

First Quarter 2024 Earnings Presentation

May 9, 2024

Coca-Cola Bottlers Japan Holdings Inc.

Calin Dragan, President

Bjorn Ivar Ulgenes, Vice President & CFO

(Posted to CCBJH website May 8, 2024)



Coca-Cola Bottlers Japan Holdings Inc. (CCBJH)

First Quarter 2024 Earnings Presentation

Q1 2024 Results

Marketing Update

Outlook

Q1 2024 Results

Today's Highlights

- ‡ **Q1 business income grew 1.6 billion yen vs previous year. Progressing in line with full-year business income target of 10 billion yen.**
- ‡ Top-line growth contributed significantly to profit growth. Revenue grew 2.5% with improved wholesale revenue per case, improved channel and package mix, while maintaining flat volume from the previous year.
- ‡ Transformation progressing well and generating profit contributions. On track to generate 6 billion yen of annual benefits.
- ‡ In Q2, thorough preparations will maximize the benefits from activities during the summer, our peak demand period, including smooth implementation of May price revisions.
- ‡ Will implement further price revisions in October for sustainable profit growth for next year onwards.

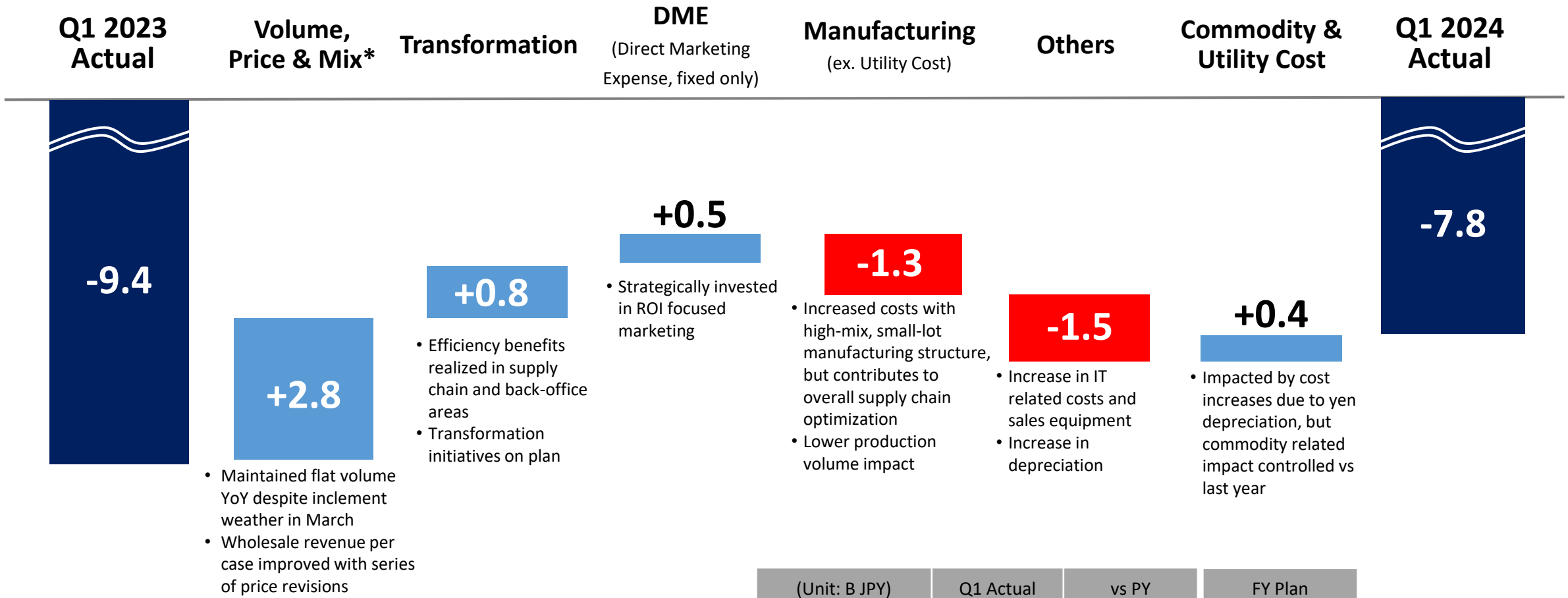
Increase in revenue and profit through profitability focused initiatives

Unit: Million JPY

	Q1 2024 Actual	Q1 2023 Actual	Change YoY	YoY
Revenue	186,528	182,063	+4,465	+2.5%
Sales Volume (Million Cases)	104	103	+0	+0%
NARTD (Non-alcoholic ready to drink) Beverage Volume (Million Cases)	103	102	+0	+0%
COGS	105,087	103,322	+1,764	+1.7%
Gross Profit	81,441	78,741	+2,701	+3.4%
SG&A	89,288	88,002	+1,286	+1.5%
Business Income (Loss)	(7,847)	(9,437)	+1,590	-
Operating Income (Loss)	(3,070)	(9,160)	+6,090	-
Net Income (Loss) attributable to owners of parent	(2,897)	(6,459)	+3,563	-

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

Topline growth contributing to 1.6B yen business income growth



- Maintained flat volume YoY despite inclement weather in March
- Wholesale revenue per case improved with series of price revisions

- Efficiency benefits realized in supply chain and back-office areas
- Transformation initiatives on plan

- Strategically invested in ROI focused marketing

- Increased costs with high-mix, small-lot manufacturing structure, but contributes to overall supply chain optimization
- Lower production volume impact

- Increase in IT related costs and sales equipment
- Increase in depreciation

- Impacted by cost increases due to yen depreciation, but commodity related impact controlled vs last year

(Unit: B JPY)	Q1 Actual	vs PY	FY Plan
Capex	4.2	-1.4	33.9
Depreciation	11.6	+0.2	47.0

Unit: B JPY
(Rounding off less than unit)

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

Capex related to real estate rental properties to which IRFS16 applies are not included in the above amounts.

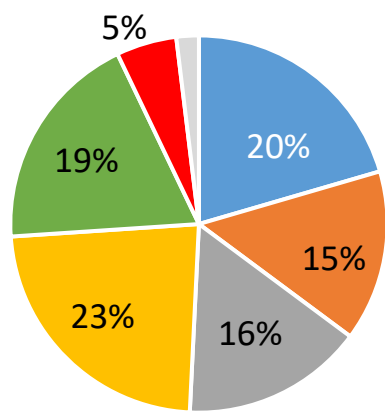
Q1 NARTD Sales Trend (vs 2023)

Continued improvements in wholesale revenue per case while maintaining flat sales volume vs previous year

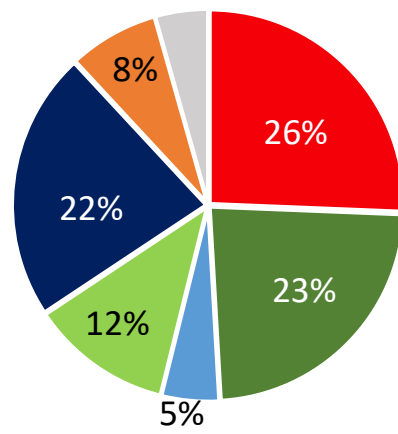
- Sales volume impacted by series of price revisions and inclement March weather, but maintained flat vs previous year.
- Wholesale revenue per case continues improving trend with price revision benefits.
- CVS grew with initiatives to capture sales space and strengthen core products. VM with strong share base and digital initiatives such as Coke ON resulted in the growth of both wholesale revenue per case and volume. R&F grew by capturing demand at restaurants. Strong online growth driven by promotion collaborating with customers.
- Sparkling grew for Coca-Cola despite decrease in large PET. Tea saw contributions from Kocho Kaden and Ayataka. Coffee saw contributions from Georgia and Costa Coffee renewals, while can product volume decreased.

Sales Volume: Flat vs previous year

Channel	Volume	Wholesale revenue per case (Yen)
Supermarket (SM)	-11%	+104
Drug & Discounter (D&D)	-6%	+105
Convenience Store (CVS)	+8%	+7
Vending (VM)	+1%	+68
Retail & Food Service (R&F)	+7%	Flat
Online	+23%	+45



Category	Volume
Sparkling	Flat
Tea	+2%
Sports	-2%
Water	-6%
Coffee	Flat
Juice	+11%



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

Value share grew and price premium maintained through profitability-focused activities

- Total channel value share grew by 0.2 pts.
- Despite price revisions implemented in October of previous year for large PET negatively impacting volume and market share trends, value share of convenience stores improved by 0.7 pts., driving overall share growth.
- Our products maintained price premium vs market average. OTC retail prices improved greatly with benefits from price revisions implemented in May and October of last year.

Market Share (Jan to March, vs PY, Pts)	Value	Volume
Total (CCBJH Area)	+0.2	-0.9
Of Which Vending	-0.1	-0.1
Of Which Over the Counter (OTC)	-0.4	-1.1

Source: Coca-Cola Japan Internal Estimate

OTC Retail Price (Jan to March, JPY per bottle)	vs Market Average	vs PY
Small PET	+10.1	-0.4
Large PET	+35.3	+19.0

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

Implementing collaborative, channel-specific growth strategies

Vending

Capture Sales Space

- Capture prime locations**
 - Use of big data to accurately capture market changes and identify placement locations

Improve Mix

- Implement strategic assortments**
 - Optimized product lineup depending on placement locations

Leverage Digital

- Promote vending DX**
 - Expand Coke ON smartphone app functions, QR payment expansion
 - Increase number of smart modems

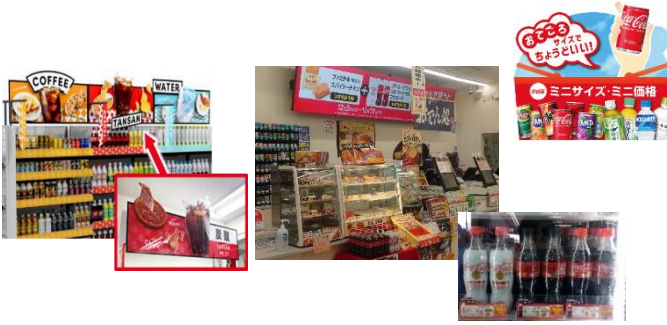


OTC (Over the Counter)

- Capture sales space according to store characteristics**
 - Establish core products, strategically deploy double-branded products
 - Sales space for drinking occasions

- Package mix improvement**
 - Strengthen multi-packs and mini size packages

- Enhance digital marketing**
 - Integrate retail media with sale space creation



Food Service

- New development in growing businesses**
 - Stronger new business acquisition in growing and new sectors
 - Create new drinking occasions

- Enhance value-added proposals**
 - Strengthen proposals tailored to business and customer characteristics
 - Enhance 100% fruit juice products and COSTA

- Using digital to stimulate demand**
 - Strengthen digital promotion of Coca-Cola brand
 - Collaborative campaigns with delivery customers through apps



Initiatives around transformation on plan, progress towards building a stronger business foundation

Supply Chain

End-to-end process optimization

- Advancing S&OP: Appropriate planning based on short- and medium-term demand forecasts.
- Progress in a high-mix, small-lot manufacturing structure in each area, key to local production for local consumption model.
- Improved logistic network reduced transportation distances and number of touches.
- Optimizing product inventory allocations to improve inventory turnover.

Collaboration with customers

- Started logistics collaboration with FamilyMart through shared use of delivery trucks.



Back-office and IT

NeoArc the JV with Accenture started operation

- Fundamental review of operational process in the areas of BPO and ITO*.
- Initiated projects to develop technology infrastructure spanning our group's entire value chain.
- Fostering new corporate culture through organizing employee-led workshops and establishing learning communities.

Promote efficiency through business process improvements

- Improved financial processes enable shorter closing period, etc.



* BPO : Business Process Operation
ITO : Information Technology Operation

Marketing Update

Grew NARTD value share through strong campaigns and activations

CORE

Coke Zero New Campaign



GEORIGA TM THE series Renewal



Lemon Dou Renewal w/New Campaign



INNOVATIONS

Coke Zero Creations K-wave



GEORIGA Zeitaku Milk Coffee



COSTA Coffee Day & Refresh



MARKETING EXPERIENCE

Coke Zero Experiential Sampling



GEORIGA TM AI Song Maker



Qoo Experiential Dance Campaign



Further strengthen core categories primarily through full renewal of Ayataka

CORE

Ayataka Core Full Renewal w/New Campaign



Coca-Cola x Marvel The Heroes



Fanta Renewal w/New Campaign



INNOVATIONS

Yakan Koi Barley Tea Foods with Functional Claims



GEORGIA PRIME BLEND



GEORGIA FRUITY CAFE



MARKETING EXPERIENCE

Ayataka Immersive Sampling Event



Expo 2025 Osaka, Kansai Portfolio Promotion via Coke ON Platform



I LOHAS New Sustainable Campaign



Outlook

2024 is the key first year toward achieving Vision 2028

Strong 2024 Business Income Growth of 5 Times the Previous Year

2023	Strategic Direction for 2024	2028
<div style="background-color: #f8d7da; padding: 5px; text-align: center; margin-bottom: 10px;">Year of Profit Focus</div> <ul style="list-style-type: none"> Announced Strategic Business Plan Vision 2028 Return to profit ahead of plan through profitably focused commercial activities and drive transformation 	<p style="text-align: center; margin: 0;">Further profit growth backed by strong 2023 achievements</p> <ul style="list-style-type: none"> Implement top-line growth strategy focusing on profit maximization Build a business foundation that supports cost savings and profit growth through further transformation <div style="background-color: #dc3545; color: white; text-align: center; padding: 5px; margin: 10px 0;">Year of Strong Profit Build Up</div> <div style="display: flex; justify-content: space-around; text-align: center;"> <div style="width: 30%;"> <p>Revenue Growth</p> <p style="font-size: 2em; color: red;">+1.6%</p> <p>Growth Above Volume Mix Improvement</p> </div> <div style="width: 30%;"> <p>Business Income</p> <p style="font-size: 2em; color: red;">10B yen</p> <p>vs Previous Year 5x</p> </div> <div style="width: 30%;"> <p>Cost Savings</p> <p style="font-size: 2em; color: red;">6B yen</p> <p>Transformation Savings vs Previous Year 1.6x</p> </div> </div>	<div style="background-color: #f8d7da; padding: 5px; text-align: center; margin-bottom: 10px;">Sustainable Profitable Growth</div> <p style="text-align: center; color: red; font-weight: bold; margin: 0;">Vision 2028</p> <ul style="list-style-type: none"> <li style="margin-bottom: 10px;"> Revenue Growth CAGR +2~3% <li style="margin-bottom: 10px;"> Business Income BI Margin 5%+ 45~50B JPY <li style="margin-bottom: 10px;"> Transformation Savings 25~35B JPY ROIC 5%+

Accelerating efforts to maximize benefits during peak demand period

Q2 Key Initiatives and Progress

Commercial strategy focusing on profit maximization

- Implement growth strategies such as sales space expansion and new product launches including Ayataka full renewal.
- Continue implementing profitability-focused commercial activities.
- Steadily implement May price revisions and prepare for the further price revisions in October announced this time.
- April volume grew 1% despite continued impact on volume from price revisions.

Building strong business foundation centered around transformation

- Achieve low-cost, high-quality supply operations during peak demand period by promoting local production for local consumption model and improve S&OP accuracy.
- Further standardization of business process, streamlining, quality improvement, and automation through leveraging technology.

October 2024 Price Revisions Overview

Scope	
141 SKU	Small, Medium, Large PET Bottle CAN, 500ml CAN <small>*Excluding some products</small>
Revision Rate / Amount	
+5.0 to 18.9% / +20 yen per bottle <small>Mfr. Suggested Retail Price</small>	
Channel	Revision Date
All Channel	Oct 1, shipments



Summary

- 🔥 In Q1, business income grew 1.6 billion yen vs previous year. Profit growth was achieved through top line growth contribution.
- 🔥 Accelerate current trend by focusing on implementing strong marketing plans and initiatives to enhance profitability, leading to growth during peak demand period.
- 🔥 2024 is the “Year of strong profit build up.” Aim to achieve the ambitious full-year 10 billion yen business income target.
- 🔥 Confident that additional price revisions announced this time and further transformation will contribute to sustainable profitable growth.



THANK YOU

Investor Relations

Coca-Cola Bottlers Japan Holdings Inc.

ir@ccbj.co.jp

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

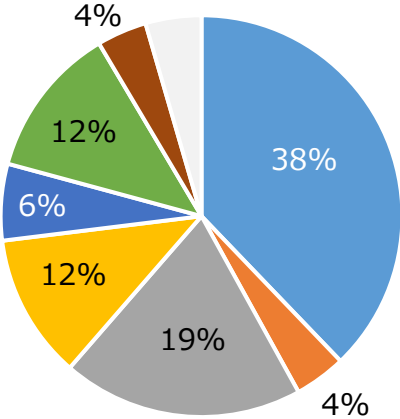
Happy moments
from the bottle.
We bottle happy moments.

Coca-Cola
BOTTLERS JAPAN HOLDINGS INC.

Appendix

Q1 NARTD Sales Trend (vs 2023)

By Package



Note: Volume doesn't include alcohol.

Package	Volume
S-PET	+6%
M-PET	+15%
L-PET	-17%
Can	-3%
Bottle Can	+4%
Syrup	+11%
Powder	+13%

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

ESG Initiatives: Promote efforts that lead to value creation

Major Initiatives

Values

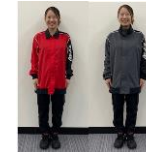
Environment Local Community Initiatives

- Started Bottle to Bottle at Sanfrece Hiroshima's new stadium "EDION Peace Wing Hiroshima"
- Started providing support to the mobile vending business of WELCIA YAKKYOKU
- "Bottle to Bottle" collaboration expansion:
 - New collaborations with 20 municipalities such as Ayabe, Kyoto, Higashiura, and Aichi.
- Commenced deployment of Yosakoi Festival Support Vending Machine



Enhancing Human Capital/ DE&I Promotion

- Launched new People Strategy to achieve "Vision 2028" by strengthening human capital and dedicate 1/4 of executive meetings to commit its execution.
- Held International Woman's Day events with clients; FamilyMart, Beisia group
- Introduced genderless plant uniforms and maternity uniforms



External Evaluation

- Selected for "A-List" company for CDP climate change and water security
- Selected for "Supplier Engagement Leader" for the second year in a row
- Received top award in the "Employee Benefit Award Japan" for our comprehensive benefit programs
- "Coca-Cola Bottlers Japan Water Source Forest Ebino" has certified as a Natural Symbiosis Site by the Ministry of the Environment



Business
Expansion



Reduce
Environmental
Impact



Community
Development



ハッピーなひとときを、
ボトルから。

We bottle happy moments.

Coca-Cola Bottlers Japan Holdings is committed to providing quality in every bottle, delivering great new tastes and happy moments while creating value for every occasion. We are committed to conserving limited resources and achieving a sustainable cycle of production.

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

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



