as Level 3 is as follows:

(Millions of yen)

	Financial assets measured at fair value through other comprehensive income
Balance as of January 1, 2025	2,231
Disposals	—
Gains (losses) recognized in other comprehensive income	155
Balance as of June 30, 2025	2,387
Balance as of January 1, 2026	2,329
Disposals	(24)
Gains (losses) recognized in other comprehensive income	32
Balance as of June 30, 2026	2,337

Gains or losses recognized in other comprehensive income are recognized in “Net changes in financial asset measured at fair value through other comprehensive income” in the consolidated statements of comprehensive income.

(d) Financial instrument measured at amortized cost

The components of carrying amount and fair value of financial instruments measured at amortized cost are as follows:

As of December 31, 2025

(Millions of yen)

	Carrying amount	Fair value	Difference
Long-term loans payable and bonds	113,903	110,791	3,112

As of June 30,2026

(Millions of yen)

	Carrying amount	Fair value	Difference
Long-term loans payable and bonds	153,348	150,423	2,925

Long-term loans payable and bonds include current portion. Cash and cash equivalents, trade and other receivables, trade and other payables are not included in the above table as their fair value approximates their carrying amount due to the short collection and settlement period.

The main valuation techniques used to measure fair value of the financial instrument in the table above are as follows:

a. Loans payable

Loans payable with fixed interest rates are calculated based on the present value of future cash flows discounted using interest rates adjusted for the remaining term and credit risk. Loans payable with fixed interest rates are classified into Level 2 of the fair value hierarchy.

b. Bonds

For bonds with quoted market prices, the fair value is estimated based on quoted market prices. For bonds without quoted market prices, the fair value is calculated based on the present value of future cash flows discounted using interest rates adjusted for the remaining term and credit risk. Bonds with quoted market prices are classified into Level 1 of the fair value hierarchy and bonds without quoted market prices are classified into Level 2.

13. Earnings per share

The calculation of basic earnings (loss) per share attributable to owners of the parent is based on the net income (loss) attributable to owners of the parent and the weighted average number of common shares issued for the first half.

The basis for calculating the basic earnings (loss) per share and the diluted earnings per share for the first half is as follows:

	Six months ended June 30, 2025	Six months ended June 30, 2026
Income (loss) attributable to owners of parent (millions of yen)	(65,892)	4,778
Weighted-average number of common shares issued (in thousands)	174,308	164,074
Basic earnings (loss) per share (yen)	(378.02)	29.12
Diluted earnings per share (yen)	—	28.78

Notes 1. "Diluted earnings per share" is not shown in the first half of the prior fiscal year, as 1,357 thousand shares of share-based compensation have an antidilutive effect.

2. We have introduced an Executive reward BIP Trust and Stock-granting ESOP Trust. The Company shares held by these trusts are included in the treasury shares to be deducted from the weighted-average number of common shares during the period for calculating the amount of basic earnings (loss) per share and diluted earnings per share. The weighted-average number of common shares deducted was 8,961 thousand shares and 7,195 thousand shares for the first half of the prior fiscal year and the current fiscal year.

14. Impairment of non-financial assets

The major asset and segment recognizing impairment loss are as follows.

Six months ended June 30, 2025

(Millions of yen)

Reportable segment	Cash-generating unit or cash-generating unit group	Impairment loss	Type of assets
Vending business	Vending	88,135	Property, plant, and equipment, etc.

The Group formulated a new strategic business plan, Vision 2030, which was announced on August 1, 2025. Priorly, for the application of impairment accounting under IAS 36 Impairment of Assets, the Group has identified the entire company as a single cash-generating unit. However, in conjunction with the establishment of a management reporting structure by business unit to facilitate the execution and achievement of the objectives set forth in Vision 2030, the Group has identified three cash-generating units - "Vending," "OTC," and "Food Service" -starting from the first half of the prior fiscal year.

During the first half of the prior fiscal year, indications of possible impairment were identified for the "Vending" cash-generating unit. Accordingly, an impairment test was conducted. As a result, the carrying amount of the assets in this unit was written down to their recoverable amount, and an impairment loss of 88,135 million was recognized under "Other Expenses" in the condensed semi-annual consolidated statement of income. The recoverable amount of 147,702 million yen was measured based on fair value less costs of disposal which was determined using real estate appraisal values and other valuation techniques. The fair value measurement is categorized within Level 3 of the fair value hierarchy.

Six months ended June 30, 2026

There was no significant impairment loss recognized during the first half of the current fiscal year.

15. Subsequent events

(Resolution to repurchase treasury shares)
The Company resolved at a meeting of the Board of Directors held on July 30, 2026, to repurchase treasury shares pursuant to the provisions of Article 156, paragraph 1 of the Companies Act, as applied by replacing the relevant terms pursuant to the provision of Article 165, paragraph 3 of the same Act. The details are described below.

1. Reason for the repurchase of treasury shares

The Company recognizes the return of profits to shareholders and the improvement of capital efficiency as important management priorities. As part of a comprehensive and continuous shareholder return program designed to increase shareholder value under its Strategic Business Plan Vision 2030, the Company will repurchase treasury shares.

2. Details of the repurchase

(1) Class of shares to be repurchased	: Common shares
(2) Total number of shares to be repurchased	: 14,000,000 shares (upper limit) (8.6% of the total issued shares outstanding, excluding treasury shares)
(3) Total value of shares to be repurchased	: 40 billion yen (upper limit)
(4) Period of share repurchase	: November 1, 2026 to October 31, 2027
(5) Method of repurchase	: Market purchase through the Tokyo Stock Exchange

2. Others

At the Board of Directors held on July 30, 2026, it was resolved to provide the following interim dividend to shareholders or registered pledges recorded in the final shareholders' register on June 30, 2026

a. Total dividends through interim dividends: 5,751 million yen

b. Amount per share: 35 yen

c. Effective date of payment claims, and payment start date: September 1, 2026

The total amount of dividends includes 64 million yen of dividends for the Company's shares held by Executive reward BIP Trust and Stock-granting ESOP Trust.

Part II Information of guarantor companies of the filing company

Not applicable.