

Financial Results for Q1 Year Ending December 31, 2024

May 13, 2024
Suntory Beverage & Food Limited

Financial Results for Q1 (Jan-Mar) FY2024 (IFRS)

(JPY BN)

	FY2024 Jan-Mar	Change			
		Incl. currency effect		Currency neutral	
		YoY	%YoY	YoY	%YoY
Revenue	371.7	34.4	10.2%	13.6	3.8%
Operating Income	33.9	7.5	28.5%	4.7	16.1%
Non-recurring items	-0.4	0.6	—	0.7	—
Operating Income (Organic basis*1)	34.3	6.9	25.0%	3.9	13.0%
Net Income*2	20.3	5.7	38.9%	4.0	24.7%

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

*2 Profit attributable to owners of the Company

(JPY BN)

	Revenue	Change			
		Incl. currency effect		Currency neutral	
		YoY	YoY%	YoY	YoY%
Japan	153.3	7.5	5.2%	—	—
APAC	98.5	10.9	12.5%	4.3	4.5%
Europe	78.6	10.0	14.6%	0.1	0.2%
Americas	40.1	7.2	21.8%	3.1	8.4%
Total	370.5	35.6	10.6%	15.0	4.2%

Segment Profit					
Japan	7.9	4.3	121.3%	—	—
APAC	13.9	1.3	10.4%	0.4	2.9%
Europe	11.7	1.0	9.6%	-0.6	-5.0%
Americas	4.3	0.5	13.6%	0.0	1.2%
Reconciliation	-3.5	-0.3		-0.2	
Total	34.3	6.9	25.0%	3.9	13.0%

Organic basis: Revenue excludes revenue from transferred business. Segment profit excludes extraordinary factors and profit/loss impact from transferred business. Reclassified 2023 figures are used in this table for year-on-year comparisons

(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
153.3 BN	5.2%	–	7.9 BN	121.3%	–

- Beverage market sales volume estimated at 100%, while SBF marked 101% YoY. Continued focused activities for core brands as weather conditions impacted the overall market including us.
By brand, Suntory *Tennensui* and *Iyemon* trended well.
Tokucha significantly improved its trend with renewed communication.
- Revenue outpaced volume growth, marking 105% YoY. Revenue increased due to volume growth and price revisions.
- Segment profit increased due to strict cost management.



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

Achieve pre-COVID profit levels through profitable business growth

Core brands innovation

- Further expansion of brand portfolio (*Suntory Tennensui, BOSS*)
- Green tea category returns to growth (*Iyemon*)
- Bold entry into high-profit categories and new domains (*Tokucha*)

Structural transformation in the vending machine business

- Further reorganization for stronger corporate sales, greater operational efficiency, and more retail appeal

Supply chain structural innovation

- More resilient, end-to-end, overall optimized supply chain
- Promotion of a better balance between supply and demand in each area to address logistical challenges and to ensure stable supply

RGM activities

- RGM activities based on assessment of economic situation and consumption trends
- **Fourth round of price revisions in October to absorb cost increases (Large/small PET bottle products, etc.)**

(JPY BN)

Revenue

98.5 BN

%YoY

Incl. currency effect Currency neutral

12.5% **4.5%**

Segment Profit

13.9 BN

%YoY

Incl. currency effect Currency neutral

10.4% **2.9%**

Revenue

%YoY

Incl. currency effect Currency neutral

Beverage (Vietnam)	39.6 BN	8.7%	0.9%	Sales trend recovered due to focused activities for core brands.
Beverage (Thailand)	25.7	23.1%	15.4%	Steady trend in demand. <i>PEPSI</i> brand and <i>TEA+</i> grew in sales volume.
Health Supplement (*)	8.9	11.4%	4.5%	Sales trend recovered for <i>BRAND'S Essence of Chicken</i> and <i>BRAND'S Bird's Nest</i> with more promotional activities.
Beverage (Oceania)	18.3	10.8%	2.2%	Continued focused activities for energy category <i>V</i> amid the increasingly competitive environment.



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

(JPY BN)

Revenue

78.6 BN

%YoY

Incl.
currency
effectCurrency
neutral

14.6%

0.2%

Segment
Profit

11.7 BN

%YoY

Incl.
currency
effectCurrency
neutral

9.6%

-5.0%

Revenue

%YoY

Incl. currency
effect

Currency neutral

France

28.8 BN

15.5%

1.7%

Implemented through focused activities for core brands in the face of competition and a sluggish economy. *Oasis* and *Schweppes* grew.

UK
(*1)

23.9

14.4%

-2.4%

Lucozade performed in line with last year under the impact of a sluggish economy due to continued inflation.

Spain
(*2)

12.5

8.6%

-4.3%

Continued focused activities for *Schweppes* amid a reactionary impact YoY as the prior year is a strong comparator.

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

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



(JPY BN)

Revenue	%YoY		Segment Profit	%YoY	
	Incl. currency effect	Currency neutral		Incl. currency effect	Currency neutral
40.1 BN	21.8%	8.4%	4.3 BN	13.6%	1.2%

- Sales volume trended positively due to increased activities in both carbonated and non-carbonated categories and channel expansion for *Gatorade*.

(*)

- Revenue increased due to RGM activities including price revisions.
- Segment profit increased as revenue growth offset the impact of raw material prices and rising logistics and labor costs.



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

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

FY2023-24 Quarterly Trend in Revenue Growth Rate (IFRS) – Organic basis

(currency neutral basis)

	By segment				
	2023				2024
	Q1	Q2	Q3	Q4	Q1
Japan	9%	6%	11%	8%	5%
APAC	6%	0%	-0%	-1%	5%
Europe	20%	2%	1%	4%	0%
Americas	12%	18%	16%	3%	8%
Total	10%	5%	7%	4%	4%

(currency neutral basis)

	By business				
	2023				2024
	Q1	Q2	Q3	Q4	Q1
APAC					
Beverage (Vietnam)	23%	1%	-6%	-5%	1%
Beverage (Thailand)	9%	14%	12%	11%	15%
Health Supplement	-18%	-20%	-2%	-9%	4%
Beverage (Oceania)	17%	8%	18%	7%	2%
Europe					
France	15%	1%	1%	0%	2%
UK	16%	10%	-5%	6%	-2%
Spain	39%	-12%	4%	5%	-4%

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

Africa has been reclassified from APAC to Europe in 2023. Reclassified 2022 figures are used in this table for year-on-year comparisons.

Gradual demand recovery in health supplement market.
Our sales trend recovered with increased promotions.
Aiming to accelerate growth through more marketing investment.

BRAND'S Essence of Chicken



Q1 (Jan-Mar)
Volume YoY
(*1)

103%

Increased promotions

- Benefit claim (Carnosine)^(*2)
- Sample distribution

BRAND'S Bird's Nest



Q1 (Jan-Mar)
Volume YoY
(*1)

127%

Increased promotions

- Gift appeal (Songkran Festival)^(*3)
- Inbound appeal



(*1) Thailand alone

(*2) A type of ingredient said to be effective in stimulating the brain

(*3) Thai New Year

Expanding the business portfolio (Energy/RTD) in addition to focused activities for core brands in a highly competitive environment.

France



- Strengthen activities for core brands (*Oasis, Schweppes*). (Introduction of new communication)
- Develop strategic category (Energy: *CELSIUS*).

UK



- Strengthen activities for core brands (*Lucozade Energy*).
- Develop new category (RTD: *-196*).
- Develop strategic category (Energy: *CELSIUS*).

Spain

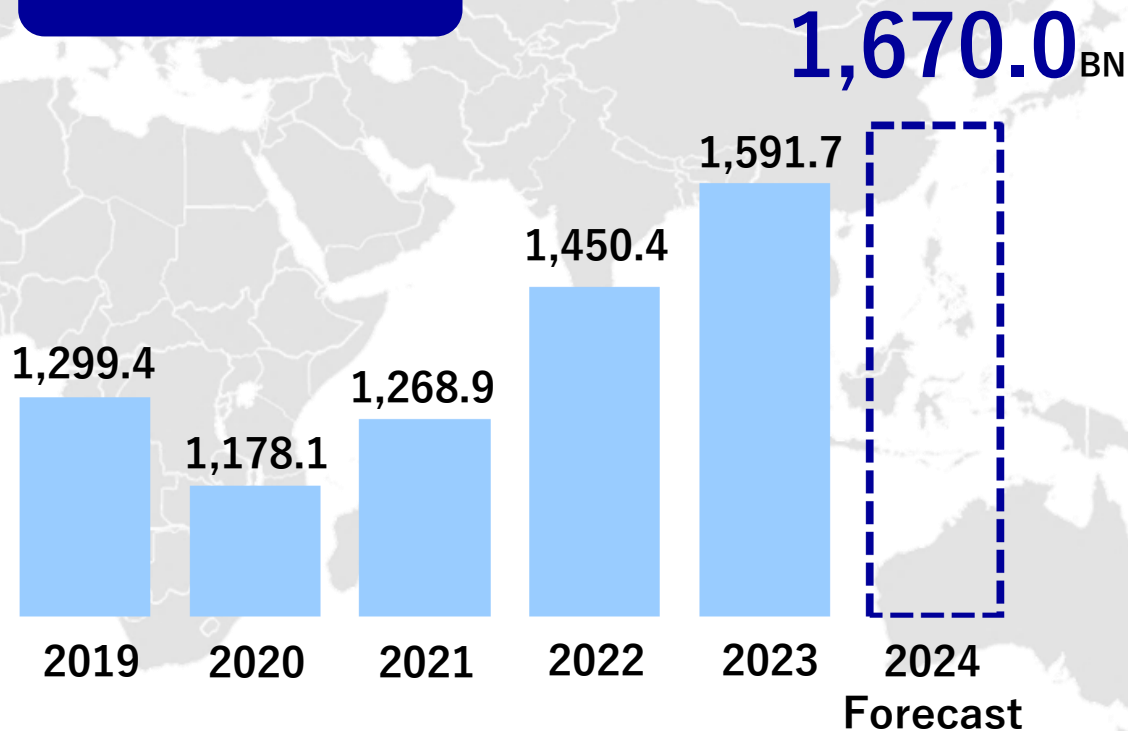


- Strengthen activities for core brand (*Schweppes*).
- Strengthen on-premise promotions.

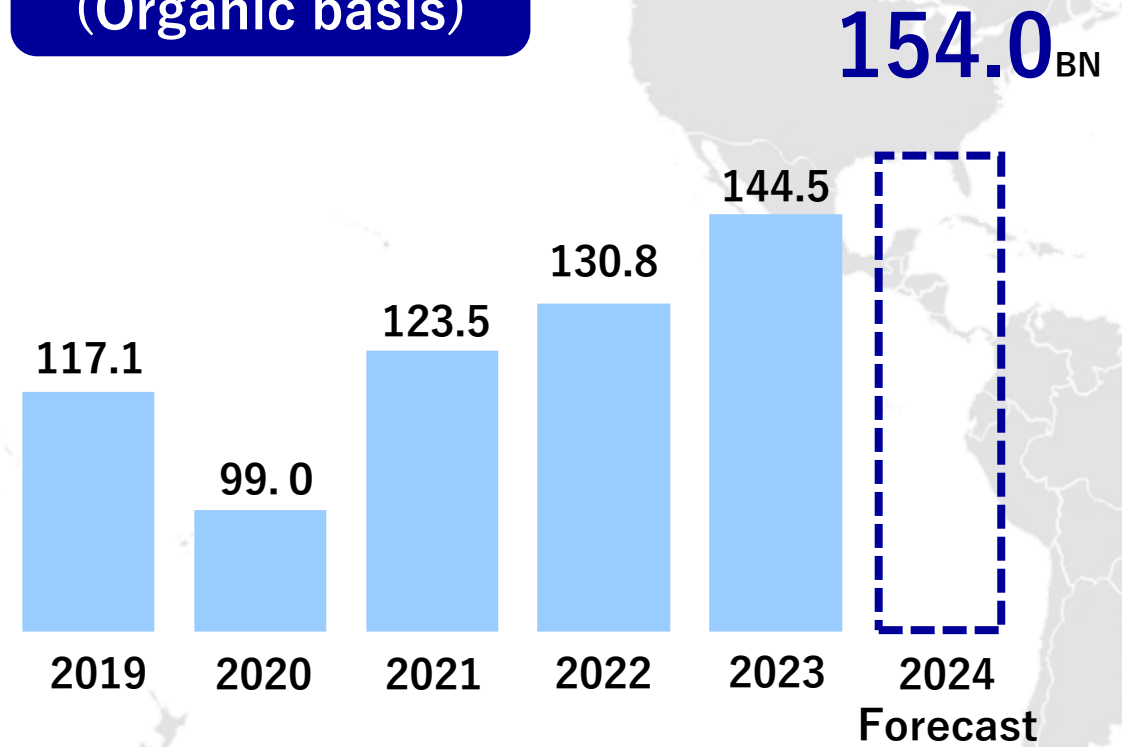
FY2024 Forecast

Strive to meet and exceed earnings forecast by maintaining the trend of increasing revenue and profits under the assumption that highly uncertain conditions will continue.

Revenue



Operating income (Organic basis)



Management Team Diverse and Capable

Board of Directors



Makiko Ono
Representative Director
President
(CEO)



Shekhar Mundlay
Director
(SBF COO)



Hachiro Naiki
Director
(Japan CEO)



Peter Harding
Director
(International CEO)



Hachiro Naiki
Director
(Japan CEO)



Takayuki Sanno
APAC



Hiroshi Miyamori
Director



Hideki Kanda
Director
(Member of the Full-Time Audit
and Supervisory Committee)



Maki Nakamura
Outside Director



Mika Masuyama
Outside Director
(Member of the Audit and
Supervisory Committee)



Mariko Mimura
Outside Director
(Member of the Audit and
Supervisory Committee)



Pierre Decroix
Europe



Derek Hill
Americas

Region CEOs

SUNTORY

SUNTORY BEVERAGE & FOOD

(JPY BN)

	FY2024 Jan-Mar	Descriptions
Operating Income	33.9	
Non-recurring items	-0.4	APAC: -0.3, Japan; -0.15, Europe: 0.05
Operating Income (Organic basis)*	34.3	

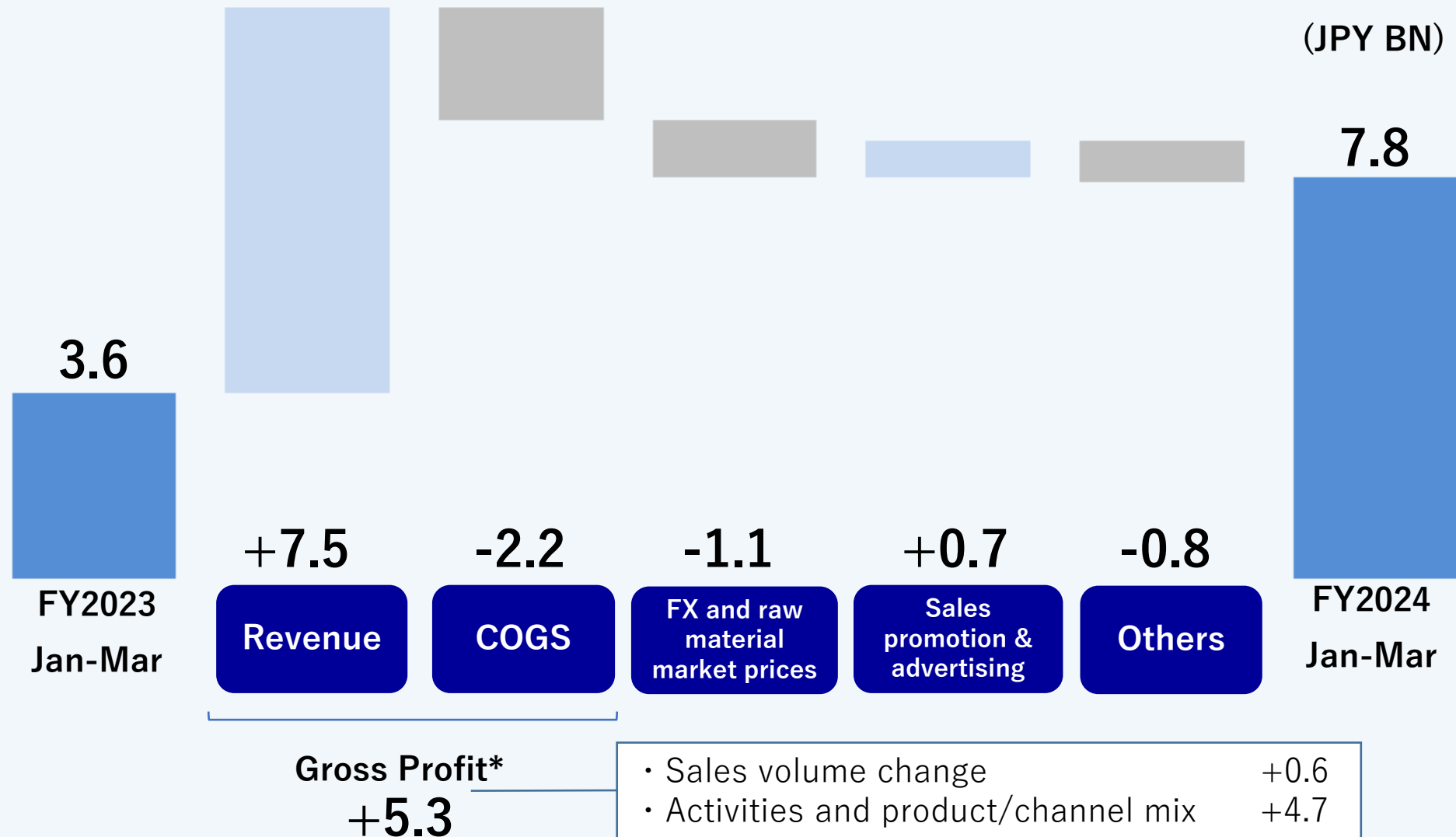
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Total	371.7	34.4	10.2%	13.6	3.8%

Segment Profit					
Japan	7.8	4.2	116.7%	—	—
APAC	13.6	1.8	15.4%	1.0	7.6%
Europe	11.8	1.3	12.7%	-0.3	-2.3%
Americas	4.3	0.5	13.6%	0.0	1.2%
Reconciliation	-3.5	-0.3		-0.2	
Total	33.9	7.5	28.5%	4.7	16.1%



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

Sales Volume of Major Brands

Japan

(Million cases)	Q1 FY2023		Q1 FY2024		FY2024	
	Actual	YoY	Actual	YoY	Forecast	YoY
<i>Suntory Tennensui</i>	26.6	2%	28.1	6%	139.5	1%
<i>Boss</i>	24.6	2%	22.6	-8%	101.5	-1%
<i>Iyemon</i>	11.8	-7%	12.5	5%	55.5	-3%
<i>GREEN DA·KA·RA</i>	7.2	10%	7.0	-3%	48.5	-4%
FOSHU drinks and Foods with Function Claims	8.3	55%	11.8	10%	37.6	-5%
Total	91.0	3%	91.7	1%	448.5	-1%

* 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)	Q1 FY2023		Q1 FY2024	
	Actual	YoY	Actual	YoY
<i>Oasis</i> (France)	73	13%	74	2%
<i>Schweppes</i> (France)	38	4%	40	4%
<i>Orangina</i> (France)	40	9%	36	-10%
<i>Lucozade</i> (UK, Ireland)	99	5%	98	-1%
<i>Ribena</i> (UK, Ireland)	20	2%	18	-11%
<i>Schweppes</i> (Spain, Portugal)	26	25%	25	-3%

Exchange Rates

(JPY, average during period)

	FY2023 Jan-Mar	FY2024 Jan-Mar	FY2024 Forecast
U.S. dollar	132.4	148.7	145.0
Euro	142.2	161.4	158.0
Sterling	161.0	188.6	184.0
Singapore dollar	99.4	110.9	108.0
Thai baht	3.9	4.2	4.2
Vietnam dong	0.0056	0.0061	0.0060
New Zealand dollar	83.4	91.0	87.0
Australian dollar	90.6	97.7	94.0

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.

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