

Financial Results for Fiscal Year Ended December 31, 2022

February 13, 2023
Suntory Beverage & Food Limited

Overview of FY2022 Forecast for FY2023

Kazuhiro Saito, President & CEO

This is Kazuhiro Saito.

Thank you for taking the time to join us today.

Today, we will report on our business performance and initiatives in FY2022, followed by an explanation of our forecast for FY2023 and our new management structure.

Please turn to page 3.

Overview of FY2022

I would like to begin by reviewing our financial results for FY2022.

Please turn to page 4.

FY2022 Performance Highlights (IFRS)

(JPY BN)

	FY2022 Results	Change				Variance from revised forecast
		Incl. currency effect		Currency neutral		
		YoY	%YoY	YoY	%YoY	
Revenue	1,450.4	+181.5	+14.3%	+109.1	+8.1%	-2.6
Operating Income	139.7	+21.1	+17.8%	+12.2	+9.5%	-0.8
Non-recurring items	8.9	+11.7	—	+11.8	—	-0.6
Operating Income (Organic basis*1)	130.8	+9.4	+7.8%	+0.3	+0.3%	-0.2
Net Income*2	82.3	+13.6	+19.9%	+9.6	+13.2%	+2.8

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

*2 Profit attributable to owners of the Company

©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

4

Revenue was 1,450.4 billion yen, operating income was 139.7 billion yen, and profit attributable to owners of the Company was 82.3 billion yen, marking the second consecutive year of revenue and profit growth and the highest revenue and operating income ever, as targeted.

In FY2022, we further expanded our market share in key markets as a result of steadily capturing the recovery in demand ahead of others and focusing activities on our core brands. In Japan, for the first time in 24 years, we revised prices for small-format PET bottle products in addition to large-format ones. In overseas markets, we fully implemented RGM activities including flexible price revisions. Both contributed to a significant increase in revenue.

Despite the strong impact of arguably unprecedented cost increases, revenue growth and strict cost management absorbed the impact on profits, resulting in growth in operating income on an organic basis. Operating income grew significantly, including gains/losses on the transfer of businesses as part of the portfolio review, and the recognition of expenses related to the transformation of the business structure.

Based on our existing dividend policy, we plan to pay a year-end dividend of 41 yen, up 2 yen from the previous forecast, for a total annual dividend of 80 yen.

Please turn to page 5.

Revenue

(Currency neutral basis for overseas figures)

	Jan-Jun YoY	Jul-Sep YoY	Oct-Dec YoY	Jan-Dec YoY
Japan	3%	8%	1%	4%
APAC	11%	22%	11%	13%
Europe	21%	19%	7%	17%
Americas	11%	8%	16%	12%
Total	9%	13%	6%	9%
<hr/>				
(reference) total revenue FY2022 vs FY2019	4%	6%	7%	5%

Let me update you on the revenue trend on an organic and a currency neutral basis.

In the fourth quarter, revenue continued to grow across all segments, with the group total up 7% from the pre-COVID 2019, ensuring that revenue is back on a growth trajectory.

In Japan, volume was impacted to some extent by the price revisions from October, but revenue grew due to higher unit prices and an improved channel mix. Revenue also grew overseas, with continued contributions from flexible price revisions and volume growth.

In FY2022, total Group revenue grew 9%, driven by the overseas segments, where the pace of demand recovery was rapid. In addition to Japan and the Americas, Vietnam and France each achieved revenue of 100 billion yen for the first time, marking FY2022 as a year of further strengthening our earnings base.

Please turn to page 6.

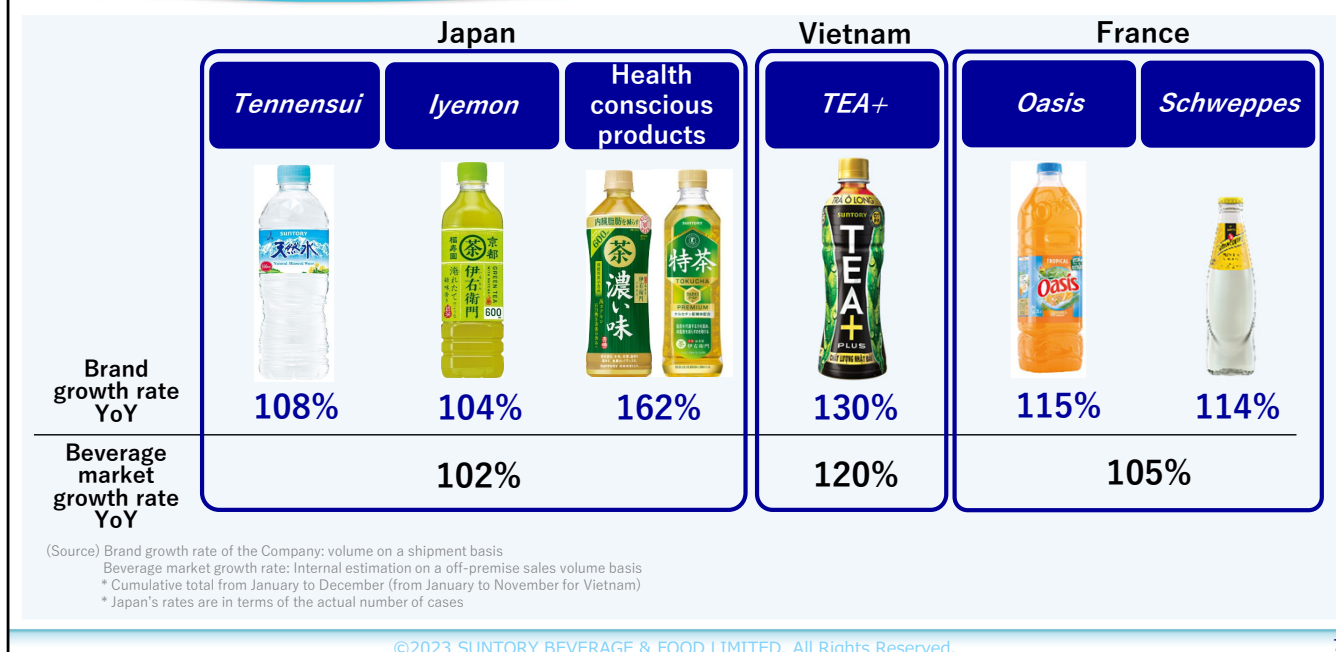
- **Core Brands Innovation**
- **Driving Structural Transformation**
- **Investing in Growth for the Future**

Next, I would like to talk about our initiatives.

We have worked tirelessly to be the first to capture the recovery in demand in all segments, to absorb cost increases while driving structural transformation to respond quickly to change, and to invest in growth for the future.

Let me give you a few examples of the areas on which we have placed particular emphasis: “Core Brands Innovation”, “Driving Structural Transformation”, and “Investing in Growth for the Future”.

Please turn to page 7.



Let me share with you the positive outcome of Core Brands Innovation.

In 2022, we continued to focus fully on adding more value to our core brands in Japan and overseas by staying ahead of our customers’ increasingly rapidly changing preferences.

In Japan, *Suntory Tennensui*, *Iyemon*, and *GREEN DA·KA·RA* each achieved the highest annual sales volume, and the total sales volume also reached a record high. We continued to refine our core brands including *Tokucha*, which underwent a major overhaul for the first time since its launch, and delivered steady results.

In Europe, we continued to strengthen activities for Oasis in France following its first major renewal in 2021, contributing to market share expansion.

A major achievement of our Core Brands Innovation is that we have reaffirmed that our long-standing, popular core brands can secure superior positions in any circumstance, be it the COVID-19 pandemic or a deteriorating business climate.

In 2023, we will continue our relentless efforts in Core Brands Innovation across all segments to drive further revenue growth.

Please turn to page 8.

RGM reinforcement

- Japan: Price revisions for large- and small-format PET products. First in 24 years for the latter.
- Overseas: Thorough RGM activities, such as flexible price revisions

Structural transformation of the vending machine business

- Reorganization of the vending machine business
 - Enhancement of development capability through comprehensive proposals and attractiveness for retailers
 - Operational efficiency through integration of system infrastructure and route optimization

Business portfolio review

- Transfer of the fresh coffee business (Oceania)
- Transfer of Nigeria business

Consolidation of production sites

- Spain: Plant consolidation

Next, Driving Structural Transformation.

Recognizing that challenges arise precisely because we are in a difficult environment, we have been able to address them quickly and evolve into a strong business structure.

Thorough RGM activities, including price revisions in Japan and flexible price revisions overseas, enabled us to absorb higher-than-expected cost increases.

Regarding the structural transformation of the vending machine business, the sales structure was strengthened following the reorganization in January 2022, resulting in volume growth that outpaced the vending machine channel market. Cost reduction through system integration and route optimization also led to improved operational efficiency.

Business portfolio review and production site consolidation are also the areas on which we have been actively working to create an environment for further focusing on our core businesses and strengthening our supply chain.

Please turn to page 9.

Active investment in key strategic areas

- Production capacity expansion for the future
Japan: New lines added at Shinano-no-Mori
APAC: Production capacity added in Vietnam and Australia
Americas: New lines added and warehouse expanded
- Continuous investment in Centers of Excellence and DX
- Investment in sustainability



RGM: Pricing, pack price architecture, mix management, etc.
S&OP: Supply demand forecasting and management

This slide is about Investing in Growth for the Future.

We continued to invest in priority strategic areas such as production capacity expansion, sustainability, Centers of Excellence, and DX. Despite continued uncertainty, we have remained active in making the necessary investments for growth.

In 2023, we will continue to invest in priority strategic areas, including further production capacity expansion, to further strengthen our business foundation.

Please turn to page 10.

Water



35% reduction^{*1} of water consumption at the SBF plants worldwide

2021 result: 21% reductions

*1 The goal of the Suntory Group (SBF's goal is 20% reduction).
Baseline year: 2015
*2 Common goal for the Suntory Group and SBF.
Baseline year: 2019
*3 PET bottles using recycled or plant-based materials 100%
*4 Ratio of sustainable (recycled or plant-based) materials used (by weight)

Greenhouse Gasses



50% reduction^{*2} of GHG emissions from the SBF sites

2021 result: 7% reduction

Fully switched purchased energy to 100% renewables in all directly-owned manufacturing sites and R&D facilities in Japan, the Americas, and Europe at the end of 2022

Plastics



100% replacement of PET bottles to sustainable bottles^{*3} globally

2022 result: 46% in Japan^{*4}

I will now talk about our sustainability initiatives.

“Water”, “Greenhouse Gasses”, and “Plastics” remain our three priority areas, and we are making steady progress toward achieving our 2030 targets in each segment.

Regarding “Greenhouse Gasses”, we have completed the conversion of 100% of the electricity purchased at all of our directly-owned manufacturing sites and R&D facilities in Japan, the Americas, and Europe to renewable energy by the end of 2022.

As for “Plastics”, the ratio of 100% sustainable bottle products in Japan reached 46% in FY2022. We will continue to intensify educational activities and cooperation with corporate partners. Overseas, we are accelerating the transition to 100% sustainable bottles for our core brands, such as *Schweppes* in Spain and the launch of the first 100% sustainable bottle product in Vietnam.

In addition, as part of our TCFD disclosure, we assessed and identified risks and opportunities related to climate change and disclosed the impact on our business performance.

Going forward, we will work to enrich our relevant disclosures while making continuous, concerted efforts across the Group to drive sustainability management to address social issues.

Please turn to page 11.

Forecast for FY2023

Let's move on to forecast for FY2023.

Please turn to page 12.

Organic Growth

Revenue : CAGR mid-single digit growth*
 Operating Income : CAGR above 10% growth*
 Operating Income Margin : above 10% in 2023
 * Target to surpass 2019 Revenue and Operating Income in 2022
 → Operating Income reached 2019 level in 2021, one year ahead of plan
 → Revenue reached 2019 level in 2022

Inorganic Growth

Accelerate M&A investment

- Maximum net debt-to-equity ratio 1x (approximately ¥700BN)
- Allocate ¥200-300BN for investment

* Baseline year: 2020. Currency neutral basis

©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

12

First, let me update you on the progress of our medium-term management plan.

Despite the continued challenging external environment, our operating income in 2021 exceeded the level of 2019, one year ahead of plan as previously reported. In addition, revenue in 2022 was also higher than in 2019.

In terms of growth investment, we will continue to explore inorganic growth opportunities such as M&A, in addition to improving production facilities and sustainability.

Please turn to page 13.

(JPY BN)

	FY2023 Forecast	Change			
		Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY
Revenue	1,531.5	+81.1	+5.6%	+77.6	+5.3%
Operating Income	134.5	-5.2	-3.7%	-5.7	-4.1%
Non-recurring items	-1.0	-9.9		-9.8	
Operating Income (Organic basis*1)	135.5	+4.7	+3.6%	+4.0	+3.1%
Net Income*2	75.5	-6.8	-8.3%	-6.8	-8.3%

*1 Extraordinary factors and profit/loss impact from transferred business deducted from operating income
*2 Profit attributable to owners of the Company

©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

13

Now, let me walk you through our forecast for FY2023.

Our forecast on a currency neutral basis is as follows:

Revenue is 1,531.5 billion yen, up 5.3% year on year.

Operating income is 134.5 billion yen, down 4.1% year on year, reflecting the absence of the profit/loss impact of transferred businesses in the previous year.

Operating income on an organic basis is 135.5 billion yen, up 3.1% year on year.

Net income attributable to owners of the Company is 75.5 billion yen, up 8.3% year on year.

We remain focused on continuing to grow revenue faster than the market in our key markets by accelerating Core Brands Innovation and thoroughly implementing RGM activities such as flexible price revisions.

We aim to increase operating income on an organic basis through revenue growth and thorough cost reductions.

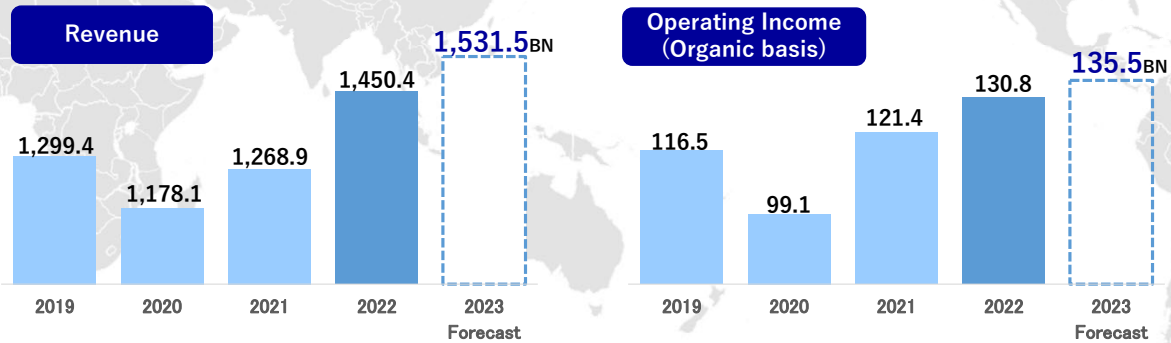
Regarding the impact of costs in 2023, we have factored in a year-on-year deterioration of approximately 60 billion yen, the same level as in FY2022. We expect the impact to be more pronounced in the first half of the year. We will strive to achieve the full year targets by generating steady profits in the second half.

We plan to pay an annual dividend of 80 yen per share, the same as in FY2022.

Please turn to page 14.

**Relentlessly evolve our business structure
to achieve high quality growth**

- Complete business transformation to overcome approx. ¥120BN cost increase in total for 2022-2023
- Pursue sustainable growth in Revenue and Operating Income (Organic basis)



©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

14

Assuming that the volatile external environment and severe cost situation will continue, we will relentlessly evolve our business structure to achieve sustainable growth in revenue and operating income on an organic basis.

By leveraging the collective strength of our entire value chain, we will work to complete our business transformation in 2023, so that we can safely absorb the cost increase totaling approximately 120 billion yen over the two years.

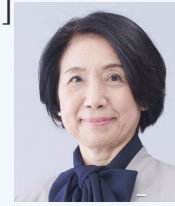
Please turn to page 15.

President and Heads of Each Segment

[Leadership from late March 2023*]



Sekhar Mundlay



CEO

Makiko Ono



Hachiro Naiki

International/COO

Japan

APAC

Europe

Americas



Takayuki Sanno



Peter Harding



Derek Hill

* With the formal approval of the annual general meeting of shareholders and the board of directors

Finally, I would like to introduce our new leadership team.

With the formal approval of the annual general meeting of shareholders and the board of directors in March, we will transition to the new management structure to further drive our business growth and structural transformation on a global scale.

Ms. Ono, our Senior Managing Executive Director, will lead the Company as the new President. Two years ago, as CEO of our French business, she was at the forefront of a V-shaped recovery of our performance in the midst of the challenging COVID-19 pandemic situation. As a leader with a wealth of global experience and broad knowledge in marketing, human resources, and sustainability, we are confident that she is the best talent to lead us through this challenging time and work with our new management team to achieve further business growth.

Under the leadership of Ms. Ono, our new President & CEO, Mr. Shekhar Mundlay will serve as COO and International CEO, and Mr. Naiki, who was newly appointed Japan CEO in January, will lead the business in Japan.

This concludes my part. Thank you.

Supplementary Explanation

Noriaki Otsuka, Managing Executive Officer

This is Noriaki Otsuka.

On January 1, I assumed the position of Corporate Strategy Division COO, and I look forward to working with you.

I will now provide a supplementary explanation.

Please turn to page 17.

Overview of FY2022

I would like to start with our FY2022 performance by segment.

Please turn to page 18.

		Change				(JPY BN) Variance from revised forecast (incl. currency effect)
		Incl. currency effect		Currency neutral		
		YoY	%YoY	YoY	%YoY	
Revenue						
Japan	653.2	+23.6	+3.7%	+23.6	+3.7%	-2.8
APAC	352.6	+75.1	+27.1%	+41.3	+13.3%	-5.4
Europe	292.3	+57.4	+24.5%	+42.4	+17.0%	+2.8
Americas	145.5	+37.0	+34.1%	+15.5	+12.0%	+3.0
Total	1,443.6	+193.1	+15.4%	+122.8	+9.3%	-2.4
Segment Profit						
Japan	33.4	-7.5	-18.4%	-7.5	-18.4%	+0.4
APAC	45.7	+6.6	+16.9%	+2.5	+5.8%	-1.3
Europe	45.3	+6.6	+17.0%	+4.1	+9.9%	-0.7
Americas	18.2	+4.9	+36.6%	+2.2	+14.0%	+0.5
Reconciliation	-11.8	-1.1		-1.0		
Total	130.8	+9.4	+7.8%	+0.3	+0.3%	-0.2

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

©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

18

From here on, segment descriptions will be on an organic basis, excluding non-recurring items, and on a currency neutral basis.

Revenue:

- Increased in all segments.
- Japan grew on higher sales volume and price revisions from October.
- Each of the overseas segments posted strong double-digit growth due to higher sales volume as demand recovered and expanded and RGM activities, including flexible price revisions.

Segment profit:

- Japan declined due to the impact of a worse-than-expected deterioration in raw material market conditions and yen depreciation.
- All three overseas segments grew. Vietnam was a major driver in APAC, while Europe and the Americas achieved significant growth due to increased revenue and thorough cost reduction activities.

Please turn to page 19.

(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
653.2	+3.7%	–	33.4	-18.4%	–

- Beverage market sales volume estimated at 102% YoY, while SBF Japan marked 106% YoY. Continued focused activities for core brands resulted in record-high sales volume for the full year. Outperformed market growth in all channels, and expanded market share. Record-high sales volume of *Suntory Tennensui*, *Iyemon* and *GREEN DA·KA·RA*.
- Revenue grew. Increase in sales volume absorbed the impact from deteriorated channel mix due to the delay in recovery of vending machine and CVS channels. Price revisions in October also contributed.
- Segment profit declined despite the positive effect of revenue growth and cost improvement amid the significantly worse-than-expected impact from raw material market conditions and yen depreciation.



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

©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

19

First, Japan.

Revenue was 653.2 billion yen. Segment profit was 33.4 billion yen.


- The 2022 beverage market was impacted by the resurgence of COVID-19, but we estimate that the sales volume landed at 102% of the previous year's level, due in part to the reopening following the easing of restrictions and favorable weather conditions.
- We continued to implement focused activities for our core brands. New product launches and marketing activities contributed to sales volume growth of 106% of the previous year's level, reaching the record high. We outperformed the market in all channels and continued to gain market share.
- Revenue increased due to higher sales volume, which offset the impact of a deteriorated channel mix due to the delayed recovery of the vending machine and CVS channels, as well as the effect of the price revisions in October.
- Segment profit declined despite the incremental profit from revenue growth and strict cost management, as raw material market conditions and the yen depreciation were significantly worse than expected.

Please turn to page 20.

(JPY BN)

	Revenue	%YoY		Segment Profit	%YoY	
		Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
	352.6	+27.1%	+13.3%	45.7	+16.9%	+5.8%
	Revenue	%YoY			%YoY	
		Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
Beverage (Vietnam)	133.7	+59.6%	+36.1%	Major recovery in traditional trade channel, driven by demand expansion. Core brands such as <i>TEA+</i> and <i>Sting</i> grew. Gained market share.		
Beverage (Thailand)	76.1	+15.5%	+6.0%	Demand trended steadily despite high inflation, floods, etc. <i>Pepsi</i> brand grew.		
Health Supplement ^(*1)	37.1	-3.1%	-11.1%	Thorough activities for <i>BRAND'S Essence of Chicken</i> . Sales trend slowed down due to high inflation.		
Beverage (Oceania)	58.8	+16.1%	+6.8%	Continued focused activities for energy category. <i>V</i> trended strongly.		

(*) Health Supplement results consist of Thailand and Indochina Peninsula
Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.



©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

20

Moving on to Asia-Pacific.

Revenue was 352.6 billion yen. Segment profit was 45.7 billion yen.

- In Asia-Pacific, we continued focused activities for our core brands in the beverage business and the health supplement business. Vietnam, in particular, posted robust growth and served as a key driver for the business. Increased sales volume and flexible price revisions in key markets also contributed positively to revenue growth.
- Segment profit increased as a result of revenue growth and stringent cost reduction measures, despite the further escalating impact of raw material price increases in the second half of the year.
- The beverage business in Vietnam saw continued demand growth in the traditional trade channel. We continued to gain market share through our focused activities for *TEA+* and *Sting*.
- The beverage business in Thailand, amid steadily trending demand, benefitted from our focused activities for *Pepsi* brand including low-sugar products.
- In the health supplement business, activities for *BRAND'S Essence of Chicken* were thoroughly implemented. While the sales trend slowed from the third quarter, partly due to deteriorating consumer sentiment caused by high inflation, we intensified our activities in line with the product renewal in October.
- The beverage business in Oceania grew sales volume in New Zealand and Australia while continuing to invest in the marketing for *V*.

Please turn to page 21.

(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
292.3	+24.5%	+17.0%	45.3	+17.0%	+9.9%

	Revenue	%YoY		
		Incl. currency effect	Currency neutral	
France	111.4	+22.6%	+15.3%	Robust demand continued, leading to growth in both off- and on-premise. <i>Oasis</i> , <i>Schweppes</i> , and <i>Orangina</i> all continued double-digit growth. Gained market share.
UK (*1)	85.4	+23.9%	+15.6%	Demand remained strong. <i>Lucozade</i> performed well.
Spain (*2)	56.9	+33.4%	+25.4%	Recovery of on-premise market continued. <i>Schweppes</i> continued double-digit growth.

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

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



©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

21

Next is Europe.

Revenue was 292.3 billion yen. Segment profit was 45.3 billion yen.

- Demand remained strong in key markets in the fourth quarter as well. Sales volume increased throughout the year. RGM activities, including price revisions, also contributed to revenue growth.
- Segment profit increased due to revenue growth and stringent cost reduction activities, with the impact of rising raw material and energy prices intensifying in the second half of the year.
- In France, robust demand continued in both the off- and on-premise channels. Sales volume of our core brands, *Oasis*, *Schweppes*, and *Orangina*, all grew well into double digits, gaining market share.
- In the UK, our core brand *Lucozade* grew due to continued strong demand.
- In Spain, *Schweppes* continued to grow at a strong double-digit rate, driven by the recovery of demand in the on-premise channel and the strengthening of the distribution structure as part of the structural transformation of the on-premise business.

Please turn to page 22.

(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
145.5	+34.1%	+12.0%	18.2	+36.6%	+14.0%

- Sales volume continued to trend positively for both off- and on-premise markets.
- Major contribution from price revision effect, leading to revenue growth.
- Absorbed impact of rising raw material, logistics and labor costs, and achieved profit growth.



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

©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

22

Finally, the Americas.

Revenue was 145.5 billion yen. Segment profit was 18.2 billion yen.

- In FY2022, demand growth continued, and sales volume in both off- and on-premise channels showed a positive trend.
- Revenue increased significantly, with RGM activities, including price revisions, etc., contributing.
- Segment profit increased due to revenue growth and cost reduction activities, although the impact of rising raw material, logistics and labor costs continued to worsen.

Please turn to page 23.

Forecast for FY2023

Next, I would like to explain our FY2023 forecast by segment.

Please turn to page 24.

FY2023 Forecast (IFRS) by Segment - Organic basis*

(JPY BN)

	Revenue	Change			
		Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY
Japan	688.5	+35.3	+5.4%	+35.3	+5.4%
APAC	382.5	+32.8	+9.4%	+29.5	+8.3%
Europe	313.5	+18.3	+6.2%	+16.2	+5.4%
Americas	147.0	+1.5	+1.0%	+3.2	+2.2%
Total	1,531.5	+87.9	+6.1%	+84.2	+5.8%
Segment Profit					
Japan	33.4	+0.0	+0.0%	+0.0	+0.0%
APAC	50.5	+5.0	+11.0%	+4.3	+9.4%
Europe	46.5	+1.0	+2.3%	+0.8	+1.7%
Americas	18.2	+0.0	+0.0%	+0.2	+1.2%
Reconciliation	-13.1	-1.3		-1.3	
Total	135.5	+4.7	+3.6%	+4.0	+3.1%

* Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.
* Africa is reclassified from APAC to Europe in 2023.

For FY2023, we plan to increase revenue in all segments, while segment profit on an organic basis will be flat year on year in Japan and higher overseas.

Please turn to page 25.

(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
688.5	+5.4%	–	33.4	+0.0%	–

- Plan to exceed the sales volume of the previous year (100.1% YoY) by thoroughly implementing focused activities for core brands (*Suntory Tennensui*, *BOSS*, *Iyemon*, *GREEN DA·KA·RA*, and health conscious products), while sales volume in beverage market is expected to decline (97% YoY) due to the effect of price revisions.
- Strive to grow revenue by 5.4% including the effect of price revisions, while working to improve the channel/product mix.
- Mitigate impact on profit through sales growth and continued cost reduction in supply chain and other areas, in an anticipation for further impact of raw material prices and yen depreciation.



(Reference) Sales volume forecast in terms of actual number of cases: 97% YoY for the beverage market based on internal estimation, 100% for the Company.
Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business.

©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

25

I will start with Japan.

- Beverage market sales volume in 2023 is estimated to decline 3% to 97% of the previous year's level, partly due to price revisions.
- On the other hand, we aim to outperform the market by implementing focused activities for our core brands to reach 100.1% of the previous year's level.

Revenue:

- Further strengthen activities for our core brands such as *Suntory Tennensui*, *BOSS*, *Iyemon*, *GREEN DA·KA·RA*, and health conscious products.
- Work to improve the channel/product mix.
- Including the effect of the price revisions in October last year, we plan to increase sales by 5.4% to 688.5 billion yen.

Segment profit:

- On the one hand, actively invest in our core brands.
- On the other hand, continue to drive cost innovation through continued structural transformation of the vending machine business and cost reduction in the supply chain to absorb the impact of raw material prices and yen depreciation, with the aim of achieving segment profit of 33.4 billion yen, the same level as last year.

The price revisions announced on February 2, effective May 1, are not included in this forecast. We will refrain from providing details on the impact of the price revisions at this time.

Please turn to page 26.

Core brands innovation

- Focused investment in *Suntory Tennensui*, *BOSS*, *Iyemon*, and *GREEN DA·KA·RA*
- Demand creation through enhanced activities for *Tokucha* and other health conscious products

Reversal offensive in the vending machine business

- Acquisition of prime locations by strengthening corporate sales
- Continued focus on operational efficiency through route optimization, etc.

Structural innovation in the supply chain

- Further strengthening of the supply chain for overall optimization

In 2023, we will stay focused on the three key business strategies.

First, core brand innovation.

- We will continue brand innovation and accelerate sales growth of *Suntory Tennensui*, *BOSS*, *Iyemon*, and *GREEN DA·KA·RA*.
- In addition, in the health conscious product category, including *Tokucha*, we will continue marketing activities to propose new values and promote their attractiveness as high value-added products.

Second, reversal offensive in the vending machine business.

- In this second year of business restructuring, we will concentrate all our efforts on achieving further revenue growth.
- We will work to acquire prime locations by strengthening corporate sales.
- At the same time, we will enhance operational efficiency through route optimization, etc.

Third, structural innovation in the supply chain.

- Following last year, we expect to be further impacted by the sharp rise in raw material prices.
- We remain fully focused on reducing costs by building a more robust supply chain throughout the business.

Please turn to page 27.

(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
382.5	+9.4%	+8.3%	50.5	+11.0%	+9.4%

- Capture market recovery and accelerate business growth in key markets.
- Strive to maximize revenue by increasing volume through focused investment in core brands (*TEA+*, *BRAND'S*, *V*, and *Sting*), strengthening RGM activities, and stepping up RtM sales activities in the traditional trade channel.
- Aim to grow profit faster than revenue by mitigating the impact of deterioration in raw material prices through revenue growth and thorough cost management.



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

RtM (Route to market): Sales and distribution strategy

Africa is reclassified from APAC to Europe in 2023.

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

©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

27

Next is Asia-Pacific.

We are positioning 2023 as a year of accelerated growth, and we are working accordingly as we steadily capture the current market recovery.

Revenue:

- We will actively invest in marketing across the region, focusing on our core brands, especially *TEA+*, *BRAND'S*, *V*, and *Sting*.
- We plan to increase revenue by 8.3% to 382.5 billion yen by accelerating the development of cross-border products such as *BOSS* and *TEA+*.

Segment profit:

- We will continue to address expected cost increases due to raw material price hikes through RGM activities.
- We will continue to implement thorough cost management with the aim of increasing segment profit by 9.4% to 50.5 billion yen, a higher growth rate than revenue.

Please turn to page 28.

(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
313.5	+6.2%	+5.4%	46.5	+2.3%	+1.7%

- Expect the impact of soaring raw material and energy prices to remain significant.
- Strive to grow revenue by focused investment in core brands (*Oasis*, *Schweppes*, and *Lucozade*), thorough RGM activities, stepping up RtM in Spain, etc.
- Mitigate impact on profit through revenue growth, tighter cost management, effect from consolidation of production sites in Spain, etc.



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

RtM (Route to market): Sales and distribution strategy

Africa is reclassified from APAC to Europe in 2023.

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

©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

28

Moving on to Europe.

In 2023, amid concerns about energy price increases on top of raw material prices, we will increase focused activities for our core brands and RGM activities in key markets.

Revenue:

- We aim to achieve 313.5 billion yen, 5.4% up year on year, by continuing focused activities for our core brands, namely *Oasis*, *Schweppes*, and *Lucozade*, which grew significantly last year.

Segment profit:

- We are targeting 46.5 billion yen, up 1.7% year on year, with the effects of increased profits from brand growth, tighter cost management, and the consolidation of production sites in Spain.

Please turn to page 29.

(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
147.0	+1.0%	+2.2%	18.2	+0.0%	+1.2%

- Work to sustainably increase volume in both carbonated and non-carbonated categories, based on an assumption that demand will remain robust.
- Strive to maximize revenue by continuing RGM activities.
- Stay on profit growth path by absorbing impact of high raw material cost and wage hikes with stringent cost reduction activities.



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

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

©2023 SUNTORY BEVERAGE & FOOD LIMITED. All Rights Reserved.

29

Finally, the Americas.

- We will continue to steadily capture robust demand and step up activities in each of the carbonated and non-carbonated categories in order to achieve sustainable growth.
- By absorbing cost increases through continued RGM activities and stringent cost reduction measures, including supply chain improvements, we are targeting a 2.2% increase in revenue to 147.0 billion yen and a 1.2% increase in segment profit to 18.2 billion yen.

This concludes my presentation. Thank you.

SUNTORY

SUNTORY BEVERAGE & FOOD

(JPY BN)

	FY2022 Results	Descriptions
Operating Income	139.7	
Non-recurring items	8.9	
APAC	10.7	Oceania: Gain on transfer of the fresh coffee business (15.8) Nigeria: Loss on business transfer (-2.2)
Europe	-1.9	Spain: Production consolidation (-1.9)
Operating Income (Organic basis)	130.8	

FY2022 Results (IFRS) by Segment

(JPY BN)

	Revenue	Change				Variance from revised forecast (incl. currency effect)
		Incl. currency effect		Currency neutral		
		YoY	%YoY	YoY	%YoY	
Japan	653.2	+23.6	+3.7%	+23.6	+3.7%	-2.8
APAC	359.4	+63.5	+21.4%	+27.6	+8.3%	-5.6
Europe	292.3	+57.4	+24.5%	+42.4	+17.0%	+2.8
Americas	145.5	+37.0	+34.1%	+15.5	+12.0%	+3.0
Total	1,450.4	+181.5	+14.3%	+109.1	+8.1%	-2.6
Segment Profit						
Japan	33.4	-7.5	-18.4%	-7.5	-18.4%	+0.4
APAC	56.4	+16.7	+42.0%	+12.6	+28.6%	-2.1
Europe	43.4	+7.7	+21.5%	+5.4	+14.1%	-0.6
Americas	18.2	+4.9	+36.6%	+2.2	+14.0%	+0.5
Reconciliation	-11.8	-0.6		-0.5		
Total	139.7	+21.1	+17.8%	+12.2	+9.5%	-0.8

Quarterly Results for Q4 (Oct-Dec) FY2022 (IFRS)

(JPY BN)

	FY2021 Oct-Dec	FY2022 Oct-Dec	Change			
			Incl. currency effect		Currency neutral	
			YoY	%YoY	YoY	%YoY
Revenue	327.1	369.0	+41.9	+12.8%	+17.0	+4.8%
Operating Income	18.2	24.7	+6.5	+35.6%	+4.1	+20.0%
Non-recurring items	-3.4	-1.7	+1.7		+1.9	
Operating Income (Organic basis*1)	21.6	26.4	+4.8	+22.3%	+2.2	+9.1%
Net Income*2	9.3	14.3	+5.0	+54.3%	+4.1	+40.4%

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

*2 Profit attributable to owners of the Company

FY2022 Quarterly Results (IFRS) by Segment – Organic basis

(JPY BN)

	Q1 (Jan-Mar)	Change				Q2 (Apr-Jun)	Change				Q3 (Jul-Sep)	Change				Q4 (Oct-Dec)	Change			
		Incl. currency effect		Currency neutral			Incl. currency effect		Currency neutral			Incl. currency effect		Currency neutral			Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY		YoY	%YoY	YoY	%YoY		YoY	%YoY	YoY	%YoY		YoY	%YoY	YoY	%YoY
Revenue																				
Japan	134.0	-0.2	-0.1%	-0.2	-0.1%	171.9	+8.1	+4.9%	+8.1	+4.9%	190.3	+13.7	+7.7%	+13.7	+7.7%	157.0	+2.0	+1.3%	+2.0	+1.3%
APAC	78.0	+9.0	+13.0%	+5.9	+8.1%	90.4	+20.0	+28.4%	+10.6	+13.3%	88.5	+26.4	+42.6%	+15.7	+21.5%	95.7	+19.7	+25.8%	+9.2	+10.6%
Europe	53.2	+11.5	+27.5%	+10.5	+24.5%	86.9	+17.5	+25.2%	+13.9	+19.0%	84.9	+18.0	+27.0%	+13.5	+18.9%	67.4	+10.4	+18.3%	+4.6	+7.4%
Americas	25.9	+5.5	+27.1%	+3.8	+17.1%	32.6	+7.0	+27.1%	+2.1	+7.1%	38.2	+9.9	+35.2%	+3.0	+8.5%	48.9	+14.6	+42.6%	+6.6	+15.7%
Total	291.1	+25.8	+9.7%	+19.9	+7.3%	381.8	+52.5	+16.0%	+34.7	+10.0%	401.8	+68.1	+20.4%	+45.8	+12.9%	368.9	+46.7	+14.5%	+22.4	+6.5%
Segment Profit																				
Japan	2.6	-1.3	-34.0%	-1.3	-34.0%	11.5	-2.1	-15.2%	-2.1	-15.2%	14.5	-4.1	-22.1%	-4.1	-22.1%	4.8	+0.0	+0.0%	+0.0	+0.0%
APAC	11.4	-0.9	-7.5%	-1.5	-11.5%	13.3	+2.8	+26.2%	+1.4	+11.7%	9.3	+2.3	+33.7%	+1.2	+14.2%	11.7	+2.4	+26.2%	+1.4	+14.1%
Europe	6.7	+2.7	+68.1%	+2.6	+62.5%	16.4	+1.6	+10.7%	+0.9	+5.6%	14.8	+1.4	+10.6%	+0.5	+3.7%	7.4	+0.9	+13.4%	+0.1	+1.1%
Americas	3.1	+1.0	+50.0%	+0.8	+38.2%	4.3	+0.5	+14.1%	-0.1	-2.7%	5.2	+1.7	+48.1%	+0.8	+18.7%	5.6	+1.6	+40.8%	+0.7	+14.0%
Reconciliation	-2.7	+0.1		+0.1		-3.0	-0.6		-0.6		-3.0	-0.5		-0.5		-3.1	-0.1		-0.0	
Total	21.0	+1.6	+8.1%	+0.7	+3.5%	42.6	+2.2	+5.4%	-0.5	-1.2%	40.8	+0.9	+2.1%	-2.1	-4.8%	26.4	+4.8	+22.3%	+2.2	+9.1%

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

FY2022 Quarterly Results (IFRS) by Segment

(JPY BN)

	Q1 (Jan-Mar)		Change				Q2 (Apr-Jun)		Change				Q3 (Jul-Sep)		Change				Q4 (Oct-Dec)		
	Revenue	YoY	Incl. currency effect		Currency neutral		YoY	%YoY	Incl. currency effect		Currency neutral		YoY	%YoY	Incl. currency effect		Currency neutral		YoY	%YoY	
			YoY	%YoY	YoY	%YoY			YoY	%YoY	YoY	%YoY			YoY	%YoY	YoY	%YoY			
Revenue																					
Japan	134.0	-0.2	-0.1%	-0.2	-0.1%	171.9	+8.1	+4.9%	+8.1	+4.9%	190.3	+13.7	+7.7%	+13.7	+7.7%	157.0	+2.0	+1.3%	+2.0	+1.3%	
APAC	83.0	+9.4	+12.8%	+6.2	+8.1%	91.6	+16.4	+21.8%	+6.4	+7.6%	89.1	+22.8	+34.3%	+11.2	+14.4%	95.8	+14.9	+18.4%	+3.8	+4.1%	
Europe	53.2	+11.5	+27.5%	+10.5	+24.5%	86.9	+17.5	+25.2%	+13.9	+19.0%	84.9	+18.0	+27.0%	+13.5	+18.9%	67.4	+10.4	+18.3%	+4.6	+7.4%	
Americas	25.9	+5.5	+27.1%	+3.8	+17.1%	32.6	+7.0	+27.1%	+2.1	+7.1%	38.2	+9.9	+35.2%	+3.0	+8.5%	48.9	+14.6	+42.6%	+6.6	+15.7%	
Total	296.0	+26.2	+9.7%	+20.2	+7.3%	383.0	+49.0	+14.7%	+30.5	+8.7%	402.4	+64.4	+19.1%	+41.4	+11.5%	369.0	+41.9	+12.8%	+17.0	+4.8%	
Segment Profit																					
Japan	2.6	-1.4	-34.8%	-1.4	-34.8%	11.5	-2.1	-15.2%	-2.1	-15.2%	14.5	-4.1	-22.0%	-4.1	-22.0%	4.8	+0.0	+0.1%	+0.0	+0.1%	
APAC	11.8	-0.9	-7.2%	-1.5	-11.2%	29.5	+18.6	+170.5%	+17.2	+139.4%	4.8	-2.5	-34.2%	-3.7	-43.7%	10.4	+1.5	+16.8%	+0.6	+5.7%	
Europe	6.9	+2.9	+72.1%	+2.8	+66.4%	16.4	+1.6	+10.6%	+0.9	+5.6%	13.1	-0.3	-1.9%	-1.1	-8.0%	7.0	+3.5	+99.6%	+2.9	+70.4%	
Americas	3.1	+1.0	+50.0%	+0.8	+38.2%	4.3	+0.5	+14.1%	-0.1	-2.7%	5.2	+1.7	+48.1%	+0.8	+18.7%	5.6	+1.6	+40.8%	+0.7	+14.0%	
Reconciliation	-2.7	+0.2		+0.2		-3.0	-0.5		-0.4		-3.0	-0.2		-0.2		-3.1	-0.1		-0.0		
Total	21.6	+1.8	+9.2%	+0.9	+4.6%	58.7	+18.1	+44.7%	+15.4	+35.5%	34.6	-5.3	-13.4%	-8.3	-19.4%	24.7	+6.5	+35.6%	+4.1	+20.0%	

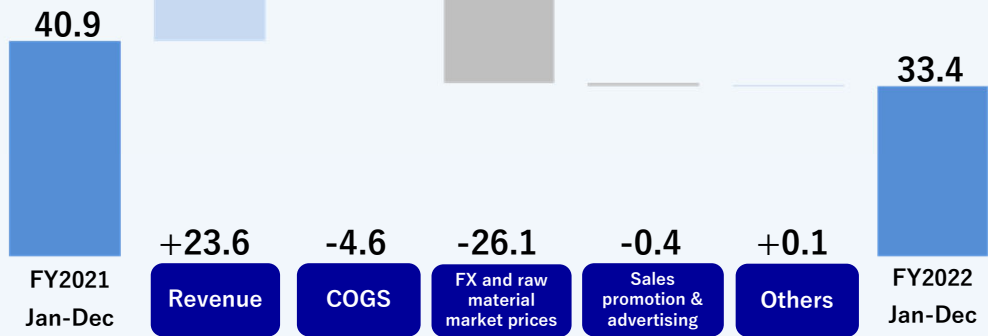
FY2023 Forecast (IFRS) by Segment

(JPY BN)

	Revenue	Change			
		Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY
Japan	688.5	+35.3	+5.4%	+35.3	+5.4%
APAC	382.5	+29.3	+8.3%	+26.0	+7.3%
Europe	313.5	+15.0	+5.0%	+13.2	+4.4%
Americas	147.0	+1.5	+1.0%	+3.2	+2.2%
Total	1,531.5	+81.1	+5.6%	+77.6	+5.3%
Segment Profit					
Japan	33.4	+0.0	+0.0%	+0.0	+0.0%
APAC	50.0	-5.5	-9.9%	-6.2	-11.0%
Europe	46.0	+1.6	+3.7%	+1.5	+3.3%
Americas	18.2	+0.0	+0.0%	+0.2	+1.2%
Reconciliation	-13.1	-1.3		-1.2	
Total	134.5	-5.2	-3.7%	-5.7	-4.1%

* Africa is reclassified from APAC to Europe in 2023.

(JPY BN)

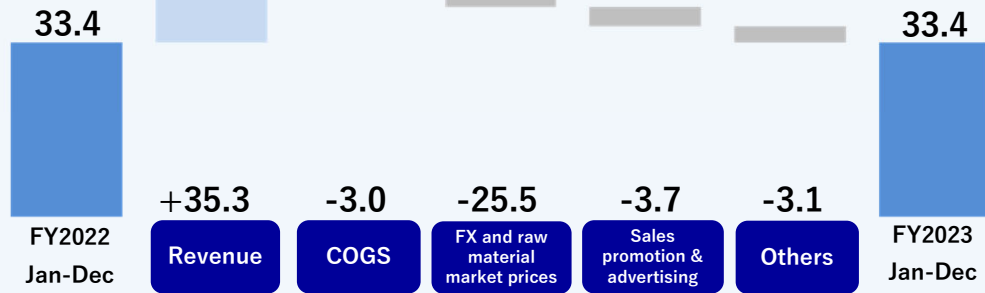


Gross Profit*
+18.9

- Sales volume change +18.5
- Activities and product/channel mix +0.4

* Gross Profit excluding impact of FX and raw material market prices

(JPY BN)



Gross Profit*
+32.4

- Sales volume change +0.2
- Activities and product/channel mix +32.2

* Gross Profit excluding impact of FX and raw material market prices

Sales Volume of Major Brands

Japan

(Million cases)	FY2021		FY2022		FY2023	
	Actual	YoY	Actual	YoY	Forecast	YoY
<i>Suntory Tennensui</i>	120.3	6%	129.8	8%	132.0	2%
<i>Boss</i>	105.7	3%	104.3	-1%	102.0	-2%
<i>Iyemon</i>	59.3	6%	61.7	4%	63.0	2%
<i>GREEN DA·KA·RA</i>	41.9	-1%	48.4	15%	48.0	-1%
<i>Suntory Oolong Tea</i>	14.6	-10%	14.8	1%	15.0	1%
<i>PEPSI</i>	16.3	30%	17.4	7%	17.0	-2%
FOSHU drinks and Foods with Function Claims	20.2	-9%	32.6	62%	47.0	45%
Total	419.5	3%	444.7	6%	445.0	0%

* Changed to actual number of cases and arrival basis from FY2022.

* The portions of the sales volume that were supplied from other soft drink manufacturers such as Japan Beverage Holdings Inc. are not included in the above figures.

Europe

(Million liters)	FY2021		FY2022	
	Actual	YoY	Actual	YoY
<i>Oasis</i> (France)	284	10%	326	15%
<i>Schweppes</i> (France)	173	9%	198	14%
<i>Orangina</i> (France)	169	9%	187	11%
<i>Lucozade</i> (UK, Ireland)	396	4%	421	6%
<i>Ribena</i> (UK, Ireland)	91	15%	87	-4%
<i>Schweppes</i> (Spain, Portugal)	124	19%	136	10%

(JPY, average during period)

	FY2021 Results	FY2022 Results	FY2023 Forecast
U.S. dollar	109.9	131.7	130.0
Euro	129.9	138.2	141.0
Sterling	151.2	162.0	160.0
Singapore dollar	81.8	95.4	98.0
Thai baht	3.4	3.8	3.9
Vietnam dong	0.0048	0.0056	0.0056
New Zealand dollar	77.7	83.3	84.0
Australian dollar	82.5	91.2	91.0

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

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

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