



BOTTLERS JAPAN HOLDINGS INC.

NOTICE OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

Table Contents

Notice of the Ordinary General Meeting of Shareholders for the Fiscal Year Ended December 31, 2025	1
Reference Materials for General Meeting of Shareholders	9
Proposal No. 1 Appropriation of surplus	
Proposal No. 2 Election of seven (7) Directors (excluding Directors serving on the Audit and Supervisory Committee)	
Proposal No. 3 Amendment of Maximum total compensation, etc. for Directors (including Directors serving on the Audit and Supervisory Committee)	
Business Report	32
Consolidated Financial Statements	69
Financial Statements	96
Audit Report	104

Date and Time

March 26, 2026 (Thursday)
at **10:00** a.m. (Log in possible from 9:30 a.m.)

On Attending the Virtual-Only General Meeting of Shareholders

This general meeting of shareholders will be held exclusively on the Internet, using the virtual-only shareholders' meeting method. Shareholders who wish to participate on the day of the Meeting are requested to attend the Meeting virtually. See the "Instructions on How to Log In to the Virtual-Only General Meeting of Shareholders" on Page 4.

Instructions on How to Log In to the
Virtual-Only General Meeting of Shareholders

Page 4



BOTTLERS JAPAN HOLDINGS INC.

Securities code: 2579

Coca-Cola
BOTTLETS JAPAN INC.

Paint it RED!

未来を塗りかえろ。

Mission

すべての人にハッピーなひとときを届け、価値を創造します。 *Deliver happy moments to everyone while creating value.*

Vision

- すべてのお客様さまから愛されるパートナーであり続けます。 *We are the preferred partner for our customers.*
- 持続可能な成長により、市場で勝ります。 *We win in the market through sustainable growth.*
- 常に学びながら成長します。 *We lead a learning culture with commitment to grow.*
- ココアコースに誇りをもち、誰もが愛されたいと思う職場をつくれます。 *We are the best place to work with pride for Coca-Cola.*

Values

- ※ 学習意欲を高めません。 *Learning*
- ※ 変化を恐れず挑戦に挑戦します。 *Agility*
- ※ 結果を重視し最後までやり抜きます。 *Result-orientation*
- ※ 誠実と信頼に基づいた気持ちいぶで行動します。 *Integrity*

Coca-Cola
BOTTLETS JAPAN INC.

ハッピーなひとときを、 ボトルから。

We bottle happy moments.

安全・安心な！本をつくり続けたい、あらゆるシーンで新しいおいしさやハッピーなひとときを届け、価値を創造し、限りある資源を大切に、次のつくるにつなげたい。

多様な人材が力を合わせ、さまざまな変革を起こすことで、あふれるほどのハッピーを生み出し、豊かな生活に貢献できると信じています。

人と地域社会と自然環境に寄り添う仕事をしている誇りと使命を胸に、今日も私たちは走り続けます。

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 overflow of happiness that will enrich lives.

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

From the fiscal year ending December 31, 2020, the year-end “To Our Shareholders” will be integrated into the Notice of Convocation, and “To Our Shareholders” will be issued only for the interim period. Please take advantage of our website, where you can obtain major IR information.

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

Coca-Cola Bottlers Japan IR

Search

To Our Shareholders

Thank you for your continued understanding and support.

In 2025, we positioned the year as a period to achieve both profit growth and strengthen our foundation. We steadily executed top-line growth strategies focused on profitability and key transformation initiatives. Through these efforts, we built a robust foundation for stable profit growth and sustained our profit-growth trend. As a result, full-year business income reached 24.5 billion yen, an outstanding achievement, more than double the prior year level.

In our Commercial business, under our profitability-focused strategy, we strengthened core categories, expanded sales space across all channels, and implemented effective marketing initiatives. Although price revisions had a negative impact on demand, effective marketing and other measures kept sales volume flat year on year, outperforming the overall market, which saw negative growth. We also implemented two rounds of price revisions and worked to maintain and improve shipment prices. In the vending business, we revamped the assortment system and optimized product selection based on profitability, improving visit frequency and replenishment rates and thereby enhancing operational productivity.

In Supply Chain, we advanced the evolution of our network through more data-driven processes. We promoted the local production for local consumption model, enhanced productivity at each plant, and expanded manufacturing capacity. Furthermore, we introduced a platform to optimize supply planning and further evolve our Sales & Operations Planning process. The launch of integrated distribution centers enabled further inventory consolidation and optimization of our sales and logistics network.

In the Back Office and IT, we worked with NeoArc Inc. to further promote the standardization and automation of business processes, contributing to insourcing and reductions in operational costs.

To realize value co-creation with society, we continued initiatives in water resource conservation and PET bottle recycling in collaboration with customers and government agencies, aiming to reduce environmental impact and expand business opportunities. In container recycling, we expanded horizontal recycling efforts for Bottle-to-Bottle and CAN to CAN by using empty containers collected from recycling boxes installed next to vending machines. We also continued our initiatives that contribute to decarbonization.

With respect to strengthening human capital, under our renewed HR strategy, we worked on two key priorities: strengthening talent and organizational capabilities and fostering a culture that supports employee well-being. Through the promotion of female empowerment, we achieved our target of a 10% female manager ratio earlier than planned. By strengthening talent development and self-improvement programs, average investment per employee in training and skill development increased by 32% year over year. We also advanced initiatives in Diversity, Equity & Inclusion, supported working parents who share childcare responsibilities, and promoted flexible work styles. These and other ESG initiatives have been highly recognized, and we have been selected as a constituent of multiple ESG indices.

In August, we revised our Strategic Business Plan Vision 2028 and launched a new plan, Vision 2030, to further enhance shareholder value. Key initiatives include stronger collaboration with the Coca-Cola (Japan) Company, Limited, clearer accountability across multiple business units, rebuilding the earnings base in the vending business, and delivering the largest shareholder return in our history. Our ambitious 2030 targets include business income of over 80 billion yen and ROIC above 10%.

Shareholder returns have accelerated significantly over the past two years. We announced the largest shareholder return in our history. Reflecting better-than-planned performance, we revised our initial dividend plan upward during the fiscal year and raised the annual dividend per share by 13% year over year to 60 yen. We also expanded shareholder returns through share repurchases and cancellations. This demonstrates a positive cycle of improved business performance and higher shareholder returns.

Looking ahead to 2026, the important first year of Vision 2030, we position it as a year of great progress toward achieving ambitious long-term goals. We will enhance competitiveness through a business unit-based operating structure and further strengthen our business foundation through ongoing transformation. For the full year, we plan business income of 35.0 billion yen, marking a fourth consecutive year of double-digit billion-yen profit growth. In line with Vision 2030, we plan to raise the annual dividend by 12 yen to 72 yen, a 20% increase (forecast), and complete a 30-billion-yen share repurchase program by October to further enhance shareholder value through both profit growth and expanded shareholder returns.

We remain committed to providing safe and reliable products that meet diverse customer needs and to realizing our corporate philosophy: Deliver happy moments to everyone while creating value. Through these efforts, we will continue striving for sustainable growth and enhance corporate value.



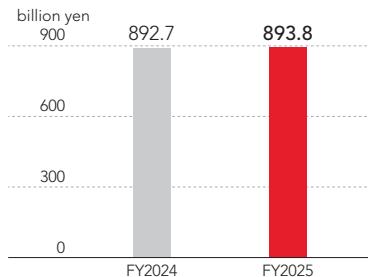
Calin Dragan
Representative Director & President



Consolidated Financial Highlights (IFRS)

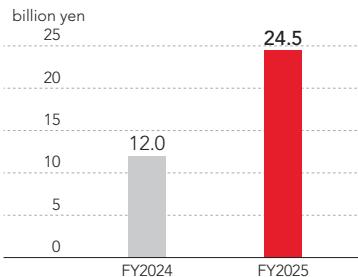
Sales Revenue

893.8 billion yen



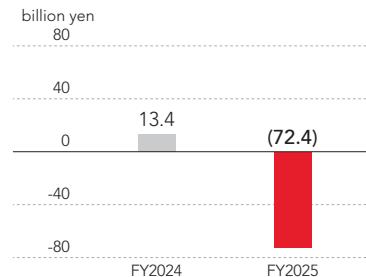
Business Income

24.5 billion yen



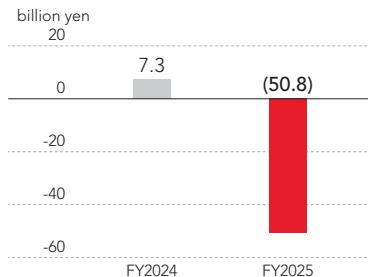
Operating Income

(72.4) billion yen



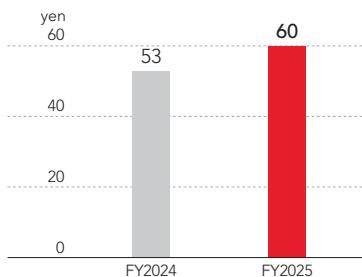
Net Income attributable to owners of parent

(50.8) billion yen



Dividend per Share

60 yen



Annual Sales Volume

500

million cases
FY2025 actual



Number of Brands

about **40**
Brands



Number of Products

more than **600**
products



*Business profit is a measure of the recurring performance of a business and is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue, and adding or subtracting other income and other expenses that are incurred on a recurring basis.

NOTICE OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

Dear Shareholders,

You are hereby notified of the Ordinary General Meeting of Shareholders for the fiscal year ended December 31, 2025 of Coca-Cola Bottlers Japan Holdings Inc. (the “Company”), which will be held as described hereunder.

The Company has adopted an electronic method of providing the Notice of Convocation of the Ordinary General Meeting of Shareholders for the fiscal year 2025. For the convenience of shareholders, some of the items are provided in writing, but the entire items are posted on the following website as the “Notice of Convocation of the 2025 Ordinary General Meeting of Shareholders.” A video and narration summarizing the business report and consolidated financial statements will be also posted on the website below as soon as they are ready.

The Company’s website: ▶ <https://en.ccbj-holdings.com/ir/stockholder/meeting.php>



In addition to the above, the information is also available on the following website on the Internet.

TSE website (TSE-listed company information service):

▶ <https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do>

* Please access the above TSE website, enter or search for the issue name (company name) or securities code, and select “Basic information” followed by “Documents for public inspection/PR information” to confirm the information.



If you are unable to attend the Meeting in person, you may exercise your voting rights either by writing (by postal mail) or via the Internet, etc. When exercising your voting rights in advance either by writing or via the Internet, etc., please review the Reference Materials for Ordinary General Meeting of Shareholders listed in the matters of Electronic Provisioning Measures and exercise your voting rights by 5:45 p.m., March 25 (Wednesday), 2026.

Sincerely yours,

Calin Dragan

Representative Director & President

 **BOTTLERS JAPAN HOLDINGS INC.**

9-7-1 Akasaka, Minato-ku, Tokyo

Matters Related to the Exercise of Voting Rights in Writing or via the Internet, etc. Attendance on the day of the Meeting

Exercise of voting rights by **writing (by postal mail)** in advance

Please review the attached Reference Materials for the General Meeting of Shareholders, indicate your approval or disapproval to the proposals on the enclosed proxy voting form, and return it without affixing a postage stamp.

Voting form must be arrived by 5:45 p.m., March 25 (Wednesday), 2026

Voting deadline

Exercise of voting rights via the **Internet, etc.** in advance

Please review the “Instructions on Exercising Voting Rights Via the Internet, etc.” and exercise your voting rights by the deadline.

By 5:45 p.m., March 25 (Wednesday), 2026

Voting deadline

Exercise of voting rights at the **Virtual-Only General Meeting of Shareholders**

Review the section “On Attending the Virtual-Only General Meeting of Shareholders” and attend the Ordinary General Meeting of Shareholders on the day.

If no indication of approval or disapproval is made on the voting form for a proposal, it will be treated as an indication of approval.

If you exercise your voting rights duplicate in advance, both by writing and via the Internet, etc., the voting via the Internet, etc. shall prevail. In case of multiple voting via the Internet, etc. in advance or both through the personal computer and smartphone, etc. in advance, the last voting shall prevail.

NOTES

Date and Time	March 26, 2026 (Thursday) at 10:00 a.m. (log in possible from 9:30 a.m.) * In the unlikely event that the Ordinary General Meeting of Shareholders cannot be held on the above date and time due to communication problems or other reasons, the General Meeting of Shareholders will be postponed to 10:00 a.m., March 27 (Friday), 2026.	
Meeting Format	This Ordinary General Meeting of Shareholders will be held as a general meeting of shareholders without a defined location (virtual-only general meeting) in accordance with the provisions of the law and the Articles of Incorporation of the Company. Please attend through our designated website. See the “Instructions on How to Log In to the Virtual-Only General Meeting of Shareholders” described on Page 4 for further information and instructions on attending the Meeting. The Meeting will be held entirely online using only the Internet. There will be no physical venue for shareholders to attend the Meeting in person.	
Agenda	Items to be reported	1. Business report and consolidated financial statements for the fiscal year ended December 31, 2025 (January 1 to December 31, 2025); and audit reports of consolidated financial statements by Accounting Auditors and the Audit and Supervisory Committee 2. Non-consolidated financial statements for the fiscal year ended December 31, 2025 (January 1 to December 31, 2025)
	Items to be proposed	Proposal No. 1 Appropriation of surplus Proposal No. 2 Election of seven (7) Directors (excluding Directors serving on the Audit and Supervisory Committee) Proposal No. 3 Amendment of Maximum total compensation, etc. for Directors (including Directors serving on the Audit and Supervisory Committee)

- Please review the “Outline of the policy addressing considerations for the interests of shareholders who have difficulties using the Internet” on Page 7.
- In the event of any modifications to the matters of Electronic Provisioning Measures, we will post the modifications on the respective websites where the information is posted.
- The following matters are posted on the websites of both the Company and the TSE as the matters to be provided electronically. They are not included in the document describing matters to be provided electronically, which is sent to shareholders who have requested delivery of the document in accordance with laws and ordinances and the Articles of Incorporation of the Company. The independent auditor and Audit and Supervisory Committee have audited the documents to be audited, including the following matters.
 - (1) “Main Businesses”, “Major Locations, etc.”, “Status of Employees” and “Major Financial Institutions providing loans to the Company” within “Current Status of the Coca-Cola Bottlers Japan Holdings Group” in the Business Report
 - (2) “Accounting Auditor”, “The system to ensure business adequacy” and “Basic Policies on the Control of the Joint-Stock Company” under “Current status of the Company” in the Business Report
 - (3) “Consolidated Statements of Changes in Equity” and “Notes to Consolidated Financial Statements” in Consolidated Financial Statements.
 - (4) “Non-consolidated Statement of Changes in Shareholders’ Equity” and “Notes to Non-consolidated Financial Statements” in Non-consolidated Financial Statements.

The Company’s Website

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



On Attending the Virtual-Only General Meeting of Shareholders

This general meeting of shareholders will be held exclusively on the Internet, using the virtual-only shareholders' meeting method. Shareholders who wish to participate on the day of the Meeting are requested to attend the Meeting virtually. See the "Instructions on How to Log in to the Virtual-Only General Meeting of Shareholders" on the next page.

(1) Date and time:

March 26, 2026 (Thursday) at 10:00 a.m.

(Log in possible from 9:30 a.m.)

Please note that communication problems, such as distorted images and sound or temporary disconnections of the livestream, may arise due to the communication environment.

If the Company determines that the impact of such telecommunications failures and other problems will make it difficult to hold the Ordinary General Meeting of Shareholders, then the Meeting may be postponed or continued a later date as described on page 2 of this Notice of Convocation.

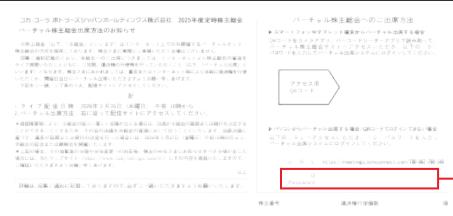
In the unlikely event that it becomes difficult to hold this Ordinary General Meeting of Shareholders, the Company will promptly notify shareholders via the Company's website (<https://en.ccbj-holdings.com/>).

Any other changes to the operation of this Ordinary General Meeting of Shareholders will also be announced on the Company's website (<https://en.ccbj-holdings.com/>).

(2) Information required to log in (ID and Password)

In order to view the Meeting, you will need to enter your ID and Password. Please review the enclosed notice. (Refer to the following pages for other required information.)

Log in ID and password



In order to view the Meeting, you will need to enter your ID and Password. Please review the enclosed notice.

Instructions on How to Log in to the Virtual-Only General Meeting of Shareholders

1. Date and time: March 26, 2026 (Thursday) at 10:00 a.m.

(Log in possible from 9:30 a.m.)

2. How to log in

(1) Use the following URL or QR code to access the livestream site

<https://meetings.lumiconnect.com/700-067-769-540>

* Meeting ID: 700-067-769-540

* If a cookie policy notice appears, please select either "Essential cookies only" or "Accept all cookies."



(2) Set the language to "Japanese" or "English", and then click "Continue."

(3) Read the "Notice regarding attendance at the Virtual General Meeting of Shareholders" to the end, check the "I agree to all of the above terms and conditions" box, and click "Accept."

(4) Enter your ID and password : Please review the enclosed notice.

IDs and passwords are different for each shareholder.

If you have lost your enclosed notice, please contact the "Contact" listed in 6.

Please note that we can reissue the "Notice with ID and Password", but you must apply for it by 5:00 p.m. on Wednesday, March 18, 2026. Please note that we will not be able to reissue the enclosed notice or provide a verbal response after the deadline has passed.



ID

password

[Sign-in]

Please enter your ID and password described in the enclosed notice.

(5) Enter your ID and password, and then click "Sign-in."

Wait until the start time of March 26, 2026 (Thursday) at 10:00 a.m.

Preliminary Arrangements (Submitting Preliminary Questions and Attending by Proxy)

1. Submitting preliminary questions

Questions related to the points on the Meeting Agenda can be submitted in advance. Agenda items that draw significant interest from shareholders will be addressed at the Ordinary General Meeting of Shareholders.

To submit questions in advance, refer to the "Instructions on How to Log in to the Virtual-Only General Meeting of Shareholders" on the previous page and log in during the Period for Accepting Preliminary Questions indicated below.

After logging in, you can submit questions using the "QUESTIONS" tab located on the left side of the screen.

You may also submit preliminary questions in writing. Write down your preliminary questions and send them to the postal address given below.

(Period for Accepting Preliminary Questions)

From March 4, 2026 (Wednesday) at 10:00 a.m. to March 18, 2026 (Wednesday) at 5:00 p.m.

(Postal address)

General Meetings of Shareholders Secretariat

Coca-Cola Bottlers Japan Holdings Inc.

Tokyo Midtown Tower, 9-7-1 Akasaka, Minato-ku, Tokyo 107-6211

2. Attending by proxy

Shareholders who wish to attend the Ordinary General Meeting of Shareholders by proxy are requested to delegate one (1) other shareholder with voting rights to attend the Meeting in accordance with laws and ordinances and Articles of Incorporation of the Company.

If you wish to attend the Meeting by proxy, you will need to send a "document verifying the delegation of voting rights (letter of proxy)" or similar document to the Company prior to the Meeting. Therefore, please review the delivery methods and addresses below and send the documents by either email or postal mail. The document should be sent to the contact details given below.

If you would like to download a letter of proxy form, see the "Instructions on How to Log in to the Virtual-Only General Meeting of Shareholders" on the previous page and log in.

After logging in, you can download a letter of proxy form from the "Documents" tab located on the left side of the screen.

(Submission deadline)

The letter of proxy must have reached us by 5:00 p.m. on March 18, 2026 (Wednesday)

(Methods and Address for Submission) Please select the method that is most convenient for you.

• E-mail: BJJH_AGM@ccbji.co.jp

• Postal address: General Meetings of Shareholders Secretariat

Coca-Cola Bottlers Japan Holdings Inc.

Tokyo Midtown Tower, 9-7-1 Akasaka, Minato-ku, Tokyo 107-6211

Important Notes, Etc.

1. Exercising your voting rights

- (1) How to exercise your voting rights on the day of the Ordinary General Meeting of Shareholders

After logging in to the livestream page on the day of the Meeting, follow the Chairperson's instructions and use the "VOTING" tab on the left side of the screen to indicate your approval or disapproval of the agenda items.

- (2) Exercising voting rights in advance vs. exercising voting rights on the day of the Ordinary General Meeting of Shareholders

If a shareholder who has exercised his/her voting rights in writing (by postal mail) or via the Internet, etc. in advance attends the virtual meeting on the day of the Ordinary General Meeting of Shareholders, the prior exercise of voting rights will be deemed invalid when the vote on the day is confirmed.

If you exercise your voting rights in advance and attend the virtual meeting on the day of the Ordinary General Meeting of Shareholders but the Company is unable to confirm your vote on the day of the Meeting, the Company will treat your prior exercise of voting rights as valid.

2. Questions and motions

Shareholders who attend the Virtual-Only General Meeting of Shareholders may submit questions and motions online (registration is carried out by entering text on the website designated by the Company).

Due to the limited time available for questions and to ensure the smooth progression of the Meeting, we ask that each participant submit no more than three questions, at a length of no more than 1,000 characters.

Time constraints and other considerations may make it impossible to answer all questions. In that case, meeting organizers will focus on questions that both relate to the Meeting Agenda of the Ordinary General Meeting of Shareholders and do not overlap with other questions.

Please note that in order to ensure the smooth progression of the Meeting, motions should be limited to 1,000 characters or less per proposal.

3. Policy on measures to counteract communication failures

- (1) As a measure to counteract communication failures, the Company will use an IT system that offers a high degree of both safety and convenience to shareholders at the time of the Meeting, for example by using more-than-sufficient capacity.

In addition, the Company will allocate specialized staff capable of responding to communication failures on the day of the Ordinary General Meeting of Shareholders.

- (2) As a measure to counteract communication and other failures, the Company will prepare backup solutions such as additional connections.

In the event of a communication or other failure, the Meeting will swiftly be moved to such an additional connection, depending on the severity of the failure.

(3) To prepare for the event that a communication failure causes a significant disruption in the proceedings, the Company will consult with the Chairperson at the beginning of the Ordinary General Meeting of Shareholders about a resolution to entrust the Chairperson with the authority to postpone the Meeting or continue it at a later date.

If, based on such a resolution, the Chairperson decides to postpone or continue the Meeting at a later date, such information will promptly be posted on the Company's website (<https://en.ccbj-holdings.com/>) to inform shareholders.

(4) In preparation for possible communication failures, etc., the Company has prepared specific response scenarios, including policies for responding to communication failures, decision-making procedures, and the means of informing shareholders.

In the event of a significant communication failure, the Company will respond based on these scenarios to ensure the smooth operation of the Ordinary General Meeting of Shareholders.

4. Outline of the policy addressing considerations for the interests of shareholders who have difficulties using the Internet as a means of communication to send and receive information on the agenda of this Ordinary General Meeting of Shareholders

Shareholders who wish to exercise their voting rights but have difficulties using the Internet are requested to exercise their voting rights in writing in advance.

In addition, shareholders who have difficulties using the Internet will be able to follow the proceedings by calling the dedicated number for the teleconference system and receiving the audio transmission.

Those who want to use the teleconference system will need to register in advance. Please note that the teleconference system will only allow users to listen to the audio transmission and does not enable the exercise of voting rights. Shareholders who wish to exercise their voting rights are requested to do so in writing in advance.

Please note that telecommunication charges related to the audio transmission are to be borne by the shareholder.

[How to register to use the teleconference system]

Registrations are accepted by telephone or e-mail.

Those who wish to use the teleconference system should call the telephone number below and request to do so or send e-mail, providing shareholder number and name as given on their voting form and their telephone number.

The General Meetings of Shareholders Secretariat will contact them by phone separately to provide additional details.

- Registration period: From March 4, 2026 (Wednesday) at 9:00 a.m. to March 18, 2026 (Wednesday) at 5:00 p.m.
- Telephone: +81 120-245-022 (Virtual-Only General Meeting of Shareholders Help Desk)
- E-mail: BJH_AGM@ccbji.co.jp

5. Other notes

Although the Company will take all reasonable precautions to counteract communications disruptions during the holding of this Ordinary General Meeting of Shareholders, there may be cases where a shareholder is unable to virtually attend the Meeting or exercise their voting rights, etc. due to malfunctions with the personal computer or smartphone used by the shareholder or disruptions to the shareholder's Internet connection.

Please note that the Company shall not be liable for any disadvantages incurred by shareholders as a result of such communication problems.

Please refrain from filming, recording, archiving, or posting the content of the livestream on social media or elsewhere.

This Ordinary General Meeting of Shareholders will be livestreamed in both Japanese and English.

Shareholders will be able to switch between Japanese and English on the livestream by listening to simultaneously interpreted audio.

Shareholders will be responsible for all expenses and telecommunications equipment necessary to attend the meeting.

The recommended environments for attending the Virtual-Only General Meeting of Shareholders are as follows.

	Computer		Smartphone	
	Windows	Mac	Android	iOS
OS	Windows 11 or higher	Latest version of macOS	Android 5 or higher	iOS11 or higher
Browser	Microsoft Edge Google Chrome Mozilla Firefox	Safari	Google Chrome	Safari

* Use the latest version of your browser.

* A stable internet connection with a minimum speed of 1 Mbps is required. A high-speed Internet connection of at least 5 Mbps is recommended for streaming high-quality video.

6. Contact

For inquiries regarding attendance at this Ordinary General Meeting of Shareholders, information on how to ask questions, and the system for exercising voting rights, etc.

Virtual-Only General Meeting of Shareholders Help Desk Telephone Number: +81 120-245-022

<<Office Hours>>

9:00 a.m. to 5:00 p.m. on weekdays between March 4, 2026 (Wednesday) and March 25, 2026 (Wednesday)

* Closed on Saturdays, Sundays, and holidays

From 9:00 a.m. until the end of the livestream on the day of the Ordinary General Meeting of Shareholders (including if held on a backup date)

Inquiries about re-issuance of "Notice of ID / Password" required for log in

Sumitomo Mitsui Trust Bank Virtual General Meeting of Shareholders Support Number: +81 120-782-041

<<Office Hours>>

9:00 a.m. to 5:00 p.m. on weekdays between March 4, 2026 (Wednesday) and March 25, 2026 (Wednesday)

* Closed on Saturdays, Sundays, and holidays

From 9:00 a.m. until the end of the livestream on the day of the Ordinary General Meeting of Shareholders (including if held on a backup date)

Reference Materials for General Meeting of Shareholders

Proposal No. 1: Appropriation of surplus

We place the highest priority on paying active and stable dividends.

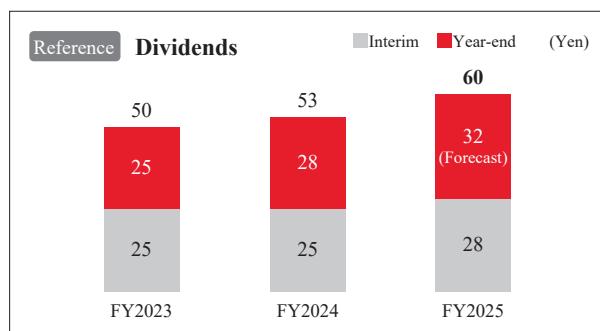
The year-end dividend is proposed to be as follows, based on the progressive dividend policy of maintaining or increasing the annual dividend, with the annual dividend per share to be maintained or increased each year over the previous year. To enhance the flexibility of the Company's capital policy in response to potential changes in the business environment, we also propose reversing the entire amount of the General Reserve and allocating it to Retained earnings as outlined below.

1. Year-end dividends

① Type of assets to be distributed	Cash
② Allotment of assets to be distributed and the total amount	We propose to pay 32 yen per share of the Company's common stock. In this case, the total amount of dividends will be 5,390,368,576 yen . As a result, including interim dividends, annual dividends per share will be 60 yen per share, 7 yen more than those of the previous fiscal year.
③ Effective date of the dividends of surplus	We propose March 30, 2026 as the effective date of the dividends of surplus.

2. Matters Concerning the Disposition of Other Surplus Funds

① Items and amounts of decreasing surplus	General Reserve : 110,388,000,000 yen
② Items and amounts of increasing surplus	Retained earnings : 110,388,000,000 yen



Dividend Policy

Regarding the dividends, our basic policy is to actively and stably return profits to shareholders, and we will pay interim and year-end dividends after comprehensive consideration of business performance, investment for growth, and internal reserves. Under our Strategic Business Plan "Vision 2030", we aim to achieve a consolidated dividend payout ratio of 40% or more, achieved a consolidated dividend on equity (DOE) ratio of 2.5%, and during the relevant period we introduced a progressive dividend, with the annual dividend per share to be maintained or increased each year over the previous year.

Proposal No. 2:**Election of seven (7) Directors (excluding Directors serving on the Audit and Supervisory Committee)**

All five (5) Directors (excluding Directors serving on the Audit and Supervisory Committee) will complete their terms at the end of this Ordinary General Meeting of Shareholders.

To establish a framework that strengthens the achievement of our mid-term management plan “Vision 2030”, we would like to request increasing the number of Directors by two (2) and the election of seven (7) Directors (excluding Directors serving on the Audit and Supervisory Committee).

The candidates for Directors (excluding Directors serving on the Audit and Supervisory Committee) are as follows:

No.	Name	Attributes	Current Position and Responsibility in the Company	
			Position	Responsibility
1	Calin Dragan	Reelection	Representative Director	President
2	Bjorn Ivar Ulgenes	Reelection	Representative Director	Vice President Chief Financial Officer (Head of Finance)
3	Maki Kado	New election	Executive Officer	Head of Executive Office
4	Hiroko Wada	Reelection Outside Independent	Outside Director	–
5	Hirokazu Yamura	Reelection Outside Independent	Outside Director	–
6	Celso Guiotoko	Reelection Outside Independent	Outside Director	–
7	Yuki Isogai	New election Outside Independent	–	–

Reference: Guidelines and Procedures for the Nomination of Candidates for Directors

- In nominating Internal Director candidates for the Company, the Company’s Board of Directors makes decisions by appropriately evaluating the degree of their contribution and future potential, etc. based on the Company’s evaluation system from an independent and objective perspective.
- In nominating Outside Director candidates, the Company’s Board of Directors nominates those who are deemed likely to make a significant contribution to enhancing the Company’s corporate value from an independent and objective perspective.
- In addition, in nominating candidates for Directors who will be Audit and Supervisory Committee members, the Company makes sure that it nominates at least one (1) candidate who has appropriate knowledge of finance and accounting.
- As for the current procedures for nominating Director candidates, the report of the Nomination and Compensation Committee composed of a majority of Outside Directors, including multiple Independent Outside Directors, is respected, and decisions are made by the Board of Directors, of which seven (7) out of the nine (9) members being Outside Directors. Thus, the Company believes that transparency and fairness are ensured.

Candidate **No. 1**

Calin Dragan

Reelection

Date of birth: October 24, 1966, 59 years old



Relationship of special interest in the Company	No. of Company Shares Owned	Attendance at Board of Directors meetings
None	1,037 *As of December 31, 2025	6/6 *Attendance rate: 100%

Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

June	1993	Joined Coca-Cola Leventis
January	2000	Joined Coca-Cola Hellenic Bottling Company S.A.
January	2005	General Manager and Administrator in charge of Romania and Mordovian Republic, Coca-Cola Hellenic Bottling Company S.A.
July	2011	Executive Corporate Officer, Coca-Cola West Co., Ltd.
March	2012	Representative Director, Coca-Cola West Co., Ltd. Vice President, Coca-Cola West Co., Ltd.
July	2013	Representative Director & President, Coca-Cola East Japan Co., Ltd.
May	2017	Regional Director, The Coca-Cola Company Bottling Investments Group Regional Director, Coca-Cola Far East Limited
January	2018	President, The Coca-Cola Company Bottling Investments Group
March	2019	Executive Officer, Coca-Cola Bottlers Japan Holdings Inc. Executive Officer, Coca-Cola Bottlers Japan Inc. Representative Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) President, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Representative Director, Coca-Cola Bottlers Japan Inc. (incumbent) President, Coca-Cola Bottlers Japan Inc.
January	2022	President & Chief Executive Officer, Coca-Cola Bottlers Japan Inc. (incumbent)

Significant Concurrent Positions

Representative Director, President & Chief Executive Officer, Coca-Cola Bottlers Japan Inc.

Reasons for nomination as candidate for Director

The Company requests the election of Calin Dragan as a Director because of his considerable experience as the Representative Director & President of Coca-Cola Bottling companies within Japan and gained at The Coca-Cola Company, his global business knowledge of Coca-Cola business operations, and how he has exercised leadership in his present position as a Senior General Manager of Business of the Company and Group, to utilize his ability and experience, etc. in the management of the Group.

Candidate No. 2**Bjorn Ivar Ulgenes****Reelection**

Date of birth: April 5, 1968, 57 years old



Relationship of special interest in the Company	No. of Company Shares Owned	Attendance at Board of Directors meetings
Bjorn Ivar Ulgenes is a Representative Director of NeoArc Inc. The Company has business transactions with NeoArc Inc. such as lending working capital to subsidiaries and receiving deposits (cash management system) from subsidiaries and interest payments with NeoArc Inc.	4,488 *As of December 31, 2025	6/6 *Attendance rate: 100%

Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

July	1997	Joined The Coca-Cola Company
August	2005	Finance Director, North & West Africa Business Unit, The Coca-Cola Company
May	2008	Finance Director & Executive Assistant to the Business Unit President, North & West Africa Business Unit, The Coca-Cola Company
June	2009	GM Innovation & EA, North & West Africa Business Unit, The Coca-Cola Company
February	2010	Senior Vice President Finance, The Coca-Cola (Japan) Co., Ltd.
January	2013	Finance Director, Central, East & West Africa Group, The Coca-Cola Company
April	2016	Deputy Finance Director, Europe, Middle East & Africa (EMEA) Group, The Coca-Cola Company
October	2018	Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Holdings Inc. Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Inc.
November	2018	Representative Director & President, Coca-Cola Bottlers Japan Sales Support Inc.
January	2019	Representative Director & President, Coca-Cola Bottlers Japan Business Services Inc.
February	2019	Executive Officer, Coca-Cola Bottlers Japan Holdings Inc. Executive Officer, Coca-Cola Bottlers Japan Inc.
March	2019	Representative Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Representative Director, Coca-Cola Bottlers Japan Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Inc.
December	2019	Representative Director & Chairman, Q'SAI CO., LTD.
January	2022	Vice President & Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc. (incumbent)
March	2022	Representative Director & Chairman, Coca-Cola Bottlers Japan Business Services Inc.
November	2022	Representative Director, Chairman and President, Coca-Cola Bottlers Japan Business Services Inc. (incumbent)
January	2024	Representative Director, NeoArc Inc. (incumbent)
January	2025	Representative Director, onEQuest Co., Ltd. (incumbent)

Significant Concurrent Positions

Representative Director, Vice President, Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc.
 Representative Director, Chairman and President of Coca-Cola Bottlers Japan Business Service Inc.
 Representative Director, NeoArc Inc.
 Representative Director, onEQuest Co. Ltd.

Reasons for nomination as candidate for Director

The Company requests the election of Bjorn Ivar Ulgenes as a Director because of his considerable experience as the Representative Director, Vice President, Chief Financial Officer (Head of Finance) of the Company and gained at The Coca-Cola Company, his global business knowledge of Coca-Cola business operations, and because of how he has exercised leadership in his present position as a Senior General Manager of Business of the Company and Group, to utilize his ability and experience, etc. in the management of the Group.

Candidate No. 3 Maki Kado

New election

Date of birth: February 16, 1969, 57 years old



Relationship of special interest in the Company	No. of Company Shares Owned	Attendance at Board of Directors meetings
Maki Kado is a representative director of Coca-Cola Customer Marketing Co., Ltd. The Company has business transactions with Coca-Cola Customer Marketing Co., Ltd. such as lending working capital to subsidiaries and receiving deposits (cash management system) from subsidiaries and interest payments with Coca-Cola Customer Marketing Co., Ltd.	-	-
	*As of December 31, 2025	

Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

April	1992	Joined NEC Corporation
April	1996	Joined United Feature Syndicate Inc. Japan Branch
May	2000	Joined Microsoft Product Development Inc. Japan Branch
April	2004	Joined Microsoft Corporation Inc. (US) Headquarters
July	2013	General Manager of Purchasing, salesforce.com Co., Ltd.
April	2014	Business Manager, Coca-Cola East Japan Co., Ltd.
December	2014	Director, Coca-Cola Business Services Co., Ltd.
January	2015	Representative Director and President, Coca-Cola Business Service Co., Ltd. Operating Committee member (Officer), Coca-Cola Cross Enterprise Procurement Group
August	2015	Representative Director and President, Coca-Cola Business Sourcing Co., Ltd.
June	2016	Budget Committee Chair (Chief Financial Officer), Coca-Cola Cross Enterprise Procurement Group
April	2017	Executive Officer, Head of Procurement Division, Coca-Cola Bottlers Japan Inc.
February	2019	Executive Officer, Head of Procurement, Coca-Cola Bottlers Japan Inc.
June	2019	Executive Officer, Head of Procurement and Head of Executive Business Management, Coca-Cola Bottlers Japan Inc.
April	2020	Executive Officer, Executive Business Manager, Coca-Cola Bottlers Japan Holdings Inc.
June	2021	Outside Director, Idemitsu Kosan Co., Ltd.
January	2023	Executive Officer, Chief Business Strategy Officer, Coca-Cola Bottlers Japan Inc. (incumbent)
March	2023	Representative Director and President, Coca-Cola Customer Marketing Co., Ltd. (incumbent)
January	2024	Executive Officer, Head of Executive Office, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Executive Officer, President of Food Service Company, Coca-Cola Bottlers Japan Inc. (incumbent)

Significant Concurrent Positions

President of Food Service Company, Chief Business Strategy Officer, Coca-Cola Bottlers Japan Inc.
Representative Director and President, Coca-Cola Customer Marketing Co., Ltd.

Reasons for nomination as candidate for Director

The Company requests the election of Maki Kado as a Director because of her extensive management experience as an Executive Officer of our company and major subsidiaries. She has lead transformation in management strategy and possesses global experience as Head of Procurement. Furthermore, as President of the Foodservice Company, she possesses extensive management experience and global insights within the Coca-Cola business, including advancing negotiations with major domestic clients. She continues to demonstrate leadership as part of the management team of our company and the Group.

Candidate No. 4 Hiroko Wada

Date of birth: May 4, 1952, 73 years old

Reelection

Outside

Independent



Relationship of special interest in the Company	No. of Company Shares Owned	Attendance at Board of Directors meetings
None	- *As of December 31, 2025	6/6 *Attendance rate: 100%

Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

April	1977	Joined Procter & Gamble Sunhome Co., Ltd.
January	1998	Vice President, In charge of Corporate New Ventures, Asia, The Procter & Gamble Company (U.S.)
March	2001	Representative Director & President, Dyson Ltd.
April	2004	Representative Director, President & COO, Toys”R”Us-Japan, Ltd.
November	2004	Representative, Office WaDa (incumbent)
May	2009	Outside Director, Aderans Holdings Co., Ltd.
June	2016	Outside Director, Shimadzu Corporation
March	2019	Outside Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Outside Director (Audit & Supervisory Committee Member), Unicharm Corporation

Significant Concurrent Positions

Representative, Office WaDa

Reasons for nomination as candidate for Outside Director and overview of expected roles

The Company requests the election of Hiroko Wada as a Director (Outside Director) in the expectation that she will utilize, for the management of the Company, the considerable experience and global knowledge she has gained thus far as officer at The Procter & Gamble Company and as Representative Director at Dyson Ltd. and Toys”R”Us-Japan Ltd.

Candidate No. 5

Hirokazu Yamura

Date of birth: September 28, 1977, 48 years old

Reelection

Outside

Independent



Relationship of special interest in the Company	No. of Company Shares Owned	Attendance at Board of Directors meetings
Hirokazu Yamura is Representative Director & President of Michinoku Coca-Cola Bottling Co., Ltd. The Company has business relations in product trading, etc. with Michinoku Coca-Cola Bottling Co., Ltd. (Sales etc. 0.5% of the Company's net sales; Purchases etc. 1.6% of the net revenues of Michinoku Coca-Cola Bottling Co., Ltd.)	- *As of December 31, 2025	6/6 *Attendance rate: 100%

Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

October	2006	Joined Michinoku Coca-Cola Bottling Co., Ltd.
February	2009	Director, Michinoku Coca-Cola Bottling Co., Ltd.
March	2012	Managing Director, Michinoku Coca-Cola Bottling Co., Ltd.
March	2013	Senior Managing Director, Michinoku Coca-Cola Bottling Co., Ltd.
March	2014	Representative Director & President, Michinoku Coca-Cola Bottling Co., Ltd. (incumbent)
March	2020	Outside Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)

Significant Concurrent Positions

Representative Director & President, Michinoku Coca-Cola Bottling Co., Ltd.

Reasons for nomination as candidate for Outside Director and overview of expected roles

The Company requests the election of Hirokazu Yamura as a Director (Outside Director) in expectation that he will utilize, for the management of the Company, the considerable experience and knowledge he has gained in management and as Representative Director & President at Michinoku Coca-Cola Bottling Co., Ltd.

Candidate **No. 6**

Celso Guiotoko

Date of birth: January 3, 1959, 67 years old

Reelection

Outside

Independent



Relationship of special interest in the Company	No. of Company Shares Owned	Attendance at Board of Directors meetings
None	- *As of December 31, 2025	6/6 *Attendance rate: 100%

Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

December	1983	Joined Banco Bradesco SA
January	1985	Senior Manager, Arthur Andersen (Accenture)
March	1996	System Director, Toshiba America Electronic Components, Inc.
December	1997	Solution Service Vice President, i2 Technologies Japan, Inc.
May	2004	Vice President & CIO (Chief Information Officer), Nissan Motor Co., Ltd.
April	2006	Corporate Vice President & CIO, Nissan Motor Co., Ltd.
April	2014	Senior Corporate Vice President & CIO, Nissan Motor Co., Ltd.
June	2017	Statutory Auditor, Nissan Motor Co., Ltd.
March	2019	Outside Director (Audit & Supervisory Committee Member), Coca-Cola Bottlers Japan Holdings Inc. Executive Officer and Global Chief Digital Officer, Nishimoto Co., Ltd.
March	2020	Director and Global Chief Digital Officer, Nishimoto Co., Ltd.
March	2023	Outside Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)
January	2024	Director, NeoArc Inc. (incumbent)
April	2024	Senior Managing Executive Officer, Chief Information Officer (CIO) and Chief Information Security Officer (CISO), JERA Co., Inc. (incumbent)

Significant Concurrent Positions

Director, NeoArc Inc.
Senior Managing Executive Officer, CIO and CISO, JERA Co., Inc.

Reasons for nomination as candidate for Outside Director

The Company requests the election of Celso Guiotoko as a Director (Outside Director) in the expectation that he will utilize, for the management of the Company, the considerable experience and global knowledge he has gained thus far at Nissan Motor Co., Ltd. (“Nissan”), Nishimoto Co., Ltd. as well as JERA Co., Inc.

Candidate No. 7 Yuki Isogai

Date of birth: August 13, 1975, 50 years old

New election

Outside

Independent



Relationship of special interest in the Company	No. of Company Shares Owned	Attendance at Board of Directors meetings
None	-	-
	*As of December 31, 2025	

Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

September	2002	Joined Kintetsu International Express
February	2005	Joined International Development Center of Japan (IDCJ)
October	2006	Economic Cooperation Coordinator, Embassy of Japan in Ethiopia
November	2008	Private Sector Development Specialist, The World Bank
March	2011	Joined PricewaterhouseCoopers Aarata
July	2018	Partner, PricewaterhouseCoopers Aarata LLC
July	2020	Sustainability Center of Excellence Technical Lead Partner, PricewaterhouseCoopers Aarata LLC
July	2022	Sustainability Center of Excellence Lead Partner, PricewaterhouseCoopers Aarata LLC
August	2024	Chief Sustainability Officer, Japan Activation Capital Inc.
October	2025	Founder/CEO, Earth Nest LLC (incumbent)

Significant Concurrent Positions

Founder/CEO, Earth Nest LLC

Reasons for nomination as candidate for Outside Director and overview of expected roles

The Company requests the election of Yuki Isogai as a Director (Outside Director) in the expectation that her significant experience and global expertise in the sustainability field, gained at The World Bank, PricewaterhouseCoopers Aarata LLC (now PricewaterhouseCoopers Japan LLC) and Japan Activation Capital Co., Ltd. Currently, she has established Earth Nest LLC and serves as its Founder/CEO, providing broad support for the realization of sustainability management. She is expected to contribute her extensive experience and insights in sustainability management to the management of the Group.

Notes:

1. Company names listed in the personal profile reflect business names at time of employment.
2. The Company has entered into officers' liability insurance agreements with Calin Dragan, Bjorn Ivar Ulgenes, Hiroko Wada, Hirokazu Yamura and Celso Guiotoko as insureds, whose insurance premiums are fully borne by the Company, and if their elections are approved, said agreements shall be renewed. In addition, if the election of Maki Kado and Yuki Isogai is approved, the Company plans to conclude the said agreement with them as insured persons. The agreement will outline that, in the event of a claim for damages by a shareholder, the Company, an employee or another third party during the insurance period arising from an act done by the insureds in relation to their work as the Company's officers, such compensation for damages and legal expenses, etc. shall be compensated.
3. The Company has entered into agreements for limitation of liability with Hiroko Wada, Hirokazu Yamura and Celso Guiotoko, and if their elections are approved, said agreements shall remain in effect. In addition, if the election of Yuki Isogai is approved, the Company plans to conclude the said agreement with her. The agreement will outline that in cases where the Directors (excluding Executive Directors, etc.) have caused damages to the Company due to non-performance of their duties and yet they are bona fide and there is no gross negligence from them in performing their duties, they shall be liable for the damages to the limit of minimum liability set forth in Article 425, Paragraph 1 of the Companies Act.
4. Hiroko Wada, Hirokazu Yamura, Celso Guiotoko and Yuki Isogai are candidates for Outside Director.
 - (1) Shimadzu Corporation, for which Hiroko Wada serves as an Outside Director, announced that its subsidiary Shimadzu Medical Systems Corporation had been found to have engaged in inappropriate conduct related to maintenance and inspection services for X-ray equipment installed at medical institutions with which the company does business in September 2022. In February 2023, the Company announced that it would promptly formulate and implement specific measures to prevent recurrence, based on an analysis of the causes and recommendations regarding the measures to prevent recurrence from an external investigation committee. Subsequently, in August 2023, the Company announced that the Kyushu Branch Kumamoto Office of Shimadzu Medical Systems Corporation had received a business improvement order from Kumamoto Prefecture.

Hiroko Wada has fulfilled her responsibilities such as by providing regular suggestions from the standpoint of legal compliance at the Board of Directors meetings, etc. In addition, after becoming aware of these problems, she has fulfilled her responsibilities such as by providing suggestions of ensuring legal compliance and making recommendations as appropriate for efforts to prevent recurrence.
 - (2) Hiroko Wada, Hirokazu Yamura and Celso Guiotoko are incumbent Outside Directors of the Company. At the conclusion of this General Meeting of Shareholders, Hiroko Wada and Celso Guiotoko have assumed the office as Outside Director for seven (7) years, and Hirokazu Yamura has assumed the office as Outside Director for six (6) years.
 - (3) The Company has submitted a notice to Tokyo Stock Exchange, Inc., on which the Company is listed, that Hiroko Wada and Celso Guiotoko are "Independent Directors" in accordance with the rules, etc. of the said securities exchange. If their elections are approved, they will continue to be Independent Directors. Furthermore, if each of the election of Hirokazu Yamura and Yuki Isogai is approved, the Company plans to submit a notice to Tokyo Stock Exchange, Inc. on which the Company is listed, that Hirokazu Yamura and Yuki Isogai are "Independent Directors" in accordance with the rules, etc. of said securities exchange.

Proposal No. 3:**Amendment of Maximum total compensation, etc. for Directors
(including Directors serving on the Audit and Supervisory Committee)**

Your approval is requested to amend the compensation system for Directors in order to further strengthen its commitment to the growth strategies and results set out in its new medium-term management plan, “Vision 2030”, and to promote management with an even greater awareness of shared value with shareholders, in line with “Compensation policy and process for determining the policy”. (Please refer to “a. Compensation policy and process for determining the policy” of “Reference: Officer compensation, etc.” on pages 26 of this notice of convocation).

- Amendment of calculation method for stock-based compensation (PSU)
- Modification of timing of vesting of stock-based compensation (RSU) on retirement, etc.
- Expansion of recipients of stock-based compensation, in line with “Practical Guidelines for Corporate Governance System” issued by Ministry of Economy, Trade and Industry (METI)
- Amendment of Maximum total compensation, etc., for Directors due to Proposal No. 2 “Election of seven (7) Directors (excluding Directors serving on the Audit and Supervisory Committee)”, and the amendments of the items described above as well as the compensation level.

For these details, please refer to “Background of Amendment and Details” on pages 20 through 23 of this notice of convocation, and for an overview of how the officer compensation system will be updated if this proposal is approved and resolved as originally proposed, please refer to “b. Details on compensation for Executive Directors and Executive Officers” and “c. Details on compensation for Outside Directors not serving on the Audit and Supervisory Committee” of “Reference: Compensation of Corporate Officers” on pages 27 through 29 of this notice of convocation..

At the meeting of the Company’s Board of Directors held on February 13, 2026, it was resolved that, subject to approval of this Proposal, the Company’s policy for determining the details of individual director compensation, etc., be modified as described in “Reference: Compensation of Corporate Officers” on pages 26 through 29 of this notice of convocation. The Company believes that this Proposal is appropriate because it is designed to align with that policy and has been deliberated by the Nomination and Compensation Committee, which comprises a majority of Outside Directors, including multiple Independent Outside Directors, in order to ensure the appropriateness, objectivity, and transparency of Director compensation.

=Details of Proposal No. 3 =

[Background of Amendment and Details]

At the FY2019 Ordinary General Meeting of Shareholders held on March 26, 2020, the amount of compensation, etc., of the Company's Directors (excluding Directors serving on the Audit and Supervisory Committee) was approved to be "up to 850 million yen per year (including 50 million yen per year for Outside Directors)." The Company has granted base salary to Directors (excluding Directors serving on the Audit and Supervisory Committee) and annual variable pay to Directors (excluding Directors serving on the Audit and Supervisory Committee and Outside Directors; "Executive Directors") as monetary compensation within that approved limit.

In addition, at the FY2022 Ordinary General Meeting of Shareholders held on March 28, 2023, the Long-Term Incentive (stock-based compensation), consisting of the Performance Share Unit plan ("PSU") and the Restricted Stock Unit plan ("RSU"), was also approved for Executive Directors, up to a maximum contribution by the Company of 2,880 million yen in total over three fiscal years in principle, with the upper limit of the total number of shares of the Company or cash equivalent ("Company Shares, etc.") to be vested to Executive Directors ("Vesting, etc.") for the three fiscal years being equivalent to 1,800,000 points (1,800,000 shares when converted at one point to one share of the Company's common stock).

The amount of compensation, etc., of Directors serving on the Audit and Supervisory Committee was approved to be "up to 100 million yen per year" at the FY2015 Ordinary General Meeting of Shareholders held on March 23, 2016, and the Company has granted base salary to those Directors as monetary compensation within that approved limit.

The Company will amend as follows in order to further strengthen its commitment to the growth strategies and results set out in its new medium-term management plan, "Vision 2030", and to promote management with an even greater awareness of shared value with shareholders,

1. Amendment of compensation level

The Company's *Decision Policy for Director Compensation, etc.* stipulates that it should maintain a "compensation level and structure that enable hiring and retaining high-quality talent from the perspective of diversity of nationalities and experiences." In order to achieve the growth strategy set out in "Vision 2030", the Company has decided to redefine competitive compensation levels with reference to data from a market survey of compensation at similarly sized companies in Japan and overseas by an independent external professional organization, as well as compensation levels of Coca-Cola System Group companies around the world.

2. Amendment of calculation method for annual variable pay and stock-based compensation (PSU)

In order to further increase its commitment to carrying out "Vision 2030", the Company will amend to be more performance-based calculation method for annual variable pay and PSU as follows.

Annual variable pay : Compensation that varies within a specified percentage range of the annual variable pay base amount, depending on the level of achievement of the Company's performance targets for the relevant fiscal year. (For reference, the updated *Decision Policy for Director Compensation, etc.* provides for variation within a range of 0-200%.)

PSU : An amount that varies within a range of 0-200% of the PSU base amount, depending on the level of achievement of the Company's performance targets over a three-year period.

3. Abolition of reserved retirement payment for Executive Directors and modification of the timing of vesting of stock-based compensation (RSU) upon retirement, etc.

With the aim of strengthening the link between performance and the compensation system for directors, and in line with recent market trends, the Company will abolish the reserved retirement payment, and will pay the reserved amount of compensation corresponding to the period of service from the start of accumulation until the end of this Ordinary General Meeting of Shareholders to the two Executive Directors who are eligible for this compensation upon abolition of the system. The specific timing and method of payment are expected to be determined by the Board of Directors.

The Company also proposes to change the timing of the vesting of RSUs so that they will be vested after the end of three consecutive fiscal years (the “Applicable Period”) in principle, instead of upon resignation as a Director. The Company Shares, etc. corresponding to the accumulated points, for which the Applicable Period has already been completed under RSU since the introduction of the system in 2020, will be vested to the two Executive Directors who are eligible for this compensation upon this modification of the system. The Company proposes that the specific timing and method of payment be delegated to the Board of Directors.

These systems are abolished and modified in line with the Company’s *Decision Policy for Director Compensation, etc.*, which provides for a “compensation composition ratio emphasizing performance-linked compensation, resulting in providing sufficient incentives for profitable growth.”

In addition, taking into comprehensive consideration the impact of the abolition and modification of these systems (changes in the economic value of compensation, etc., including the impact of changes in tax treatment), the two Executive Directors eligible for these systems will be paid an adjustment amount in the form of a grant of special RSUs, in addition to the regular grant of RSUs, within the total amount of stock-based compensation (RSU) to Directors (excluding Outside Directors and Directors serving on the Audit and Supervisory Committee) after the amendment to be approved at this Ordinary General Meeting of Shareholders. The Company believes that by making such adjustments through RSU, it will be able to “further improve medium- to long-term corporate value and reinforce alignment of interests with the shareholders” as stipulated in the Company’s *Decision Policy for Director Compensation, etc.*

4. Expansion of recipients of stock-based compensation

So far, the stock-based compensation has been granted to Executive Directors only, but in order to deliberate the further promotion of management with an awareness of sharing value with shareholders, the recipients of the stock-based compensation will be expanded to all Directors (including Executive Directors, Outside Directors, and Directors serving on the Audit and Supervisory Committee).

The introduction of stock-based compensation for Directors other than Executive Directors is also in line with the “Practical Guidelines for Corporate Governance Systems” issued by METI, which indicate that, with respect to the compensation of Outside Directors, granting stock-based compensation with a fixed number of shares not subject to performance conditions — in addition to fixed compensation — may be considered from the perspectives of fostering a sense of ownership as members of the Board and providing appropriate incentives.

The specific details and its introduction timing are expected to be determined by the Board of Directors, within the outline of “c. Details on compensation for Outside Directors not serving on the Audit and Supervisory Committee” of “Reference: Officer compensation, etc.” on pages 29 of this notice of convocation.

5. Maximum total compensation and details for Directors

The current number of Directors (excluding Directors serving on the Audit and Supervisory Committee) is five (including three Outside Directors). If Proposal No. 2 is approved and resolved as originally proposed, the number of Directors (excluding Directors serving on the Audit and Supervisory Committee) will become seven (including four Outside Directors).

The current number of Directors serving on the Audit and Supervisory Committee is four, which will not change at the conclusion of this Ordinary General Meeting of Shareholders.

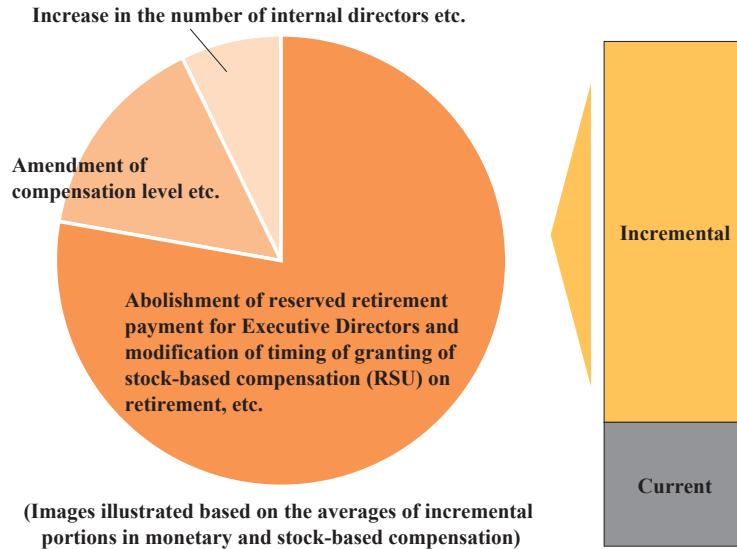
With this increase of number as well as the items to be amended as described, your approval is requested to amend the amount and details of the different types of compensation, etc., of Directors of the Company as follows. More than 75% of incremental values in each type of compensation of Executive Directors are due to “3. Abolition of reserved retirement payment for Executive Directors and modification of the timing of granting of stock-based compensation (RSU) upon retirement, etc.”. Note that the following focuses on the upper bound of the variable compensation, which is payable when the highest level of performance is achieved, and therefore it is not the case that the entire amount of compensation will be paid out every year. In the event of poor performance, the variable element of compensation is structured to decrease significantly. The payment of compensation, etc., under this system will be determined by comprehensive consideration of the Executive Directors’ contribution to the Company and other factors, and it is believed that the details of the compensation, etc., are reasonable.

- ① The total amount of monetary compensation for all Directors (excluding Directors serving on the Audit and Supervisory Committee) is to be 3,300 million yen per year (including up to 100 million yen per year for Outside Directors).
- ② Stock-based compensation (PSU and RSU)
 - a. Maximum amount of money to be contributed by the Company
 - See “Maximum amount of money contributed by the Company” in “Details of Stock-Based Compensation (PSU and RSU)” below.
 - b. Maximum number of the Company Shares, etc. to be Vesting, etc. to the eligible Directors
 - See “Method of Vesting, etc. of Company Shares, etc. to the Eligible Directors” in “Details of Stock-Based Compensation (PSU and RSU)” below.
 - c. Details of stock-based compensation (PSU and RSU)
 - The details of stock-based compensation (PSU and RSU) will be amended as described in “Details of Stock-Based Compensation (PSU and RSU)” below. The details of the stock-based compensation (PSU and RSU) are, in principle, the same as the content of the stock-based compensation (PSU and RSU) approved as Proposal No. 5 at the FY2022 Ordinary General Meeting of Shareholders held on March 28, 2023, with the exception of the amendment of the PSU calculation method, modification of the timing of RSU payments, and expansion of RSU recipients.

The special RSUs to be granted on the abolition and modification of the systems described in Section 3 above are also planned to be granted within the above stock-based compensation limits.

- ③ As a measure in conjunction with the amendment of the details of the stock-based compensation pursuant to item (ii) above, the Company Shares, etc. corresponding to the accumulated points for which the Applicable Period has already been completed under the pre-amendment stock-based compensation (RSU), will be vested to the two Executive Directors who are eligible for this compensation. The Company proposes that the specific timing and method of payment be delegated to the Board of Directors.

Image of items of incremental values



[Details of Stock-Based Compensation (PSU and RSU)] (Key amendments are underlined)

(i) Outline of PSU and RSU

The long-term incentives (stock-based compensation) consists of PSU and RSU (collectively, the “Plan”). The recipients of PSU are Executive Directors (“PSU Eligible Directors”), and the recipients of RSU are all Directors (“RSU Eligible Directors”, including Executive Directors, Outside Directors, and Directors serving on the Audit and Supervisory Committee) The PSU Eligible Directors and RSU Eligible Directors are collectively referred to as “Eligible Directors”.

Under the Plan, Company shares are acquired through a trust established by the Company using funds contributed by the Company as compensation for Eligible Directors, and such Company Shares, etc. are Vesting, etc. in the Eligible Directors.

(ii) Maximum amount of money contributed by the Company

The trust period of the Plan is three years from May 2026 (planned) to May 2029 (planned).

The Company shall contribute a total of 6,803 million yen in trust money for the trust period to Executive Directors and Outside Directors (excluding Directors serving on the Audit and Supervisory Committee; including up to 21 million yen to Outside Directors), and a total of 21 million yen over three fiscal years to Directors serving on the Audit and Supervisory Committee, and shall make a trust in which the Eligible Directors who meet the beneficiary requirements are the beneficiaries (“Trust”).

The Trust acquires the Company’s shares on the stock market or from the Company using the money held in the trust in accordance with the instructions of the Trust administrator. During the trust period, the Company shall grant points to the Eligible Directors (as described in (iii) below). The Trust will vest shares of the Company equivalent to points.

At the expiration of the trust period, the Trust may be continued by changing the trust agreement in place of establishing a new Trust. In that case, the trust period of the Trust will be extended for the same period as the initial trust period, and the Company will make additional contributions to the extended trust period within a total of 6,803 million yen to Executive Directors and Outside Directors (excluding Directors serving on the Audit and Supervisory Committee; including up to 21 million yen to Outside Directors), and a total of 21 million yen over three fiscal years to Directors serving on the Audit and Supervisory Committee and will continue to grant points to the Eligible Directors and vest the Company Shares, etc. during the extended trust period. However, if Company shares remain in the trust assets as of the last day of the trust period immediately prior to its extension (excluding shares of the Company corresponding to points granted to Eligible Directors that have not been Vesting, etc.), together with any remaining cash (“Residual Shares, etc.”), the total amount of remaining shares, etc. and the additional trust amount shall be within 6,803 million yen in total for Executive Directors and Outside Directors (excluding Directors serving on the Audit and Supervisory Committee), including up to 21 million yen to Outside Directors, and within 21 million yen for Directors serving on the Audit and Supervisory Committee. This extension of the trust period is not limited to one time, and the trust period may be re-extended thereafter.

In addition, even in the event of termination of the Trust, if an Eligible Director who may satisfy the beneficiary requirements is in office at the expiration of the trust period, the Trust may not be terminated immediately, but the trust period may be extended until the Eligible Director retires and the vesting of the Company Shares, etc. is completed. However, in that case, no new points will be granted to the Eligible Director.

(iii) Method of Vesting, etc. of Company Shares, etc. to the Eligible Directors

Executive Directors shall be granted points calculated in accordance with the following point calculation formulas for PSU and RSU. Outside Directors and Directors serving on the Audit and Supervisory Committee shall be granted points calculated in accordance with the following point calculation formulas for RSU.

Impact of abolition and modification of the compensation system (including changes in tax treatment and other substantial variation in the economic value of compensation)

Additionally, RSUs (“Special RSU”) may be separately granted to Executive Directors as part of RSU to compensate for the impact of the abolition of the compensation system and change of timing of granting compensation (including changes in tax treatment and other substantial variation in the economic value of compensation) and for retention purposes.

Points granted accumulate annually, and the number of shares or other securities to be Vesting, etc. is determined based on the number of points accumulated (“Accumulated Points”), at one share of the Company’s common stock per point. However, if an event occurs during the trust period in which it is deemed fair to adjust points such as a stock split or reverse stock split of the Company’s shares, the number of shares of the Company per point will be adjusted according to the split ratio, reverse split, etc.

(1) Performance Share Unit Plan (PSU)

After the start of each Applicable Period, base points are awarded, and after the end of the Applicable Period, “Performance-Linked Points” are granted to PSU Eligible Directors, which are calculated based on the degree of achievement of performance targets for the Applicable Period.

<<Calculation formula for Performance-Linked Points>>

Base points (base amount by roles and responsibilities ÷ stock price*1) × performance-linked coefficient*2

(2) Restricted Stock Unit Plan (RSU)

After the start of each Applicable Period, “Fixed Points” will be granted according to the size of roles and responsibilities of RSU Eligible Directors calculated based on the following point calculation formula in principle.

<<“Fixed Point” calculation formula>>

Base amount by roles and responsibilities*3 ÷ stock price*1

*1 Average closing price of the Company’s common stock on the Tokyo Stock Exchange, Inc. in the previous month with the calculation date shall be the day before the date of the Ordinary General Meeting of Shareholders of the Company held in the first fiscal year of each target period.

*2 The performance-linked coefficient varies between 0% and 200% depending on the achievement of performance targets (ROE and sales) during the Applicable Period.

*3 In case of the Special RSU, an additional amount on top of the base amount by roles and responsibilities will be granted if necessary.

Maximum number of points, etc. that will be vested, etc. to Eligible Directors (excluding Directors who are Audit and Supervisory Committee members) will be the equivalent of 2,612,000 points over fiscal years to Executive Directors and Outside Directors (including up to 12,000 points to Outside Directors. 2,612,000 shares when converted 1 point to one share of the Company’s common stock (including up to 12,000 shares to Outside Directors)), and be the equivalent of 12,000 points over fiscal years to Directors who are Audit and Supervisory Committee members (12,000 shares when converted 1 point to one share of the Company’s common stock). Within this maximum above, the adjustment for the past RSU will also be made in this fiscal years.

The total number of shares of the Company acquired by the Trust is limited to the number of shares corresponding to such number of points.

(iv) Timing of Vesting, etc. of Company Shares, etc. to Eligible Directors

In principle, the timing of the vesting of the Company Shares, etc. related to PSU and RSU will be after the end of the Applicable Period.

Eligible Directors who meet the beneficiary requirements shall be vested with Company shares corresponding to the Accumulated Points calculated in accordance with (i) above after the end of the Applicable Period in principle. In this case, the Eligible Director shall be vested with Company shares equivalent to a certain percentage of the Accumulated Points, and the remaining number of shares of the Company corresponding to the remaining percentage shall be exchanged for value within the Trust and receive a monetary benefit equivalent to the exchange disposal proceed.

(v) Malus and Claw Back System in the Plan

In the event of a serious fraud or violation of the Eligible Directors, the Eligible Directors may confiscate the beneficial rights of the shares to be vested under the Plan (malus) and demand the return of money equivalent to the vested shares, etc., (claw back).

(vi) Voting rights related to the Company's shares

To ensure neutrality in management, voting rights shall not be exercised for the Company's shares in the Trust during the applicable period.

(vii) Other details of the Plan

Other matters related to the Plan shall be determined by the Board of Directors.

[Reference: Officer compensation, etc.]

On February 13, 2026, the Board of Directors resolved, subject to the approval of this Proposal, to amend, as set out below, the policy for determining the content of Directors' compensation, etc.

a. Compensation policy and process for determining the policy

(a). Basic policy on compensation for Executive Directors and Executive Officers

- (i) Compensation level and structure that enable hiring and retaining high-quality talents from the perspective of diverse nationalities and experiences.
- (ii) Compensation composition ratio emphasizing performance-linked compensation, resulting in providing sufficient incentives for profitable growth.
- (iii) Introduction of a system to further improve medium- to long-term corporate value and reinforce alignment of interests with the shareholders.

(b). Supervisory Officers (Directors serving on the Audit and Supervisory Committee and Outside Directors not serving on the Audit and Supervisory Committee)

The compensation level and structure that is appropriate as roles in managerial supervision and audit.

(c). Process for determining the policy

The policy for determining compensation for Officers, etc., shall be determined upon deliberation by the Nomination and Compensation Committee and approval by the Board of Directors.

The current policy (policy for determining compensation for Directors, etc.) has been resolved by the Board of Directors on February 9, 2023, and February 13, 2025, and August 1, 2025.

b. Details on compensation for Executive Directors and Executive Officers

(a). Compensation structure

Fixed compensation	Base salary	<ul style="list-style-type: none"> Monthly payment of an amount determined based on responsibilities. 	<p>The portion of the compensation shown on the left provided to Directors will not exceed the following amount.</p> <p>Compensation limit for Directors (excluding Directors serving on the Audit and Supervisory Committee and Outside Directors not serving on the Audit and Supervisory Committee): <u>3,200 million yen per year (three in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee and Outside Directors not serving on the Audit and Supervisory Committee)</u></p> <p>* In case where the Nomination and Compensation Committee has deliberated and deemed it necessary, payments within <u>3,200 million yen</u> may be made for fringe benefits such as compensation for exchange rate fluctuation between other countries and Japan, housing allowance, etc.</p>
Variable compensation	Annual variable pay	<ul style="list-style-type: none"> Provided at a certain point in the year as an incentive for achieving performance targets for each fiscal year. The target amount is set in the range of 30% to 85% of base salary, depending on their responsibilities. The amount of payment varies in the range of 0% to <u>200%</u> of the target amount depending on the achievement of performance targets in each fiscal year (companywide performance and individual evaluations). To provide motivation to achieve profitable growth, business income, sales volume, and net sales have been adopted as measures for evaluating companywide performance, based on the Company's policy regarding the determination of compensation, etc., for Directors, etc. The amount to be paid may be adjusted if the Nomination and Compensation Committee deliberated it necessary to do so, taking into consideration the status of payment of bonuses to employees. 	

Variable compensation	Long-term incentives	<ul style="list-style-type: none"> Two types of stock-based compensation systems, (1) PSU and (2) RSU, are adopted as long-term incentives. The basic amount of all long-term incentives (1) PSU + (2) RSU is set in the range of 15% to 100% of base salary based on the responsibilities. 50% of this basic amount is set as the basic PSU amount, and 50% is set as the basic RSU amount. With regard to (2) RSU, additional grants for the purpose of retention, etc. may be made in addition to the above-mentioned basic RSU amount and in case for Directors, up to the compensation limit detailed on the right if deemed necessary by the Nomination and Compensation Committee (Special RSU). 	<p>The portion of the compensation shown on the left provided to Directors will not exceed the following amount.</p> <p>Compensation limit for Directors (excluding Directors serving on the Audit and Supervisory Committee and Outside Directors not serving on the Audit and Supervisory Committee): The maximum number of shares is <u>6,782 million yen and 2,600,000 shares for three fiscal years (seven in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee and Outside Directors not serving on the Audit and Supervisory Committee)</u></p>
	1) PSU (Performance Share Units)	<ul style="list-style-type: none"> Granted as an incentive for achieving medium- to long-term performance targets. Three years after the share units have been granted, the number of shares to be issued shall be determined within the range of 0% to 200% of the basic PSU amount depending on the achievement of performance targets over the three-year period (only considering companywide performance). A part of the shares to be issued shall be paid in cash for the purpose of allocating funds for the payment of tax obligations, etc. To provide motivation to enhance corporate value over the medium- to long-term, consolidated ROE and consolidated sales growth rate have been adopted as measures for evaluating performance, based on the Company's policy regarding the determination of compensation for Directors, etc. 	
	RSU (Restricted Stock Units)	<ul style="list-style-type: none"> Granted for the purpose of aligning interests with shareholders, creating incentives to increase corporate value, and strengthening retention of talented people, etc. A predetermined number of shares are issued after three years of vesting period. A part of the shares to be issued shall be paid in cash for the purpose of allocating funds for the payment of tax obligations, etc. 	

* Regarding fringe benefits, to support the execution of assignments outside the home country, compensation for exchange rate fluctuation between other countries and Japan, housing allowance, etc. are provided in accordance with the internal regulations approved at the Board of Directors Meeting through deliberations by the Nomination and Compensation Committee.

Image of compensation structure (in the case of Representative Director)



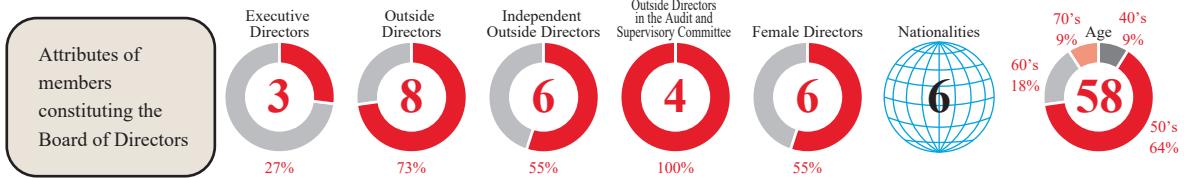
c. Details on compensation for Outside Directors not serving on the Audit and Supervisory Committee

(a). Compensation structure

Fixed compensation	<p><u>Base salary</u></p>	<ul style="list-style-type: none"> ● <u>Monthly payment of an amount determined based on responsibilities.</u> 	<p><u>The portion of the compensation shown on the left provided to Directors will not exceed the following amount.</u></p> <p><u>Compensation limit for Outside Directors not serving on the Audit and Supervisory Committee: 100 million yen per year (four in number at the time of the resolution)</u></p> <p><u>* In case where the Nomination and Compensation Committee has deliberated and deemed it necessary, an allowance commensurate with the role may be paid within a limit of 100 million yen.</u></p>
Variable compensation	<p><u>Long-term incentives</u></p>	<ul style="list-style-type: none"> ● <u>The Company is considering adopting RSU as long-term incentives.</u> ● <u>The basic amount of the long-term incentives will plan to be set up to 20% of base salary.</u> 	<p><u>The portion of the compensation shown on the left provided to Directors will not exceed the following amount.</u></p>
	<p><u>RSU (Restricted Stock Units)</u></p>	<ul style="list-style-type: none"> ● <u>RSU may be granted for the purpose of aligning interests with shareholders, creating incentives to increase corporate value, and strengthening retention of talented people.</u> ● <u>A predetermined number of shares are issued after three years of vesting period.</u> ● <u>A part of the shares to be issued shall be paid in cash for the purpose of allocating funds for the payment of tax obligations, etc.</u> 	<p><u>Compensation limit for Outside Directors not serving on the Audit and Supervisory Committee: The maximum number of shares is 21 million yen and 12,000 shares for three fiscal years (four in number at the time of the resolution)</u></p>

<Reference> Skill Matrix

- If proposal No. 2 is approved and resolved as originally proposed, the attributes, expertise and experience of the members constituting the Company's Board of Directors are as stated below. The Company believes that its Board of Directors has necessary skills as a whole.
- The Skill Matrix does not represent all the skills possessed by each candidate for director.



Name	Current Status and Responsibility, etc. in the Company	Expertise					
		Corporate Management	Global Business	Food and Beverage Industry	Finance / Audit	Sustainability / CSV	Legal / Risk Management
Calin Dragan	Representative Director & President	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>			
Bjorn Ivar Ulgenes	Representative Director, Vice President, Chief Financial Officer (Head of Finance)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		
Maki Kado	Representative Director & Vice President	<input type="radio"/>		<input type="radio"/>		<input type="radio"/>	
Hiroko Wada	Outside Director (Independent Officer)	<input type="radio"/>	<input type="radio"/>			<input type="radio"/>	
Hirokazu Yamura	Outside Director (Independent Officer)	<input type="radio"/>		<input type="radio"/>		<input type="radio"/>	
Celso Guiotoko	Outside Director (Independent Officer)		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		
Yuki Isogai	Outside Director (Independent Officer)	<input type="radio"/>	<input type="radio"/>			<input type="radio"/>	
Stacy Apter	Outside Director (Audit and Supervisory Committee member)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>
Nami Hamada	Outside Director (Audit and Supervisory Committee member) (Independent Officer)	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>		
Sanket Ray	Outside Director (Audit and Supervisory Committee member)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>			
Rika Saeki	Outside Director (Audit and Supervisory Committee member) (Independent Officer)		<input type="radio"/>				<input type="radio"/>

Reference: Criteria for Directors' Skills

- The Company shall make decisions on the expertise and experiences of Directors based on the following criteria.

Category	Applicable Criteria for Expertise to be Indicated by ○ in the Above Chart
Corporate Management	- A person who has experience as a Representative (CEO, etc.) or a Chief Operating Officer (COO, etc.).
Global Business	- A person who has knowledge in global business as a person holding a managerial position equivalent to or higher than Department Manager or a person who has similar knowledge thereto.
Food and Beverage Industry	- A person who has experience holding a position equivalent to or higher than Department Manager at a company handling food and beverage or a person who has knowledge similar thereto.
Finance / Audit	- A person who has experience holding a position equivalent to or higher than Department Manager in a Finance and Accounting Department, or a person who has knowledge similar thereto. - A person who has a national qualification for finance or accounting, etc., such as a certified public accountant.
Sustainability / CSV	- A person who has experience holding a position equivalent to or higher than Department Manager of Sustainability or CSV Department, or a person who has knowledge similar thereto.
Legal / Risk Management	- A person who has experience holding a position equivalent to or higher than Department Manager in a Legal and Risk Management Department, or a person who has knowledge similar thereto. - A person who has legal qualifications, etc., such as an Attorney at Law.

Business Report

(From January 1 to December 31, 2025)

1. Current Status of the Coca-Cola Bottlers Japan Group

(1) Business Progress and Results

Coca-Cola Bottlers Japan Holdings Inc. (CCBJH, hereafter “the Company” or “we”) announced its full year results for the fiscal year ending December 31, 2025 (January 1, 2025, to December 31, 2025).

In this fiscal year (January 1, 2025, to December 31, 2025), the total domestic nonalcoholic ready-to-drink (NARTD) beverage market is estimated to have declined by approximately 2% in volume compared to the prior fiscal year. This was due to factors such as a decline in consumer sentiment resulting from rising inflation, and reduced demand stemming from price revisions by soft drink companies, despite the continued gradual improvement in the domestic economy. Furthermore, the business environment remained uncertain due to cost pressures from external factors such as rising commodity and material prices and unstable foreign exchange rates.

Under these circumstances, we positioned 2025 as the year to “achieving both profit growth and strengthening foundation.” By steadily implementing top-line growth strategies focused on maximizing profits and key transformation measures, we have worked to build a robust growth foundation capable of generating stable profits going forward, while maintaining our existing profit growth trends. In commercial areas, under our profitability-focused strategy, we have worked to strengthen core categories, expand sales floor space, and implement effective marketing initiatives across all commercial channels. Furthermore, as major initiatives to improve profitability, we implemented price revisions for our products over two times, in May and October, while striving to maintain our product shipment prices. We have also focused on improving the productivity of our vending machine operations. As a key initiative in our vending transformation, we revamped the assortment system that determines product selections for vending machines. By optimizing product selection based on profitability, we have improved vending machine visit frequency and product replenishment rates, thereby improving vending operation efficiencies. In the supply chain area, we have pursued further evolution of our supply chain network by building more advanced, data-driven processes. We have promoted a “local production for local consumption model,” centered on manufacturing products at plants closer to consumption areas, thereby improving transportation efficiency and reducing transport distances. Additionally, we have implemented productivity improvement initiatives at each plant, establishing flexible manufacturing systems to support the “local production for local consumption model” while expanding manufacturing capacity. To further evolve our S&OP (Sales and Operations Planning) process, we have been advancing the introduction of a platform for optimizing supply planning. Additionally, to further strengthen our future logistics network, we

proceeded with the launch of an Integrated Distribution Center (IDC) enabling more advanced consolidation and optimal allocation of product inventory. Our first IDC in the Kyushu area commenced operations, allowing us to swiftly advance the consolidation of product inventory and the integration and consolidation of sales and logistics locations. In the back office and IT fields, we have worked with our joint venture company, NeoArc Inc., established with Accenture, to further advance the standardization and automation of business processes. We have leveraged the capacity generated through these efficiency improvements to achieve cost savings, including appropriately bringing externalized operations in-house.

We have also continued to focus our efforts on activities to achieve ESG goals based on co-created value with society. Through the collaborative efforts with customers and government agencies to promote water resource conservation and PET bottle recycling, we have been aiming to reduce environmental impact through the creation of a recycling-oriented society and to expand business opportunities through collaboration. Regarding container recycling, we have been advancing to expand the implementation areas for horizontal recycling (Bottle to Bottle and CAN to CAN) of empty containers collected from recycling boxes installed alongside vending machines. We have also been advancing investments aimed at reducing future environmental impact. This includes conducting road tests of large trucks utilizing “renewable diesel,” a next-generation biofuel contributing to decarbonization, and initiating demonstration experiments using tea and coffee grounds to generate clean electricity and utilize the recovered high-purity CO₂ as a manufacturing power source. To strengthen human capital, as the second year of implementing our renewed HR strategy for sustainable growth, we advanced both “strengthening talent and organization” for strategic execution and “fostering a culture that promotes employee well-being” to maximize employee potential. Through our efforts to strengthen the talent pipeline across recruitment, development, and retention in order to increase the female manager ratio, we achieved our target of a 10% female manager ratio ahead of plan. Simultaneously, by strengthening talent development and self-improvement support, we increased the average amount spent per employee on training and skill development by 32% compared to the previous period. We have also worked to advance DE&I (Diversity, Equity & Inclusion), support working parents and shared childcare, and promote flexible work arrangements. Our ESG initiatives, including these efforts, have been highly recognized, and we have been selected as a constituent of various indices, including the FTSE4Good Index Series and the FTSE Blossom Japan Index.

Additionally, in August, we decided to revise upward our Strategic Business Plan “Vision 2028” and launch a new Strategic Business Plan, Vision 2030, aimed at further increasing shareholder value. As a new element, further collaboration with Coca-Cola (Japan) Company, Limited, business operations conducted by multiple business units with clearly defined accountability, rebuilding the earnings base in the vending business and operating it with the mindset of the world’s largest retailer, and implementing the largest shareholder return in our history. We aim to achieve ambitious targets by 2030 of business income exceeding 80 billion yen, approximately double our historical peak, and ROIC (Return on Invested Capital) exceeding 10%, approximately double our cost of capital.

<Reference>

Business income is measure of our recurring business performance. Business income deduct cost of sales and selling, general and administrative expenses from revenue, and includes other income and expenses which we believe are recurring in nature. The corresponding figures for operating income are as follows.

		FY2024	FY2025
Revenue	(Millions of yen)	892,681	893,805
Sales volume	(Million case)	501	501
Gross profit	(Millions of yen)	402,450	399,304
Selling, General & Administrative Expenses	(Millions of yen)	389,534	373,475
Other income (recurring)	(Millions of yen)	927	662
Other expenses (recurring)	(Millions of yen)	1,812	2,071
Investment income on equity method	(Millions of yen)	16	105
Business income	(Millions of yen)	12,046	24,525
Other income (non-recurring)	(Millions of yen)	5,487	1,323
Other expenses (non-recurring)	(Millions of yen)	4,143	98,233
Operating income (loss)	(Millions of yen)	13,390	(72,385)

Consolidated revenue was 893,805 million yen (an increase of 1,124 million yen or 0.1% compared to prior fiscal year). Sales volume remained virtually flat year-on-year, outperforming a market experiencing negative growth as the consumption environment proved more challenging than initially anticipated. Additionally, while affected by changes in channel mix, the impact of price revisions improved wholesale revenue per case. As a result, revenue, which had been projected to decline compared to the previous period, exceeded the revised plan in November and remained at the same level as the prior fiscal year.

Consolidated business income was 24,525million yen (an increase of 12,480 million yen or 103.6%, compared to the prior fiscal year). In addition to the profit contribution from increased revenue, cost savings achieved through transformation and benefit from improved manufacturing efficiency contributed to improved profitability. Business income exceeded the initial plan by 23%, surpassing the revised plan that had been raised twice during the period, and reached a level double that of the prior fiscal year.

Consolidated operating income was a loss of 72,385 million yen, a decrease of 85,775 million yen compared to the prior fiscal year (consolidated operating income for the prior fiscal year was 13,390 million yen). This was due to the fact that while business income increased compared to the same period of the prior year, during the second quarter (April 1 to June 30), the vending business conducted a revaluation of fixed assets to achieve optimal future capital allocation, resulting in the recognition of a non-cash impairment loss. Other income (non-recurring) for the current fiscal year includes a gain on the sales and disposal of property, plant, and equipment of 1,250 million yen recorded during the process of optimizing the balance sheet. Other expenses (non-recurring) include an impairment loss of 90,497 million yen, primarily due to the aforementioned impairment in the vending business, special retirement allowances of 3,433 million yen associated with the implementation of a voluntary employee retirement program, and business structure improvement cost of 3,634 million yen

related to the implementation of fundamental transformation initiatives.

Net loss attributable to owners of the parent increased by 58,072 million yen (increase in loss) with operating loss expanding from the prior fiscal year. The loss was 50,763million yen (7,309 million yen profit in the prior fiscal year).

Sales volume trends (% change from previous year)

Sales volume for the full year remained flat year-on-year, exceeding the market growth rate. This was achieved despite the negative impact on demand from price revisions, through efforts to strengthen core categories, expand sales floor space, and implement effective marketing activities. Furthermore, because of the price revisions, wholesale revenue per case improved across all channels, continuing the trend from the previous year.

By channel, in supermarket, despite efforts such as fully leveraging new products to secure shelf space, sales volume of large PET bottle products decreased by 2% due to price revisions and cycling of the temporary surge in volume caused by the Nankai Trough earthquake alert in the previous year. At drugstores and discounters, similar to supermarket, sales volume was impacted by the volume decline due to price revisions and other factors. However, driven by special demand stemming from temporary supply shortages in the beverage industry during the fourth quarter (October 1 to December 31), sales volume increased by 2%. Convenience stores saw sales volume decrease by 5% , although profitability was improved with the efforts to strengthen the rollout of new products and customer-exclusive items were made, along with effective marketing activities tailored to customers contributed to the increase, while being impacted by continued challenging competitive environment and the strategic implementation of promotion expense controls, including rebates. In vending, while initiatives to capture demand through digital applications, such as effective campaigns via the smartphone app Coke ON, delivered results. However, sales volume declined by 5% due to the continued market contraction and reduced sales volume following price



revisions. On the other hand, wholesale revenue per case in vending improved by 90 yen compared to the previous period due to price revisions. Online sales volume increased by 17%, driven by successful initiatives such as strengthening product offerings and acquiring subscription service users through customer collaboration. In the food service, we achieved 9% volume growth while improving profitability through price revisions and other measures, driven by initiatives to expand product offerings for each customer and activities to secure new business.

By product category in the nonalcoholic ready-to-drink (NARTD) beverage, the sparkling category saw a 5% increase in sales volume. This growth was driven by the expansion of Coca-Cola and Coca-Cola Zero in restaurants and online channels, along with contributions from Fanta and Sprite. The tea category saw volume increase by 1%, despite facing impacts such as price revisions and from the continued success of Ayataka, which achieved double-digit growth in the previous period following a full renewal, growing by 2% this period due to the launch and renewal of multiple products including Ayataka Koi Ryokucha. Additionally, the contribution from the renewed Kocho Kaden also supported this growth. Coffee sales volume decreased by 1%, largely due to the impact of price revisions and a decline in can and bottle can product volumes, despite contributions from the launch of new Georgia products, campaign effects, and growth in medium PET bottle products. Water sales volume decreased by 10%, significantly impacted by both price revisions and cycling of strong demand seen in the previous period. Sports saw a 4% decline, impacted by decreased sales volume of large PET bottles due to price revisions at supermarkets, drugstores and discounters, despite sales volume growth in online. Juice sales volume increased by 6%, driven by expanded sales of Minute Maid Orange in restaurants and other outlets, while also improving wholesale revenue per case through price revisions.

In the alcohol category, despite efforts to strengthen the category, including the renewal of multiple products under the Lemon-dou brand and the launch of the new product Jack Daniel's & Canada Dry Ginger Highball, sales volume decreased by 15% due to challenging market environment..



(2) Status of Capital Investment

Total capital investment undertaken during this consolidated fiscal year amounted to 40.0 billion yen, which was mainly undertaken for the following elements, all of which were related to Vending business, OTC business, and Food Service business :

- a. Acquisition of vending machines, coolers, and other sales equipment
- b. Acquisition of equipment to improve manufacturing efficiency and new products correspond

(3) Financial Activities

Not applicable.

(4) Trend of Assets and Earnings

Item		FY2022	FY2023	FY2024	FY2025
		IFRS	IFRS	IFRS	IFRS
Revenue	(MM yen)	807,430	868,581	892,681	893,805
Business income (loss)	(MM yen)	(14,443)	2,025	12,046	24,525
Operating income(loss)	(MM yen)	(11,513)	3,441	13,390	(72,385)
Net income(loss) attributable to owners of the parent	(MM yen)	(8,070)	1,871	7,309	(50,763)
Earnings(losses) per share	(yen)	(45.00)	10.43	40.76	(296.51)
Total assets	(MM yen)	826,737	844,832	804,153	698,486
Equity attributable to parent owners	(MM yen)	476,216	469,847	466,203	379,892
Equity attributable to parent owners per share	(yen)	2,655.38	2,618.49	2,623.62	2,292.46

Notes:

1. Earnings(loss) per share is calculated based on the average number of shares issued during the year while equity attributable to parent owners per share is calculated based on the total number of shares issued as of the end of the fiscal year (excluding treasury shares).
2. We have 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 consolidated financial statements. Accordingly, the Company shares held by the trust are included in the treasury shares to be deducted from the number of weighted-average common shares and the end of years' shares during the year for the calculation of basic earnings(losses) per share and the equity attributable to parent owners per share.

(5) Acquisition or Disposal of Shares, Other Equity, or Stock Acquisition Rights, etc. of Other Companies

Not applicable.

(6) Issues to be addressed

Regarding the outlook for the domestic NARTD beverage market, we anticipate that market conditions will remain challenging. Continued deterioration in consumer sentiment driven by persistent inflation, as well as a decline in demand resulting from pricing revisions by beverage companies, are expected to exert downward pressure on market volumes. Consequently, the market size in 2026 is projected to decline on a volume basis compared with 2025. Furthermore, uncertainties surrounding raw material and packaging prices, as well as fluctuations in foreign exchange rates, are expected to persist. Additional inflationary trends and external factors are likely to create further upward cost pressures, and we foresee a continued challenging operating environment for the Company.

Under these circumstances, we have positioned fiscal year 2026—the first year of its new mid-term management plan, Vision 2030, announced in August 2025—as “a year of great progress toward achieving our ambitious long-term goals.” We will pursue initiatives aimed at enhancing competitiveness and improving profitability through Business Unit-driven management, while simultaneously strengthening our operational foundation through transformation to improve profitability and capital efficiency. In addition, we will strive to further enhance shareholder value by our business growth and expanding shareholder return initiatives.

In the Commercial area, we will concentrate on initiatives that enable profitable top line growth. These include continued investment in core categories, commercial activities with a strong emphasis on profitability-including pricing revisions-further transformation of the vending channel through the application of advanced technologies, and the enhancement of market execution capabilities through optimized product portfolios and marketing plans. By Business Unit, in the Vending Business, we will accelerate the rebuilding of a sustainable profit base through technology driven transformation, the expansion of vending machine placements that contribute to improved profitability, operational efficiency improvements,



network optimization, and digital investments that facilitate mid to long term growth. In the OTC (Over the Counter) Business, we will strengthen the foundation for sustainable and high-quality profit growth through the expansion of selling space via reinforced core products aligned with consumer needs, the implementation of ROI based promotional investments, and enhanced collaboration with key customers. In the Food Service Business, we will expand consumption occasions and pursue sustainable growth through proactive value proposals to customers and efficient, targeted initiatives aligned with growth opportunities in each region. Furthermore, across all Business Units, we will continue to reinforce our strategic partnership with Coca Cola (Japan) Co., Ltd., leveraging this collaboration as a key driver of growth.

In the Supply Chain area, we will continue to focus on advancing productivity improvements through the “local production for local consumption” model in both manufacturing and logistics, while enhancing our ability to respond swiftly to demand driven supply fluctuations. In logistics, the deployment of Integrated Distribution Centers (IDCs) will further streamline and consolidate sales and logistics operations, enabling overall network optimization. In manufacturing, a new aseptic production line at the Saitama Plant is scheduled to commence operations in the second half of the year, strengthening manufacturing capacity across the Kanto region. Moreover, in 2026, we will embed the new supply chain planning platform introduced in December 2025 as the foundation of our Sales and Operations Planning (S&OP) process. By leveraging comprehensive data and enhanced analytical functionality, we will pursue further process improvements. In addition, we will advance the design and implementation of a new transportation management system and conduct evaluations of warehouse management system enhancements. These technology platforms will serve as a foundation for accelerating the realization of Vision 2030, contributing to improved ROIC through productivity gains and process optimization.

In the Back office and IT areas, we will continue to strengthen the foundation for data driven management through the integration of IT systems and data, as well as through the promotion of operational efficiency utilizing advanced technologies.

Furthermore, by ensuring appropriate management of capital investments and improving the balance sheet, we will seek to enhance capital efficiency and advance efforts to improve ROIC in line with the objectives outlined in Vision 2030. we will also continue to focus on sustainability initiatives and human capital development aimed at supporting long-term growth.



TOPICS

Announced new strategic business plan "Vision 2030"

- Elevating 2028 targets and setting new heightened new 2030 targets

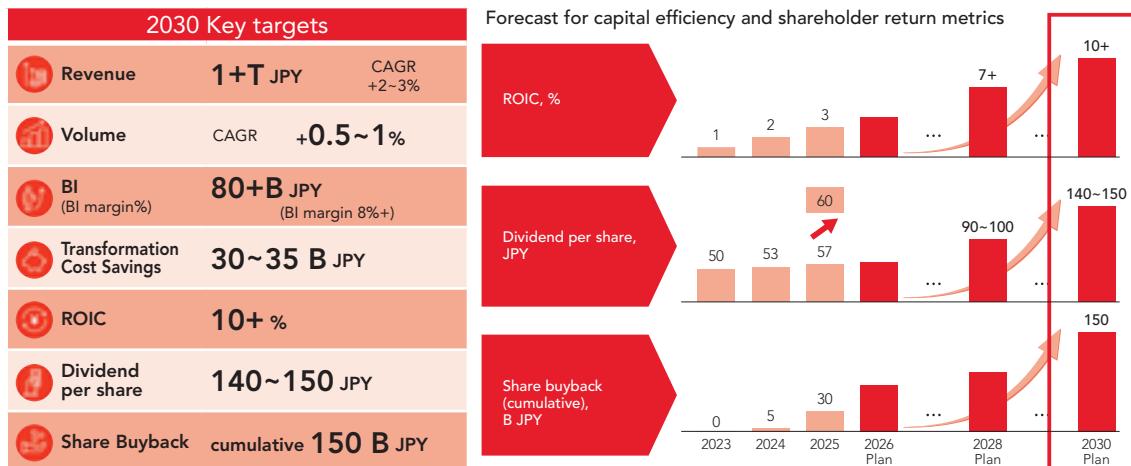
- Business Income 80+ billion yen (2x record-high)
- ROIC of 10+% (2x WACC)

- Implement largest-ever shareholder return plan

- Target dividend per share in 2030 : 140~150 yen
- Share buyback : Start in November 2025 : 30 billion yen
Cumulative share buyback by 2030 : 150 billion yen

As the key initiatives outlined in "Vision 2028" have steadily progressed and delivered results, We have set "Vision 2030" as its new strategic business plan, which is an upward revision of "Vision 2028" covering the period from 2026 to 2030, with even more ambitious goals to further business growth.

"Vision 2030" aims to achieve both corporate growth and enhanced shareholder value with pursuing robust profit growth, targeting business income of over ¥80 billion and ROIC of 10% or more. By 2030. We will also implement the largest shareholder returns in our history, including a cumulative 150 billion yen of share buyback and an ambitious plan to increase dividends to between 140 and 150 yen per share in 2030.



Participating in Expo 2025 Osaka, Kansai, Japan



We participated in EXPO 2025 Osaka, Kansai, Japan and worked to address the sustainable conservation of biological resources, which is one of our material issues, by sponsoring the “LIVE EARTH JOURNEY” Signature Pavilion. By cooperating with the pavilion and sponsoring companies, we carried out biodiversity conservation projects that involve citizen participation.

We also Operated the Lounge & Dining restaurant with Royal Holdings Co., Ltd. Here we offered high-quality dishes and services together with the Coca-Cola worldview. While providing meals that accommodate a variety of preferences at the facility, to promote diversity & inclusion (D&I) we introduced the Avatar robot aiming to create a society in which people who have difficulties going out can demonstrate their uniqueness and capabilities. This created an environment where people could serve customers remotely from home.

Furthermore, we installed the world's first* “hydrogen cartridge-powered vending machine. This vending machine was powered by a promising new source of energy, hydrogen and developed jointly with Fuji Electric Co., Ltd. We offered visitors the opportunity to experience the “vending machine of the future” that emits no CO₂ during operation. Additionally, we conducted various demonstrations in collaboration with other companies on methods to address social issues associated with our business, such as implementing horizontal recycling of PET bottles (bottle-to-bottle) in partnership with domestic industry peers.

We will leverage the insights and experiences gained from the Osaka-Kansai Expo, conceived as a “People’s Living Lab,” to enhance our corporate value and create opportunities for sustainable growth.

* Based on research by Fuji Electric Co., Ltd.



“LIVE EARTH JOURNEY” Signature Pavilion, the Lounge & Dining restaurant, hydrogen cartridge-powered vending machine

TOPICS

Our ESG Progress

Coca-Cola Bottlers Japan Holdings Consecutively Selected as Constituent of Leading ESG Investment Indices FTSE4Good Index Series, FTSE JPX Blossom Japan Index, and FTSE JPX Blossom Japan Sector Relative Index

Coca-Cola Bottlers Japan Holdings Inc. (CCBJH) has been consecutively selected as a constituent of the FTSE4Good Index Series, FTSE JPX Blossom Japan Index, and FTSE JPX Blossom Japan Sector Relative Index, which are all leading indices for environmental, social, and governance (ESG) investment.

Created by global index provider FTSE Russell, these indices assess corporate initiatives in areas such as corporate governance, health and safety, anti-corruption, and climate change. Designed to measure the performance of companies demonstrating strong ESG practices, the indices are widely used in the creation and evaluation of sustainable investment funds and other financial products. Companies selected as constituents are recognized as meeting a wide range of environmental, social, and governance criteria.

The FTSE JPX Blossom Japan Index and FTSE JPX Blossom Japan Sector Relative Index have been adopted by the Government Pension Investment Fund (GPIF) as benchmarks for ESG passive investment. CCBJH has been selected as a constituent of all four ESG indices adopted by the GPIF.



<https://www.ccbj-holdings.com/news/detail.php?id=1728>

PRIDE Index 2025: Coca-Cola Bottlers Japan Holdings Receives Gold Rating for Fifth Consecutive Year and Rainbow Certification for Fourth Consecutive Year Building an Inclusive Workplace Where Diverse Talent Can Thrive

In November 2025, Coca-Cola Bottlers Japan Holdings Inc. was awarded the highest rating, Gold, for the fifth consecutive year in the PRIDE Index 2025, which evaluates workplace initiatives related to LGBTQ+ inclusion. The company also received the "Rainbow Certification" for the fourth consecutive year, recognizing organizations that promote cross-sector collaboration to advance understanding and advocacy of LGBTQ+ rights. These recognitions reflect sustained, high evaluation of efforts to foster a workplace where employees can work with confidence and peace of mind, regardless of sexual orientation, gender identity, or gender expression.

Coca-Cola Bottlers Japan Holdings Inc. is also committed to creating an environment in which every employee can demonstrate their abilities, regardless of disability. In 2025, the team "Yunirabo" was launched to expand opportunities for people with disabilities. The team focuses on work that leverages PC-related skills, with employees with developmental or mental disabilities taking on roles aligned with their strengths and aptitudes. Employment opportunities and support are also offered to para-athletes and Deaf athletes to promote the active participation of people with disabilities. Furthermore, to deepen understanding of disabilities, the company hosts Disability Week and participation is encouraged in the Universal Manners Certification program. As of December 2025, a total of 575 employees have obtained the certification.

Through continued efforts to foster a corporate culture that respects diversity and enables all individuals to succeed, Coca-Cola Bottlers Japan will continue to create greater value for society.



<https://www.ccbji.co.jp/news/detail.php?id=1775>

Strengthening Initiatives for Sustainable Water Resource Conservation

- Coca-Cola Bottlers Japan Holdings Inc. Selected for the CDP 2025 Water Security A List for third consecutive year

- Certified as a Water Cycle ACTIVE Company for second

Consecutive year under the Water Cycle Company

Registration and Certification Program



As a company that uses irreplaceable water as a primary ingredient in its products, Coca-Cola Bottlers Japan Holdings Inc. is committed to reducing and reusing water used in manufacturing, ensuring proper treatment, and working collaboratively with local communities to conserve sustainable water resources for future generations.

These comprehensive efforts have been recognized with selection to the CDP 2025 Water Security A List for the third consecutive year. CDP is widely recognized as a global standard for environmental disclosure, and inclusion on the A List demonstrates international recognition of CCBJI's advanced water risk management, high transparency in information disclosure, and proactive engagement with local watersheds.

In addition, CCBJI was certified for the second consecutive year as a Water Cycle ACTIVE Company in both the "Water Quantity and Quality" and "Human Resources and Funds" categories under the 2025 Water Cycle Company Registration and Certification Program, established by the Secretariat of the Headquarters for Water Cycle Policy. This certification is awarded to companies that have implemented initiatives contributing to water circulation within the past three years.

CCBJI is committed to proactively advancing water resource conservation that supports the sustainability of both its business and the communities it serves.

CDP:
<https://www.ccbj-holdings.com/news/detail.php?id=1801>

ACTIVE:
<https://www.ccbji.co.jp/news/detail.php?id=1776>

Coca-Cola Bottlers Japan Inc. Launches Demonstration Project to Recover Clean Electricity and High-Purity CO₂ from Biomass Derived from Tea Leaves and Coffee Grounds Generated in the Manufacturing Process

As part of its efforts to realize a circular economy, Coca-Cola Bottlers Japan Inc. (CCBJI) is advancing initiatives to recycle biomass generated during manufacturing—such as spent tea leaves and coffee grounds—into high-value resources.

This initiative utilizes hydro chemical looping technology*¹ developed by Rhinoflux Inc. (Kyoto; CEO: Atsushi Alex Mazawa) to recover clean electricity and 99.9% high-purity CO₂ from biomass generated at plants, with the aim of reusing these outputs as manufacturing energy. Beginning in 2026, continuous processing using a small-scale demonstration unit will be conducted at the Kyoto Plant to evaluate power generation at the 1 kW level and high-purity CO₂ recovery performance. This technology is compatible with wet biomass and features a compact, on-site processing design, contributing to reduced transportation costs and lower CO₂ emissions.

CCBJI promotes recycling at all 17 of its plants and achieved a 100% recycling rate for tea leaves and coffee grounds as of the end of 2024. By leveraging advanced technologies, the company aims to further enhance circularity by reintegrating these resources into the manufacturing process, while continuing efforts to maximize resource efficiency and reduce waste.

*1 Hydro chemical looping technology

This technology uses oxidation-reduction reactions of metal ions in aqueous solutions to efficiently and economically recover electricity and CO₂ from biomass. Compared with conventional technologies, it can process wet materials, offers high power generation efficiency, and enables installation on a small footprint at the desired site. For details, please refer to the Rhinoflux website: <https://rhinoflux.com/>

<https://www.ccbji.co.jp/news/detail.php?id=1766>



(7) Status of Significant Subsidiaries (As of December 31, 2025)

Names	Paid-in Capital	Percentage of Voting Rights	Main Businesses
	Unit: MM yen	Unit: %	
Coca-Cola Bottlers Japan Inc.	100	100.0	Manufacturing and sales of beverage and food products
FV Japan Co., Ltd.	100	100.0	Sales of beverage and food products
Coca-Cola Bottlers Japan Vending Inc.	80	100.0	Operation of vending machines
Coca-Cola Bottlers Japan Business Services Inc.	80	100.0	Office work related to sales of beverage and food products
NeoArc Inc.	20	81.0	Back-office operations on consignment and development of computer systems

Notes:

1. The percentage of voting rights includes the portion of indirect holdings via subsidiaries
2. The status of the Specified Wholly Owned Subsidiary of the Company is as follows as of December 31, 2025:

Name of Specified Wholly Owned Subsidiary	Coca-Cola Bottlers Japan Inc.
Address of Specified Wholly Owned Subsidiary	9-7-1, Akasaka, Minato-ku, Tokyo
Book value of shares of Specified Wholly Owned Subsidiary of the Company or Wholly Owned Subsidiary thereof	342,561 million yen
Total assets of the Company	418,543 million yen

(8) Main Business (As of December 31, 2025)

Our group manufactures and sells Coca-Cola, soft drinks, and other beverage products. The Company has contracts with The Coca-Cola Company and Coca-Cola (Japan) Company that govern the production and sales of Coca-Cola and other products and the use of trademarks. Our group operates following businesses:

Vending Business

OTC Business

Food Service Business

Names of segments	Description
Vending Business	Procurement, manufacturing and sales, bottling, packaging, distribution, marketing as well as other operations related to vending machines of beverages in Japan's vending channel
OTC Business	Procurement, manufacturing and sales, bottling, packaging, distribution, and marketing of beverages in Japan's Over the Counter (OTC) 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

(9) Major Locations, etc. (As of December 31, 2025)

a. Location of the Company

Headquarters: 9-7-1 Akasaka, Minato-ku, Tokyo

b. Locations of headquarters offices of major subsidiaries:

Names	Locations
Coca-Cola Bottlers Japan Inc.	Minato-ku, Tokyo
FV Japan Co., Ltd.	Toshima-ku, Tokyo
Coca-Cola Bottlers Japan Vending Inc.	Shinjuku-ku, Tokyo
Coca-Cola Bottlers Japan Business Services Inc.	Minato-ku, Tokyo
NeoArc Inc.	Minato-ku, Tokyo

c. Major production bases

Zao Plant (Miyagi), Ibaraki Plant (Ibaraki), Iwatsuki Plant (Saitama), Saitama Plant (Saitama), Tama Plant (Tokyo), Ebina Plant (Kanagawa), Hakushu Plant (Yamanashi),

Tokai Plant (Aichi), Kyoto Plant (Kyoto), Akashi Plant (Hyogo), Daisen Plant (Tottori), Hiroshima Plant (Hiroshima), Komatsu Plant (Ehime), Kiyama Plant (Saga), Tosu Plant (Saga), Kumamoto Plant (Kumamoto), Ebino Plant (Miyazaki)

d. Sales bases

A variety of locations in 38 prefectures within Southern Tohoku, Kanto, Koshinetsu, Chubu, Kinki, Chugoku, Shikoku and Kyushu areas

(10) Status of Employees (As of December 31, 2025)

Number of employees	Year-on-year change
12,667	1,417 decrease

Note: The number of employees above shows the number of persons on active service activity.

(11) Major Financial Institutions Providing Loans to the Company (As of December 31, 2025)

Names of institutions	Amount of loans
MUFG Bank, Ltd.	2,456 million yen
Sumitomo Mitsui Banking Corporation	1,544 million yen

2. Current Status of the Company

(1) Status of Shares (As of December 31, 2025)

a. Total number of authorized shares: 500,000 thousand

b. Total number of issued shares: 165,714 thousand

Note: The total number of issued shares excludes the treasury shares (2,820 thousand shares), the Company shares held by Executive reward BIP Trust (1,179 thousand shares), and the Company shares held by Stock-granting ESOP Trust(1,556 thousand shares).

c. Number of shareholders: 73,479

d. Major shareholders (top 10)

Names of shareholders	Number of shares held	Ratio of shareholding
	(Unit: thousand)	(Unit: %)
Coca-Cola (Japan) Co., Ltd.	27,956	16.60
THE COCA-COLA EXPORT CORPORATION	16,919	10.04
The Master Trust Bank of Japan, Ltd. (Trust Account)	16,260	9.65
Ichimura Foundation for New Technology	5,295	3.14
JPMorgan Securities Japan Co., Ltd.	4,932	2.93
Senshusha Co., Ltd.	4,088	2.43
Coca-Cola Holdings West Japan Inc.	4,075	2.42
Satsuma Shuzo Co., Ltd.	3,848	2.28
Custody Bank of Japan, Ltd. (Trust Account)	3,012	1.79
STATE STREET BANK AND TRUST COMPANY 505001	2,646	1.57

Note: The treasury shares (2,820 thousand shares) are excluded from the list above and from the calculation of ratio of shareholding because they do not have voting rights. Also, the treasury shares do not include the Company shares held by Executive reward BIP Trust(1,179 thousand shares) and Stock-granting ESOP Trust(1,556 thousand shares).

(2) Shares issued to corporate officers as compensation for the execution of their duties during the fiscal year (as of December 31, 2025)

Position	Number of shares	Number of eligible officers
Directors (excluding Directors and Outside Directors who are Audit and Supervisory Committee members)	82,273 shares	2

3. Company's Officers

(1) Status of the Company's Officers

a. Status of Directors (As of December 31, 2025)

Position	Name	Areas of responsibility and important concurrent positions
Representative Director	Calin Dragan	President Representative Director, President and CEO, Coca-Cola Bottlers Japan Inc.
Representative Director	Bjorn Ivar Ulgenes	Vice President and Chief Financial Officer (Head of Finance) Representative Director, Vice President, CFO, and Head of Finance of Coca-Cola Bottlers Japan Inc. Representative Chairman and President, Coca-Cola Bottlers Japan Business Services Inc. Representative Director, NeoArc Inc. Representative Director, onEQuest Co., Ltd.
Director	Hiroko Wada	Representative, Office WaDa
Director	Hirokazu Yamura	Representative Director & President, MICHINOKU COCA-COLA BOTTLING CO., LTD.
Director	Celso Guiotoko	Director, NeoArc Inc. Senior Managing Executive Officer, CIO and CISO, JERA Co., Inc.
Director (Audit & Supervisory Committee Member)	Stacy Apter	Senior Vice President and Treasurer, Head of Corporate Finance, The Coca-Cola Company Synovus Financial Corp., Director
Director (Audit & Supervisory Committee Member)	Nami Hamada	Co-Founder, Managing Director, Mile High Capital Inc. Outside director (Audit committee member, nominating committee member, Compensation committee member), MetLife Insurance K.K. Outside director, Shimadzu Corporation
Director (Audit & Supervisory Committee Member)	Sanket Ray	President of India and Southwest Asia, The Coca-Cola Company
Director (Audit & Supervisory Committee Member)	Rika Saeki	Of Counsel, Morrison & Foerster LLP

Notes:

1. The changes of Directors during the current fiscal year are as follows.

- (1) At the General Shareholders meeting held on March 26, 2025, Rika Saeki was newly elected and assumed office as Director (Audit & Supervisory Committee).
- (2) At the conclusion of the General Shareholders meeting held on March 26, 2025, Hiroshi Yoshioka retired from the position as Director (Audit & Supervisory Committee).

2. Directors Hiroko Wada, Hirokazu Yamura, and Celso Guiotoko and Directors (Audit & Supervisory Committee Members) Stacy Apter, Nami Hamada, Sanket Ray, and Rika Saeki are Outside Directors.

3. Directors Hiroko Wada and Celso Guiotoko and Directors (Audit & Supervisory Committee Members) Nami Hamada and Rika Saeki have been notified to the Tokyo Stock Exchange on which the Company is listed, as “Independent Officers” as defined in the rules of the Tokyo Stock Exchange.
4. Director (Audit & Supervisory Committee Member) Nami Hamada has accumulated a wealth of experience in finance and accounting by running her own financial consulting company and is therefore highly knowledgeable about finance and accounting.
5. The organizational audits conducted through an internal control system under the lead of the Audit & Supervisory Committee, the Company does not need to appoint full-timers, and has therefore not appointed any full-time members to the Audit & Supervisory Committee.

b. Outline of Limited Liability Agreements

In its Articles of Incorporation, the Company has established allowances concerning limited liability agreements with Directors (excluding those who are not Executive Directors, etc.) in order to ensure that Directors (excluding those who are not Executive Directors, etc.) can demonstrate the roles expected of them and the Company can invite and select competent persons as Directors (including, not limited to, Outside Directors).

The Company has entered into limited liability agreements with Directors Hiroko Wada, Hirokazu Yamura, Celso Guiotoko, Stacy Apter, Nami Hamada, Sanket Ray, and Rika Saeki to limit their liability for damages in the event that he/she fails to perform his/her duties stipulated in Article 427, Paragraph 1 of the Companies Act. The limit of liability in the Agreement shall be equal to the minimum liability limit stipulated by laws and ordinances.

c. Outline of the Directors’ and Officers’ Liability Insurance Policy

In order to ensure that directors (including those who are members of the Audit and Supervisory Committee) and the Group’s executive officers can demonstrate the roles expected of them and the Company can select competent persons to serve as directors and executive officers, the Company has entered into a directors’ and officers’ liability insurance contract with an insurance company and the Company bears the entire premium.

The policy, which insures the nine members of the Board of Directors, namely Representative Directors Calin Dragan and Bjorn Ivar Ulgenes, and Directors Hiroko Wada, Hirokazu Yamura, Celso Guiotoko, Stacy Apter, Nami Hamada, Sanket Ray, and Rika Saeki, as well as the executive officers of the Group, covers damages and legal expenses incurred by shareholders, the Company, employees, or other third parties during the insurance period in the event of claims for damages arising from the insured’s conduct in the course of his or her duties as an officer of the Company.

(2) Officer compensation, etc.

a. Compensation policy and process for determining the policy

(a). Basic policy on compensation for Executive Directors and Executive Officers

- (i) Compensation level and structure that enable hiring and retaining high-quality talents from the perspective of diverse nationalities and experiences.
- (ii) Compensation composition ratio emphasizing performance-linked compensation, resulting in providing sufficient incentives for profitable growth.
- (iii) Introduce the system to further improve mid- to long-term corporate value and reinforce alignment of interests with the shareholders.

(b). Supervisory Officers (Directors serving on the Audit and Supervisory Committee and Outside Directors not serving on the Audit and Supervisory Committee)

The compensation level and structure that is appropriate as roles in managerial supervision and audit.

(c). Process for determining the policy

The policy for determining compensation for Officers, etc. shall be determined upon deliberation by the Nominating and Compensation Committee and approval by the Board of Directors.

The current policy (policy for determining compensation for Directors, etc.) has been resolved by the Board of Directors on February 9, 2023, February 13 and August 1, 2025.

b. Details and procedures on compensation for Executive Directors and Executive Officers

(a). Compensation structure

Fixed compensation	Base salary	<ul style="list-style-type: none"> Monthly payment of an amount determined based on responsibilities. 	<p>The portion of the compensation shown on the left provided to Directors will not exceed the following amount.</p> <p>Compensation limit for Directors (excluding Directors serving on the Audit and Supervisory Committee): 850 million yen per year (approved by resolution no. 5 of 2019 Annual General Meeting of Shareholders) (five in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee)</p> <p>* In case where the Nomination and Compensation Committee has deliberated and deemed it necessary, payments within 850 million yen may be made for fringe benefits such as compensation for exchange rate fluctuation between other countries and Japan, housing allowance, etc.</p>
	Retirement payments	<ul style="list-style-type: none"> 10% of annual base salary is retained, and the accumulated amount is calculated and paid upon their retirement. This payment may be reduced or withheld altogether if the recipient has caused significant damage to the CCBJH Group or been subject to disciplinary action. It may also be specially increased where the recipient has given particularly distinguished contribution. Any reduction, withholding, or special increase will be decided at the Board of Directors Meeting, based on deliberation by the Nomination and Compensation Committee. 	
Variable compensation	Annual bonus	<ul style="list-style-type: none"> Provided at a certain point in the year as an incentive for achieving performance targets for each fiscal year. The target amount is set in the range of 30% to 85% of base salary, depending on their responsibilities. The amount of payment varies in the range of 0% to 150% of the target amount depending on the achievement of performance targets in each fiscal year (companywide performance and individual evaluations) To provide motivation to achieve profitable growth, business income, sales volume, and net sales have been adopted as measures for evaluating companywide performance, based on the Company's policy regarding the determination of compensation, etc. for Directors, etc. The amount to be paid may be adjusted if the Nomination and Compensation Committee deliberated it necessary to do so, taking into consideration the status of payment of bonuses to employees. 	

Variable compensation	Long-term incentives	<ul style="list-style-type: none"> ● Two types of stock-based compensation systems, (1) PSU and (2) RSU, are adopted as long-term incentives. ● The basic amount of all long-term incentives (1) PSU + (2) RSU is set in the range of 15% to 100% of base salary based on the responsibilities. 50% of this basic amount is set as the basic PSU amount, and 50% is set as the basic RSU amount. ● With regard to (2) RSU, additional grants for the purpose of retention, etc. may be made in addition to the above-mentioned basic RSU amount and in case for Directors, up to the compensation limit detailed on the right if deemed necessary by the Nomination and Compensation Committee (Special RSU). 	<p>The portion of the compensation shown on the left provided to Directors will not exceed the following amount.</p> <p>Compensation limit for Directors (excluding Directors serving on the Audit and Supervisory Committee): The maximum number of shares is 2,880 million yen and 1,800,000 shares for three fiscal years (approved by resolution no. 5 of 2022 Annual General Meeting of Shareholders) (five in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee)</p>
	(1) PSU (Performance Share Units)	<ul style="list-style-type: none"> ● Granted as an incentive for achieving medium to long term performance targets. ● The number of shares to be issued shall be determined within the range of 0% to 150% of the basic PSU amount depending on the achievement of performance targets (only considering companywide performance) over the three years after the share units have been granted. ● A part of the shares to be issued shall be paid in cash for the purpose of allocating funds for the payment of tax obligations, etc. ● To provide motivation to enhance corporate value over the mid to long term, consolidated ROE and consolidated sales growth rate have been adopted as measures for evaluating performance, based on the Company's policy regarding the determination of compensation for Directors, etc. 	
	(2) RSU (Restricted Stock Units)	<ul style="list-style-type: none"> ● Granted for the purpose of aligning interests with shareholders, creating incentives to increase corporate value, and strengthening retention of talented people. ● A predetermined number of shares are issued at retirement. ● A part of the shares to be issued shall be paid in cash for the purpose of allocating funds for the payment of tax obligations, etc. 	

* Regarding fringe benefits, to support the execution of assignments outside the home country, compensation for exchange rate fluctuation between other countries and Japan, housing allowance, etc. are provided in accordance with the internal regulations approved at the Board of Directors Meeting through deliberations by the Nomination and Compensation Committee.

(b). Process for determining compensation

Approval of compensation including the amount of performance-linked compensation for Executive Directors shall be delegated to a Representative Director (Calin Dragan) upon resolution by the Board of Directors, and the amount shall be determined by the Representative Director in accordance with the “Policy for Determining Compensation for Directors, etc.” approved by the Board of Directors within the total amount determined by the resolution of the General Meeting of Shareholders after the terms of compensation are deliberated by the Nomination and Compensation Committee composed solely of Outside Directors in order to enhance the transparency and objectivity of procedures for determining compensation. The reason for the delegation is that the Representative Director is deemed appropriate to determine the performance results of each Director while taking into account the overall performance of the Company. In order for the Representative Director to exercise such authority appropriately, the decision on this has been made after deliberations by the Nomination and Compensation Committee. The compensation for Executive Officers shall also be determined through deliberations by the Nomination and Compensation Committee. Therefore, the Board of Directors deems that the content of these compensations is in line with the above decision-making policy.

(i) Activities of the Board of Directors

The Board of Directors’ activities concerning the determination of Officer compensation for FY2025 are as follows.

- (1) Number of meetings of the Board of Directors held over one year from January 2025 to December 2025: 6
- (2) Main subjects discussed by the Board of Directors concerning Officer compensation and Officer compensation structure in FY2025:
 - Payment of 2024 Annual Incentive and Vesting of 2022 Performance Share Unit for Directors and Executive Officers
 - FY2025 Compensation for Directors (Excluding Directors Serving on Audit and Supervisory Committee) and Executive Officers
 - Report on the number of share units to be granted to the Directors and Executive Officers in FY2025
 - Establishment of the voluntary Nomination and Compensation Committee (NCC)
 - Compensation policy along with the establishment of Nomination and Compensation Committee
 - Personnel Changes of Executive Officers
 - Revision of Rewards for Internal Directors
 - Payment of special RSU
 - Compensation for New Executive Officer

(ii) Activities of the Audit & Supervisory Committee

Activities of the Audit & Supervisory Committee concerning the determination of Officer compensation for FY2025 are as follows.

- (1) Number of meetings of the Audit and Supervisory Committee held over one year from January 2025 to December 2025: 5
- (2) Main subjects discussed by the Audit & Supervisory Committee concerning Officer compensation and Officer compensation structure in FY2025:
 - Payment of 2024 Annual Incentive and Vesting of 2022 Performance Share Unit for Directors and Executive Officers
 - FY2024 Extended Bonus Payment
 - FY2025 Executive Compensation Proposal
 - FY2025 Compensation for Audit and Supervisory Committee Members
 - FY2025 Individual Objectives of Directors and Executive Officers
 - Compensation policy along with the establishment of Nomination and Compensation Committee (NCC)

(iii) Activities of the Nomination & Compensation Committee

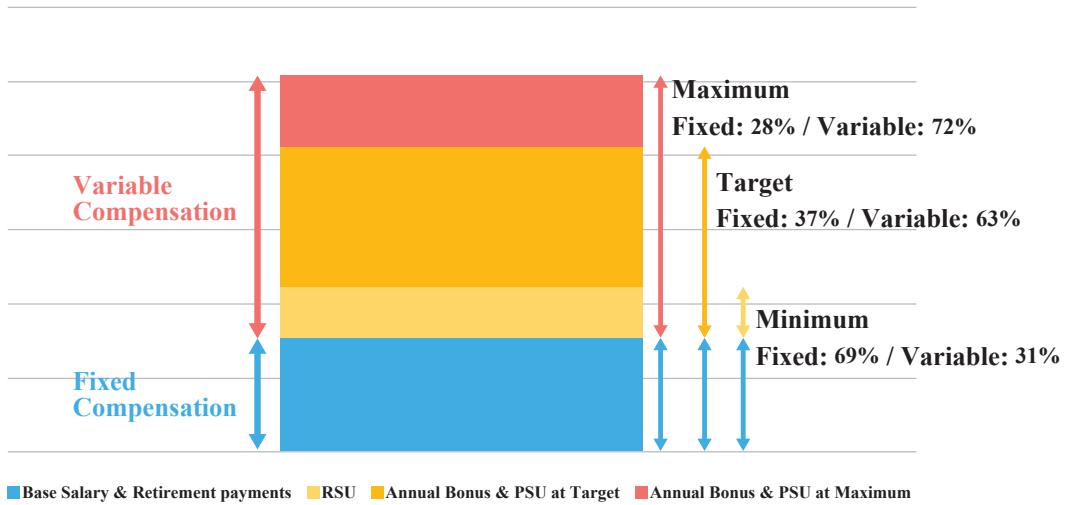
Activities of the Nomination & Compensation Committee concerning the determination of Officer compensation for FY2025 are as follows.

- (1) Number of meetings of the Nomination & Compensation Committee held over five months from August 2025 to December 2025: 6
- (2) Main subjects discussed by the Nomination & Compensation Committee concerning Officer compensation and Officer compensation structure in FY2025:
 - Rewards for Directors
 - Revision of the Cap on Director's Monetary Compensation

(c). Compensation level

Compensation is decided according to the responsibilities by utilizing data from compensation surveys performed by external research organizations and taking into account the level of compensation provided at companies such as domestic and overseas companies of similar scale in similar industries with the intent to provide a level of compensation that enables recruitment and retention of talented people who are highly diverse in terms of nationality, experience, etc.

Image of compensation structure (in case of Representative Director)



c. Guidelines and procedures for determining compensation for Supervisory Officers

The compensation for Supervisory Officers (Directors who are Audit & Supervisory Committee Members and Outside Directors who are not Audit & Supervisory Committee Members) is composed of basic compensation only in view of their role as supervisors and auditors of CCBJI business. Compensation levels are set according to the role of the Director by utilizing data from compensation surveys performed by external research organizations and taking into account the level of compensation provided at domestic companies of similar scale.

The individual compensation for Directors serving on the Audit and Supervisory Committee is proposed to the Audit and Supervisory Committee and determined upon consultation with Directors serving on the Audit and Supervisory Committee within the total amount determined by the resolution of the General Meeting of Shareholders. The compensation for Outside Directors not serving on the Audit and Supervisory Committee shall be delegated to a Representative Director (Calin Dragan) upon resolution by the Board of Directors, and the amount shall be determined by the Representative Director in accordance with the “Policy for Determining Compensation for Directors, etc.” approved by the Board of Directors after the terms of compensation are deliberated by the Nomination and Compensation Committee. The reason for delegating these authorities to the President and Representative Director is that the President and Representative Director is considered to be the most appropriate person to evaluate the responsibilities of each Director. To ensure that such authority is appropriately exercised by the President and Representative Director, decisions on the details of compensation for outside directors who are not members of the Nomination and Compensation Committee are made after deliberation by the Audit and Supervisory Committee. Therefore, the Board of Directors deems that the content of these remunerations is in line with the above decision-making policy.

d. Details of compensation for Officers for FY2025

(a). Total amount of compensation, etc. by position, total amount of compensation, etc. by category and headcount of Officers

Positions	Total remuneration (Million yen)	Types of remuneration				Headcount of Officers (people)
		Basic compensation (Note 3)	Retirement payments	Annual bonuses	Long-term incentives (Note 4)	
Directors (excluding Directors serving on the Audit and Supervisory Committee) (of which Outside Directors)	1,584 (49)	547 (49)	25 (-)	253 (-)	759 (-)	5 (3)
Directors (serving on the Audit and Supervisory Committee) (of which Outside Directors)	71 (71)	71 (71)	- (-)	- (-)	- (-)	5 (5)
Total (of which Outside Directors)	1,655 (120)	618 (120)	25 (-)	253 (-)	759 (-)	10 (8)

Note 1: In accordance with the resolution passed at the 62nd Annual General Meeting of Shareholders held on March 26, 2020, the upper limit of compensation for Directors (five in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee) shall be 850 million yen per year (of which 50 million yen per year for Outside Directors (two in number at the time of the resolution)); in accordance with the resolution passed at the 58th Annual General Meeting of Shareholders held on March 23, 2016, the upper limit of compensation for Directors serving on the Audit and Supervisory Committee (five at the time of the resolution) shall be 100 million yen per year.

Note 2: Apart from Note 1 above, the amount of remuneration, etc. to be paid to directors (excluding directors who are members of the Audit and Supervisory Committee) The total amount of monetary compensation claims and cash to be delivered to executive directors as stock-based compensation (PSUs and RSUs) is determined by resolution of the 65th Company's Annual General Meeting of Shareholders held on March 28, 2023 as the amount of compensation, etc. for directors (excluding directors who are members of the Audit Committee), not exceeding 2,880 million yen and 1,800,000 shares for three fiscal years.

Note 3: Basic compensation includes an amount equivalent to fringe benefits (compensation for exchange rate fluctuation between other countries and Japan, housing allowance, etc.), etc.

Note 4: Long-term incentives include PSU, RSU and special RSU.

Note 5: Amounts include the remuneration for Outside Directors who were Audit and Supervisory Committee Members and who retired at the conclusion of the Annual General Meeting of Shareholders for held on March 26, 2025.

(b) Significant employee salary received by the officer concurrently serving as an employee

Not applicable

(c) Payment rate, etc. of incentive compensation

(i) Annual Incentive

In alignment with the mid-term management plan and the goal of achieving it, business income, sales volume and net sales are set as proper performance metrics of Annual Bonus to measure company performance of the Company in the previous years. Performance is calculated based on predetermined targets and actual achievement, weighted average achievement for FY2025. The achievement level of the company's business performance for the period under review was 122.5%. Both revenue and business income for the current fiscal year exceeded those of the same period last year, demonstrating solid performance. However, revenue growth was sluggish due to the impact of a decline in sales in the third quarter (July 1 to September 30, 2025) from the same period last year, as well as the current consumer environment. Meanwhile, business income increased thanks to profitability-focused sales activities and cost reductions through transformation. The individual performance evaluation-based payout rate for Executive Directors was 120.0%. Based on the company performance, individual performance evaluation and the status of payment of bonuses to employees, the Nomination and Compensation Committee discussed and reviewed the final payout rate (rate of actual annual incentive paid against target payout) for FY2025. As a result, it determined that 121.2% is reasonable.

(ii) PSU

The PSUs for FY2023 were evaluated for the three-year period from 2023 to 2025. The consolidated ROE and consolidated sales revenue growth rate were selected as performance evaluation indicators, and performance was evaluated based on the degree of achievement of these targets, and the performance achievement, which is the weighted average of the degree of achievement of each indicator target for the relevant period, was 117.7%.

The vesting rate of PSU granted against target value fluctuates between 0 - 150% depending on achievement levels of performance targets. Based on the above-mentioned result, the payout rate of the PSU (rate of PSU's granted against target) is 135.4%.

The vesting rate of PSU granted in 2024 and 2025 are calculated based on ROE for the final fiscal year of the relevant performance period and the annual average sales growth rate for the relevant performance period. Therefore, we are making a reasonable estimate based on our earnings forecast at this time.

(3) Outside Officers

a. Matters relating to Outside Officers

(a) Positions held concurrently as Directors with executive authority over operations, etc. at other corporations, etc. and Outside Officers, etc. at other corporations, etc. (As of December 31, 2025)

Position	Name	Important concurrent positions
Outside Director	Hiroko Wada	Representative, Office WaDa
Outside Director	Hirokazu Yamura	Representative Director & President, MICHINOKU COCA-COLA BOTTLING CO., LTD.
Outside Director	Celso Guiotoko	Director, NeoArc Inc. Senior Managing Executive Officer, CIO and CISO, JERA Co., Inc.
Outside Director (Audit & Supervisory Committee Member)	Stacy Apter	Senior Vice President and Treasurer, Head of Corporate Finance, The Coca-Cola Company Synovus Financial Corp., Director
Outside Director (Audit & Supervisory Committee Member)	Nami Hamada	Co-Founder, Managing Director, Mile High Capital Inc. Outside director (Audit committee member, Nominating committee member, Compensation committee member), MetLife Insurance K.K. Outside director, Shimadzu Corporation.
Outside Director (Audit & Supervisory Committee Member)	Sanket Ray	President of India and Southwest Asia, The Coca-Cola Company
Outside Director (Audit & Supervisory Committee Member)	Rika Saeki	Of Counsel, Morrison & Foerster LLP

Note: The Company's relationships with other corporations where the Company's Outside Officers serve concurrently as Directors with executive authority over operations, etc. are as follows:

- (1) There is no business relationship to be disclosed between the Company and Office WaDa.
- (2) The Company and our group's companies and MICHINOKU COCA-COLA BOTTLING CO., LTD. have a trading relationship (sales, 0.5% of consolidated sales revenue of the Company and our group's companies; purchases, 1.6% of consolidated sales revenue of MICHINOKU COCA-COLA BOTTLING CO., LTD.
- (3) The Company and NeoArc Inc. have business transactions such as lending working capital to subsidiaries and receiving deposits (cash management system) from subsidiaries and interest payments (less than 200,000 yen each). Celso Guitoko is a Non-Executive Director of NeoArc Inc., and the transaction volume is minimal.
- (4) There is no business relationship to be disclosed between the Company and JERA Co., Inc.
- (5) There is no business relationship to be disclosed between the Company and Mile High Capital Inc.
- (6) There is no business relationship to be disclosed between the Company and MetLife Insurance K.K.
- (7) There is no business relationship to be disclosed between the Company and Shimadzu Corporation.
- (8) THE COCA-COLA COMPANY is an "Other Related Company" of the Company, and the Company has entered into agreements with it concerning the manufacture and sale of Coca-Cola and other products and the use of its trademarks.
- (9) There is no business relationship to be disclosed between the Company and Synovus Financial Corp.
- (10) There is no business relationship to be disclosed between the Company and Morrison & Foerster LLP.

(b) Main activities during the fiscal year under review

Position	Name	Main activities
Outside Director	Hiroko Wada	She attended all the 6 Board of Directors' meetings held during the fiscal year under review and provided advice as appropriate based on her considerable experience and global knowledge gained as officer at The Procter & Gamble Company and as Representative Director at Dyson Ltd. and Toys"R"Us-Japan Ltd..
Outside Director	Hirokazu Yamura	He attended all the 6 Board of Directors' meetings held during the fiscal year under review after he assumed Director of the Company and provided advice as appropriate based on his considerable experience and knowledge gained in management and as Representative Director & President at Michinoku Coca-Cola Bottling Co., Ltd..
Outside Director	Celso Guiotoko	He attended all the 6 Board of Directors' meetings held during the fiscal year under review and provided advice as appropriate based on his considerable experiences and global expertise gained at Nissan Motor Co., Ltd. ("Nissan"), Nishimoto Co., Ltd., and JERA Co., Inc..
Outside Director (Audit & Supervisory Committee Member)	Stacy Apter	She attended all the 6 Board of Directors' meetings and 5 Audit & Supervisory Committee's meetings held during the fiscal year under review and provided advice as appropriate based on her considerable experience and global knowledge on Finance and Risk Management gained as a Senior Vice President and Treasurer, Head of Corporate Finance of The Coca-Cola Company.
Outside Director (Audit & Supervisory Committee Member)	Nami Hamada	She attended all the 6 Board of Directors' meetings and 5 Audit & Supervisory Committee's meetings held during the fiscal year under review and provided advice as appropriate based on her considerable experiences on Finance and Accounting gained as a proprietor of her own finance consulting company and her considerable experiences and global knowledge gained as a corporate executive at Lehman Brothers Japan Inc..
Outside Director (Audit & Supervisory Committee Member)	Sanket Ray	He attended all the 6 Board of Directors' meetings and 5 Audit & Supervisory Committee's meetings held during the fiscal year under review and provided advice as appropriate based on his considerable experience and global knowledge gained as a President of India and Southwest Asia, The Coca-Cola Company.
Outside Director (Audit & Supervisory Committee Member)	Rika Saeki	She attended all the 5 Board of Directors' meetings and 4 Audit & Supervisory Committee's meetings held after the her appointment as a Director (Audit & Supervisory Committee's), and provided appropriate input based on her extensive experience and knowledge in areas such as important management decisions, anticipated risk responses, corporate governance, and internal control systems.

4. Company Structure and Policies

(1) Accounting Auditor

a. Name

Ernst & Young ShinNihon LLC

b. Amount of Remuneration

Categories	Amount paid	Remarks
Remuneration for services stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act	71 million yen	(Notes)
Remuneration for services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act	– million yen	
Remuneration by the Company and/or its subsidiaries to the Accounting Auditor	202 million yen	

Notes:

1. The audit contract between the Company and the accounting auditor does not distinguish between remuneration paid for the audit conducted in accordance with the Companies Act and remuneration paid for the audit conducted in accordance with Financial Instruments and Exchange Act. Accordingly, the amount above is the aggregate amount.
2. The Audit and Supervisory Committee confirmed and reviewed the appropriateness and adequacy of the audit plans, audit hours, implementation status and grounds for the estimate of the remuneration as submitted by the accounting auditor before granting approval to the remuneration payable to the accounting auditor.

c. Policy on Decisions on Dismissal or Non-Reappointment of Accounting Auditor

In the case that it is reasonably judged that the accounting auditor falls under any of the dismissal events listed in the items of Article 340, Paragraph 1 of the Companies Act, the Audit and Supervisory Committee will remove the accounting auditor with the consent of all members. In this case, a Committee member selected by the Audit and Supervisory Committee will disclose the removal and its reason at the Meeting of Shareholders convened for the first time after the removal.

Additionally, concerning dismissal or non-reappointment of the accounting auditor, the Audit and Supervisory Committee shall decide contents of a proposed resolution they submit to the General Meeting of Shareholders, in the event they judge it necessary to do so in cases such as where the accounting auditor is recognized to have difficulty in properly fulfilling its auditing duties.

(2) The System to Ensure Business Adequacy

a. Overview of the system to ensure business adequacy

In order to establish the system to ensure that the jobs conducted by the Directors comply with the laws and regulations and the Articles of Incorporation, and other systems to ensure appropriateness of operation (to be referred to as “internal control” hereinafter), the Company has made a resolution on “the Internal Control System Basic Policy” at the Board of Directors Meeting.

“The Internal Control System Basic Policy” is as shown below.

(a) System to ensure that performance of duties by Directors and employees of the Group conforms to laws and regulations and the Articles of Incorporation

- ① The “Code of Conduct” shall be established in order to ensure that all the Directors, Executive Officers, and employees of the Group comply with laws and regulations and the Articles of Incorporation to act in conformity with social norms. The Ethics & Compliance Committee shall be convened periodically in order to reinforce the compliance system and to prevent non-compliance.
- ② An internal whistle-blowing system against non-compliance, namely, a reporting and consultation contact separate from the reporting line to immediate managers, shall be set up.
- ③ The oversight function of the Board of Directors shall be reinforced by adopting the company system where Audit and Supervisory Committee is established in order to ensure auditing by the Audit and Supervisory Committee, which is comprised exclusively of Outside Directors.
- ④ The department in charge of internal auditing shall be established in order to audit whether business activities are conducted appropriately and effectively in conformity with laws and regulations, the Articles of Incorporation, Company Rules and Regulations, etc.
- ⑤ The Company clearly identifies the firm stance against anti-social forces and organizations that cause threats to the orders and safety of civil society and that the Company never ties with such entities. The Company shall never accede to any illegal request and deal with any such request in cooperation with the police, lawyers, etc.

(b) System to retain and manage information related to Directors’ performance of their duties

- ① The Company shall record information regarding minutes of General Shareholders meetings, minutes of Board of Directors meetings, documents and other materials related to important decision-makings and Directors’ performance of their duties in documents or electronic media and retain it in accordance with the Rules of Documentation Handling and Information Security Policy in a manner similar to that for statutory documents.
- ② The Company’s Directors may inspect such documents, etc. at any time.

(c) Regulations and other systems concerning loss risk management of the Group

- ① In accordance with the Group policy on responding to material business risks and from the viewpoint of management of other risks, significant items shall be reported to the main meetings dealing with risk management, and the main meetings shall determine policies to deal with risks as required.
- ② The Company establishes rules, guidelines, etc. and maintains an organization to execute effective response to material risks, and ensure the matters to be passed down by implementing training for the entire Group, etc.
- ③ The department in charge of risk management in the Company or its subsidiaries is to monitor the condition of company-wide risks and to take appropriate measures on a group-wide basis. The Company promptly designates who is in charge of the response to new risks that arise.

(d) System to ensure efficiency of performance of duties by the Group Directors

- ① The Company's Board of Directors shall determine Group-wide management policy and goals shared by the Directors, Executive Officers, employees and others of the Group, and determine the efficient method to achieve the goals including the allocation of authority based on the group's decision-making rules.
- ② In addition to Board of Directors meetings, appropriate forums, such as the main meetings held within the operating companies, shall be organized to deliberate significant matters affecting the entire Group, thereby ensuring that decisions are reached based on considerations of multi-dimensional aspects.

(e) System to ensure appropriateness of operations in a corporate group, which consists of the Company and its subsidiaries

The Company shall ensure management integration of the Group through establishment of a corporate philosophy, management policy, the Code of Business Conduct & Ethics and Chart of Authority common throughout the Group and supervise and manage the performance of the subsidiaries' operations.

(f) Matters concerning employees assisting the Audit and Supervisory Committee to execute the duties if the Audit and Supervisory Committee request the assignment of such employees, matters concerning the independence of such employees from Directors (excluding Directors serving on the Audit and Supervisory Committee) and matters related to ensuring the effectiveness of instructions given by the Audit and Supervisory Committee to such employees

The Company shall assign employees assisting the Audit and Supervisory Committee. Such employees shall execute the duties under the instructions given by the Audit and Supervisory Committee in assisting executions of duties by the Audit and Supervisory Committee and shall not receive instructions from Directors (excluding Directors serving on the Audit and Supervisory Committee).

(g) System for reporting by Directors and employees of the Group to the Audit and Supervisory Committee and systems to ensure that reporting parties do not receive disadvantageous treatment as a result of such reports

- ① Upon discovery of any incident that could cause the Group substantial damage, such as acts in violation of laws and regulations, the Directors (excluding Directors serving on the Audit and Supervisory Committee), Executive Officers, employees and others of the Company shall immediately report the matter to the Audit and Supervisory Committee.
- ② The Internal Audit Department shall regularly report internal audit results and the status of other activities in the Group to the Audit and Supervisory Committee.
- ③ The department in charge of compliance shall regularly report the status of whistle-blowing in the Group to the Audit and Supervisory Committee.
- ④ The Company shall prohibit unjust treatment of the reporter to the Audit and Supervisory Committee, and ensure that this matter would be informed to all the Executive Officers and employees of the Group.

(h) Matters concerning procedures for advance payment or reimbursement of expenses incurred in the course of performance of duties by Directors serving on the Audit and Supervisory Committee and policies related to processing expenses or liabilities arising from performance of duties by Directors serving on the Audit and Supervisory Committee

The Company establishes enough budget for Directors serving on the Audit and Supervisory Committee each year to fulfill the performance of their duties.

(i) Other systems to ensure that the Audit and Supervisory Committee's audit is conducted effectively

- ① The Representative Director and the Audit and Supervisory Committee member shall hold meetings on a regular basis to exchange opinions in order to communicate with each other.
- ② The Representative Director shall prepare an environment so that the Audit and Supervisory Committee members are able to cooperate with external experts, such as lawyers and certified public accountants, in the course of its duties whenever the Audit and Supervisory Committee members deem it necessary.
- ③ The Audit and Supervisory Committee shall regularly provide opportunities for the exchange of opinions with the Internal Audit Department and accounting auditor.

b. Overview of the operational status of the system to ensure business adequacy

(a) Initiative for ensuring compliance

The Company has developed its corporate philosophy and Code of Business Conduct & Ethics for the entire Group so that all officers and employees will comply with laws and regulations and the Articles of Incorporation to act in conformity with social norms, and notifications are being ensured.

Additionally, CCBJH Group Ethics & Compliance Committee, chaired by the President, is held to work upon reinforcement of the compliance structure and prevention of occurrence of non-compliance cases.

Furthermore, Regulations for Handling Whistleblowing have been developed, and an internal whistle-blowing system is being operated by establishing Ethics & Compliance Reporting Hotline internally and at an external law office and specialized agencies to work upon early detection and improvement of non-compliance cases.

(b) Initiative on loss risk management

The Company has developed CCBJH Group Rules of Risk Management and is working upon preventing the occurrence of various risks that may arise for the Company. At the same time, the Company has formulated a response strategy implemented in the eventuality of risk materialization and developed a system to minimize damage and confusion for business by responding to the risk promptly and adequately.

Furthermore, in order to minimize damage and impact on business caused by natural disasters, etc., the Company periodically holds risk management drills, disaster response drills and safety confirmation drills, verifying the effectiveness of its business continuity plan that helps to deal with large-scale disasters.

(c) Initiative on ensuring adequacy and efficiency of the jobs conducted

The Company has established the Audit and Supervisory Committee in order to further enrich deliberation on matters with particular importance at the Board of Directors Meeting, whereas determination on conduct of other businesses is entrusted to the Directors.

Additionally, authority is delegated to Executive Officers and Heads of Functions / Departments so that decisions are made regarding business conduct based on the approval authority standard in accordance with the Group operational structure to ensure acceleration and streamlining of management decisions made by the management members.

(d) Initiative on ensuring that audit by the Audit and Supervisory Committee be conducted in an effective manner

The Audit and Supervisory Committee members audit the status of business conduct by the Directors, Executive Officers, and employees in accordance with relevant laws and regulations, the Articles of Incorporation, and the Regulations of the Audit & Supervisory Committee prepared by the Audit and Supervisory Committee by attending the Board of Directors meeting, and by referring to the audit results, etc. provided by the department in charge of internal audit and the accounting auditor.

The Audit and Supervisory Committee members periodically exchange opinions regarding such audit results with the Representative Directors.

(3) Basic Policies on the Control of the Stock Company

Basic Policies on the Control of the Stock Company as follows.

a. Details of Basic Policy

The Company believes that the persons who control decisions on the Company's financial and business policies need to understand the source of the Company's corporate value to make it possible to continually, persistently ensure and enhance the Company's corporate value and, in turn, the common interests of its shareholders. 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. In addition, the Company would not reject a large-scale acquisition of the 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 fully understand the importance of (i) providing freshness and refreshment to people around the world and embedding the "Coca-Cola" brand, which is now a part of our life style, in local communities; (ii) striving aggressively to win in the market as the customers' preferred partner with a deep understanding of the Company's corporate philosophy; (iii) appreciating employees who have a strong sense of responsibility to thoroughly pursue customer satisfaction, and proactively working 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) contributing to local communities and proactively dealing with 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 a person 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 a person who would control decisions on the Company's financial and business policies.

The Company believes that it is necessary to ensure and enhance the corporate value of the Company and, in turn, the common interests of its shareholders by taking the necessary and reasonable countermeasures against a large-scale acquisition of the shares in the Company by such a person.

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% funded by The Coca-Cola Company) as a business strategic partner, but also strives to become a company trusted by the stakeholders of consumers, customers, shareholders and employees.

While major growth of the soft drink industry cannot be expected as the market has already matured, the business environment surrounding is projected to become harsher as competition intensifies among soft drink companies.

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.

In addition, the Company has adopted the company system 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 the member of the Audit and Supervisory Committee have each been granted a voting right in the Board of Directors 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 foregoing, for more fruitful deliberations of 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 timely 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 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 considerations of the future trend of the 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 Company's Board of Directors regarding specific measures and reasons therefor

The measure described in the previous b. (a) was introduced as a specific measure 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 measure described in the previous b. (b) was introduced as a specific measure 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 or preserve the positions of the Company officers.

(Note: Amounts, number of shares and ratios in the business report are rounded off to the nearest unit.)

Consolidated Statement of Financial Position

As of December 31, 2025

(Millions of yen)

Assets		Liabilities	
Current assets:	274,726	Current liabilities:	220,115
Cash and cash equivalents	76,330	Trade and other payables	123,236
Trade and other receivables	114,385	Bonds and debts	63,978
Inventories	71,622	Lease liabilities	6,364
Other financial assets	1,172	Other financial liabilities	478
Other current assets	8,584	Income taxes payable	1,527
Subtotal	272,092	Other current liabilities	24,531
Assets held for sale	2,634	Non-current liabilities:	98,172
Non-current assets:	423,760	Bonds and debts	49,924
Property, plant, and equipment	299,336	Lease liabilities	13,595
Right-of-use assets	19,761	Net defined benefit liabilities	19,670
Intangible assets	48,951	Provisions	1,541
Investments accounted for using the equity method	451	Deferred tax liabilities	10,904
Other financial assets	9,682	Other non-current liabilities	2,538
Deferred tax assets	41,288	Total liabilities	318,287
Other non-current assets	4,291		
Total assets	698,486	Equity	
		Equity attributable to owners of the parent (total)	379,892
		Capital stock	15,232
		Capital surplus	347,743
		Retained earnings	30,156
		Treasury shares	(14,810)
		Accumulated other comprehensive income	1,571
		Non-controlling interests	307
		Total equity	380,199
		Total liabilities and equity	698,486

Note: Amounts less than one million yen are rounded.

Consolidated Statement of Income

For the fiscal year ended December 31, 2025

(Millions of yen)

Revenue	893,805
Cost of sales	494,501
Gross profit	399,304
Selling and general administrative expenses	373,475
Other income	1,985
Other expenses	100,303
Investment gain on equity method	105
Operating loss	(72,385)
Financial revenue	444
Financial expense	778
Loss for the year before income tax	(72,718)
Income tax benefit	(22,051)
Net loss for the year from continuing operations	(50,668)
Net loss for the year attributable to:	
Net loss Attributable to Owners of Parent	(50,763)
Non-controlling interests	95

Note: Amounts less than one million yen are rounded.

Consolidated Statement of Changes in Shareholders' Equity

For the fiscal year ended December 31, 2025

(Millions of yen)

	Equity attributable to owners of the parent					
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Accumulated other comprehensive income	Total
Balance as of January 1, 2025	15,232	378,459	87,317	(16,297)	1,492	466,203
Comprehensive income for the period						
Net income for the period	–	–	(50,763)	–	–	(50,763)
Other comprehensive income	–	–	–	–	2,761	2,761
Total comprehensive income for the period	–	–	(50,763)	–	2,761	(48,001)
Transactions with owners						
Dividends of surplus	–	–	(9,763)	–	–	(9,763)
Purchase of treasury shares	–	(54)	–	(30,111)	–	(30,165)
Disposal of treasury shares	–	(209)	–	455	–	246
Cancellation of treasury shares	–	(31,143)	–	31,143	–	–
Transactions of share-based payment	–	706	–	–	–	706
Reclassification from accumulated other comprehensive income to retained earnings	–	–	3,365	–	(3,365)	–
Reclassification from accumulated other comprehensive income to non-financial assets	–	–	–	–	697	697
Other	–	(15)	–	–	(15)	(30)
Total transactions with owners	–	(30,716)	(6,398)	1,487	(2,683)	(38,309)
Balance as of December 31, 2025	15,232	347,743	30,156	(14,810)	1,571	379,892

	Non-controlling interests	Total
Balance as of January 1, 2025	240	466,443
Comprehensive income for the period		
Net income for the period	95	(50,668)
Other comprehensive income	–	2,761
Total comprehensive income for the period	95	(47,906)
Transactions with owners		
Dividends of surplus	(29)	(9,791)
Purchase of treasury shares	–	(30,165)
Disposal of treasury shares	–	246
Cancellation of treasury shares	–	–
Transactions of share-based payment	–	706
Reclassification from accumulated other comprehensive income to retained earnings	–	–
Reclassification from accumulated other comprehensive income to non-financial assets	–	697
Other	–	(30)
Total transactions with owners	(29)	(38,338)
Balance as of December 31, 2025	307	380,199

Note: Amounts less than one million yen are rounded.

Notes to Consolidated Financial Statements

(Notes to significant matters as the basis for preparation of consolidated financial statements)

1. Accounting standards of consolidated financial statements

The consolidated financial statements of the Company Group are prepared in accordance with International Financial Reporting Standards (IFRS) pursuant to Article 120, Paragraph 1 of the Rules of Corporate Accounting.

For the consolidated financial statements, certain disclosure items required by IFRS have been omitted pursuant to the provision of the latter part of that paragraph.

2. Matters on the scope of consolidation

(1) Number of consolidated subsidiaries: 11 subsidiaries

(2) Names of major consolidated subsidiaries

The names of major consolidated subsidiaries are as described in “(7) Status of Significant Subsidiaries” of “1. Current Status of the Coca-Cola Bottlers Japan Group” in the Business Report.

3. Matters on the application of the equity method

(1) Number of affiliates accounted for using the equity method: 2

(2) Names of affiliates accounted for using the equity method

Resources Co., Ltd.

onEQuest Co., Ltd.

4. Matters on accounting standards

(1) Measurement of financial assets

a. Classification and measurement of financial assets

At initial recognition, financial assets are classified as subsequently measured at amortized cost or fair value.

Financial assets measured at fair value through profit or loss are initially measured at fair value. Financial assets measured at fair value through other comprehensive income and financial assets measured at amortized cost are initially measured at fair value plus transaction costs directly attributable to the acquisition.

The Group’s classification under IFRS 9 is based on facts and circumstances, and the Group designates equity instrument as an equity instrument measured at fair value through other comprehensive income.

(a) Financial assets measured at amortized cost

Financial asset is classified as measured at amortized cost if both of the following conditions are met: - if the objective of our business model is to hold financial asset in order to collect contractual cash flows; and - if, by contract terms, the condition that a cash flows that is solely payment of principal and interest on the principal amount outstanding gives rise on a specified date.

(b) Financial assets measured at fair value

If any of the above two conditions are not met, the financial asset is classified as measured at fair value. For financial assets measured at fair value, the Group decided whether to make an irrevocable designation for each financial instrument, except for the equity instrument held for trading purposes that must be measured at fair value through the profit or loss, or at fair value through other comprehensive income.

For derivatives, see “c. Derivatives and hedging activities.”

Financial assets are subsequently measured as follows according to their classification.

(a) Financial assets measured at amortized cost

They are measured at amortized cost based on effective interest method and if any, impairment loss is deducted. Gains or losses arising from effective interest method or derecognition are recognized in profit or loss.

(b) Financial assets measured at fair value

They are measured at fair value as of the reporting date. Changes in fair value are recognized in profit or loss or other comprehensive income, depending on the classification of the financial asset. Dividends income arising from the equity instrument designated as measured at fair value through other comprehensive income is recognized in profit or loss. In addition, in the event the derecognition of equity instrument designated as measured at fair value through other comprehensive income, the cumulative changes in fair value recorded in accumulated other comprehensive income are reclassified to retained earnings.

b. Impairment

The Group makes expected credit loss estimates on the reporting date basis on the recoverability of financial assets measured at amortized cost. For financial instruments, whose credit risk has not increased significantly since initial recognition, an expected credit loss of 12 months is recognized as allowance for credit loss. For financial instruments, whose credit risk has increased since initial recognition, lifetime expected credit loss is recognized as allowance for credit loss. However, allowance for credit loss for trade receivables is always measured at an amount equal to the lifetime expected credit losses.

For financial assets, whose credit risk has increased significantly, if there is evidence of credit impairment, interest income is measured multiplied by effective interest rate by the net amount of carrying amount less allowance for credit loss. The indicators used by the Group in determining if objective evidence of impairment exists include the following:

- Significant financial difficulty of the issuer or the borrower.
- A breach of contract, such as a default or delinquency in the payment of interest or principal.
- Granting of concession for economic or legal reasons related to the borrower’s financial difficulty that the Group would not otherwise consider.
- Increased likelihood of bankruptcy or other financial reorganization of the borrower; or
- The disappearance of an active market for that financial asset because of financial difficulty.

If the Group does not have a reasonable expectation of collecting the entire or a portion of the financial asset, the amount is deducted directly from the carrying amount of the financial asset (write-off). If the credit risk is subsequently reduced and clearly distinguishable from events that occurred after direct write-offs (e.g., improved credit ratings of the obligor), the reversal of write-offs is recognized in profit or loss.

c. Derivative and hedge accounting

Derivative is initially recognized at the fair value of the date the derivative contract is concluded, and after initial recognition, it is remeasured at fair value on the reporting date. Recognition of gains or losses resulting from remeasurement depends on whether the derivative is designated as hedging instrument and, if specified as hedging instrument, the nature of the hedged item. The Group designates certain derivatives as hedging instruments for cash flow hedges (certain risks related to asset or liability, or highly probable forecast transaction hedges).

At the inception of the hedging relationships, the Group documents the relationships between hedging instrument and hedged item, as well as our risk management objectives and strategies for executing these hedging transactions. The Group also documents the assessment, at the hedge's inception and on an ongoing basis, of whether the derivative used in the hedge transaction is effective to offset changes in the cash flows of the hedged item.

The Group evaluates the hedge effectiveness on an ongoing basis and judges that it is effective when all of the following conditions are met "there is the economic relationship between hedged item and hedging instrument," "the impact of credit risk is not materially superior to changes in value arising from economic relationships," and "the hedge ratio of hedging relationships is the same as the ratio resulting from the volume of hedged item and hedging instrument actually being hedged."

The effective portions of changes in the fair value of derivative which is designated and qualifying as a hedging instrument for cash flow hedge are recognized in other comprehensive income. Gains or losses on the ineffective portion are recognized in profit or loss immediately.

Accumulated gains or losses recognized in other comprehensive income are reclassified to profit or loss in the period in which the cash flows arising from the hedged item affects profit or loss. However, if the forecast transaction which is a hedged item results in the recognition of a non-financial asset (e.g., inventories), the gain or loss previously recognized in other comprehensive income is reclassified into the measurement of the initial cost of the related asset. Such amounts are ultimately recognized as the cost of goods sold in the case of inventories.

Hedge accounting is discontinued prospectively if the hedge relationship no longer meets the qualifying criteria due to the extinction or sale of hedging instrument. If the hedged cash flows are expected to be incurred in the future, the accumulated gains or losses recognized in other comprehensive income will continue to be recognized as an accumulated other comprehensive income. If a forecast transaction is no longer expected to occur, the cumulative gains or losses recognized in other comprehensive income is reclassified to profit or loss.

(2) Measurement of inventories

Inventories are measured at the lower cost and net realizable value. Discounts, rebates, other similar items and interest rates until the par value is reached are deducted from its cost. Manufacturing costs include direct materials, direct labor, and manufacturing overhead. Net realizable value is calculated at estimated selling prices less estimated selling costs and estimated selling expenses. The Group typically calculates the cost of inventories based on the weighted-average method. If the net realizable value of inventories is less than its cost, the difference is recognized as expense in the consolidated statements of profit or loss.

(3) Measurement and depreciation or amortization of property, plant and equipment and intangible assets

a. Property, plant, and equipment

After initial recognition, property, plant, and equipment is measured at cost less accumulated depreciation and impairment losses. Expenditures incurred to expand, improve, or improve asset productivity, allowances, or efficiencies, or to extend the useful life of an asset are included in cost of the related asset as capital expenditures, while repairs and administrative expenses are recognized as expenses when incurred.

Depreciation is principally calculated using the straight-line method over the estimated useful life for each item of property, plant and equipment as follows:

	<u>Years of estimated useful lives</u>
Buildings and Structures	2 – 60
Machinery, Equipment and Vehicles	3 – 20
Vending machines	2 – 11

Depreciation methods, estimated useful life, and estimated residual values are reviewed at the end of each fiscal year, and any changes are applied prospectively as a change in accounting estimate.

Gains and losses from the sale or disposal of asset are measured as the difference between carrying amount and sale value in “Other income” or “Other expense” in the consolidated statements of profit or loss.

b. Intangible assets

Intangible assets are initially recognized at cost or manufacturing cost. Subsequent to initial recognition, intangible assets are measured at cost less accumulated amortization and impairment losses. The Group evaluates intangible asset’s useful life to determine whether it is finite or indefinite and, if it is finite, evaluates useful life based on the expected usable period.

The principal intangible asset with finite useful life is software, and amortization is calculated using the straight-line method over the estimated useful life (5-10 years).

The amortization method, estimated useful life, and estimated residual value are reviewed at the end of each fiscal year and applied prospectively as a change in accounting estimate in the event of any change.

Contract related intangible asset

In connection with the acquisition of the former Coca-Cola East Japan Co., Ltd., the Group's contract related intangible asset is concluded with The Coca-Cola Company. This contract relates to the exclusive rights to manufacture, distribute, and sell the Coca-Cola brand products in certain areas.

The contract is for 10 years and will be renewed without consideration of renewals or extensions.

The Group accounts for contract related intangible asset attributable to bottling contract as an intangible asset with indefinite useful life. The Group believe that it is unlikely that we will not renew or extend the contract due to our historical relationship with The Coca-Cola Company and the possible adverse impact on our franchisors from the nonrenewal of the contract. Therefore, it is difficult to predict the periods during which assets may generate net cash flows.

Contract related intangible assets are not amortized but are assessed for impairment annually and whenever events or changes in circumstances indicate a potential impairment may occur.

c. Leases (as a lessee)

The Group recognizes Right-of-use assets and lease liabilities at the commencement date of the lease. Right-of-use assets are measured at cost on the commencement date. After the commencement date, the Right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses using a cost model. The lease period of the right-of-use asset is estimated as the non-cancellable lease period, together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. Right-of-use assets are depreciated by using the straight-line method over lease term from the commencement date.

Lease liabilities are measured on the commencement date at the present value of the lease payments that have not been made as of that date. After the commencement date, the carrying amount of the lease liabilities are adjusted to reflect the interest rate on the lease liabilities and the lease payments made. If the lease liabilities are revised or the terms of the lease are changed, the lease liabilities will be remeasured, and the right-of-use asset will be revised.

(4) Criteria for recording significant provisions

Provision is measured at the present value of the best estimate of the amount that would be required to pay or transfer the obligation, taking into account probability that event occurs and its impact. The reversal of the discount by passage of time is recognized as financial expense.

(5) Employee benefits

a. Short-term employee benefits

Short-term employee benefit is recognized as expense when the related services are rendered.

b. Defined contribution plans

Contributions to the defined contribution plans are recognized as expenses in the period in which the employee renders the services.

c. Defined benefit plans

The Group's net obligation related to defined benefit plans is calculated for each plan by estimating the number of future benefits earned by employees prior to the current period, discounting the amount to the present value, and deducting the fair value of plan asset.

Defined benefit plans obligations are calculated annually by actuaries using the projected unit credit method.

Remeasurement of defined benefit obligations, consisting of the actuarial gains and losses, return on plan asset (excluding interest) and impact of asset ceiling, is recognized in other comprehensive income, and immediately reclassified from accumulated other comprehensive income to retained earnings. The Group calculates net interest expense (income) for the fiscal year by multiplying the discount rate used to measurement the defined benefit plans obligation (asset) at the beginning of the fiscal year by the defined benefit plans obligation (asset) and the plan asset at the beginning of the period.

Defined benefit plans obligations at the beginning of the fiscal year take into account all changes in defined benefit plans obligations (asset) during the fiscal year due to contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

d. Long-term employee benefits

The Group's long-term employee benefits is calculated by discounting the estimated future benefit to its present value.

The discount rate is determined based on the market yield on AA-rated corporate bonds at the reporting date, which approximates the average remaining service period.

(6) Recognition of revenue

Revenue is recognized for the contract with customer under IFRS 15 excluding interest and dividends income by applying the following five steps

Step 1: Identifying contract with customer

Step 2: Identifying performance obligation in contract

Step 3: Determining the transaction price

Step 4: Allocating the transaction price to performance obligation in contract

Step 5: Recognizing revenue when (or as) performance obligation is met

The Group sells soft drinks such as carbonated beverages, coffee beverages, tea-based beverages and mineral water, and alcohol. For sales of these products, revenue is recognized primarily at the time of delivery as the customer has obtained control over the products and believes that the performance obligation is satisfied.

In addition, revenue is measured at consideration promised in the contract with customer, less discounts, rebates, returns and other items. In addition, the Company has a point system for its customers, whereby points awarded for the purchase of products can be used for future purchases of the Company's products. The Company identifies points as a performance obligation and allocates the transaction price based on the earned sales price, taking into account the expected use and execution of the points, and recognizes revenue when the points are used. The transaction price allocated to the point performance obligation is recorded as "Other current liabilities" in the consolidated statement of financial position.

(7) Stock-based compensation

We have introduced Executive reward BIP Trust and Stock-granting ESOP Trust for its directors (excluding directors who are members of the Audit and Supervisory Committee and outside directors), executive officers, and employees for the purpose of sharing the benefits and risks of stock price fluctuations with shareholders and to increase their willingness to contribute to medium- to long-term improvement in corporate value and stock price appreciation. The Company's shares held by the trust are recognized as treasury shares. The remuneration calculated under the plans is recognized as an expense and the corresponding amount is recognized as an increase in equity.

(8) Non-current assets held for sale

Non-current assets that are not for continuing use but will be recovered primarily through sale transactions are classified as held for sale. To be classified as held for sale, an asset must be highly probable of sale, be available for immediate sale in its current state, have the Group's management committed to implementing a plan to sell the asset, and expect the sale to be completed within one year.

Once classified as held for sale, the asset is measured at the lower of its carrying amount or fair value less costs to sell.

5. Critical accounting estimates

In preparing the condensed quarterly 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 circumstances. Accounting estimates are based on the most appropriate information at the time the condensed quarterly consolidated financial statements are released.

If there are changes to any future estimates, the impact of the revision is recognized in the condensed quarterly consolidated statements of income and condensed quarterly 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 quarterly consolidated financial statements will be revised based on the same concept as in the consolidated financial statements for the previous consolidated fiscal year. Information about processes and estimates that have a significant effect on the amounts recognized in the Consolidated Statement of Financial Position is presented below.

(1) Useful lives of Property, plant and equipment, Right-of-use assets, and Intangible assets

a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

Property, plant, and equipment	299,336 million yen
Right-of-use assets	19,761 million yen
Intangible assets	48,951 million yen

b. Information that contributes to an understanding of the content of accounting estimates

Property, plant, and equipment are depreciated over the estimated useful lives, which is the period over which the future economic benefits of the asset are expected. If property and equipment is obsolescent in the future or reused for other purposes, depreciation expense may increase, and the estimated useful life may be shorter. Details of useful life are provided in notes 4 (3) a. "Property, plant and equipment."

Right-of-use assets are estimated for the lease term with a non-cancellable period plus a reasonably certain period of time to exercise the option to extend or not to cancel the lease. Details of the useful life are described in note 4 (3) c. "Leases (as a lessee)".

Intangible assets are evaluated whether the useful life is definite or indefinite, based on the analyzing of all relevant factors and predictability of the period over which such intangible asset is expected to result in cash inflows. Intangible assets with definite useful life are amortized using the estimated useful life, which is the period over which the future economic benefits are expected. Amortization expense is subject to risks that may increase as a result of changes in the estimated useful life caused by external factors, such as changes in business conditions. Details of useful life are provided in notes 4 (3) b. "Intangible assets."

(The Change in useful life of right-of-use assets)

The Group had been depreciating right-of-use assets related to sales bases, etc. by using the straight-line method, generally over 15 years from the commencement date. However, in line with our initiatives to build a flexible and responsive supply chain, we are working on consolidating existing sales bases, shifting away from long-term contracts for sales bases due to customer service approaches diversification, and putting Integrated Distribution Centers (IDC) into operation from the fiscal year ended December 2025 to strengthen our logistics network. For those reasons, the useful life (lease period) has been revised from the current fiscal year.

As a result of this change, compared with those based on the previous useful life, the right-of-use assets have been decreased by 9,689 million yen and the lease liabilities have been decreased by 9,655 million yen as of December 31, 2025. Also, loss before income taxes for the current fiscal year has increased by 35 million yen

(2) Impairment test of non-financial assets including Property, plant and equipment, Right-of-use assets, and Intangible assets

a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

Property, plant, and equipment	299,336 million yen
Right-of-use assets	19,761 million yen
Intangible assets	48,951 million yen
Other	11,996 million yen

b. Information that contributes to an understanding of the content of accounting estimates

In performing impairment tests, the recoverable amount of a cash-generating unit is calculated based on whichever higher of its value in use or fair value less disposal cost. Value in use is mainly estimated by discounting the estimated cash flows to its present value. Key assumptions in estimating recoverable amounts include future cash flows, discount rates, and long-term average growth rates. Mid-term plans, which are the basis for future cash flows, are based on sales and cost plans for the relevant period. While such assumptions are based on management's best estimates and judgments, these assumptions may also be affected by changes in economic conditions that have a significant impact on future consolidated financial statements.

(3) Provision and contingent liabilities

a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

Provision (Current)	– million yen
Provision (Non-current)	1,541 million yen

b. Information that contributes to an understanding of the content of accounting estimates

In the consolidated statements of financial position, the Group recognizes mainly provision on asset retirement obligations and environmental measures provision. Provision is measured based on the best estimate of the expenditures required to settle the obligation. Expenditures required to settle obligations are calculated by considering all factors affecting future results but may be affected by unforeseeable events and changes in the environment assumed. The

accounting policies and reported amounts of provision are described in notes 4 (4) “Accounting standards for significant provision”

(4) Recoverability of deferred tax assets

a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

Deferred tax assets	41,288 million yen
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b. Information that contributes to an understanding of the content of accounting estimates

At recognition of deferred tax assets, the Group estimates the timing and amount of future taxable income based on the Group’s mid-term plans. Estimates of future taxable income are based on mid-term plans. The main assumptions are the sales plan and cost plan for the period. In assessing the recoverability of deferred tax assets, the Company considers the expected reversal of deferred tax liabilities, projected future taxable income, and tax planning including assets sales etc. While such assumptions are based on management’s best estimates and judgments, these assumptions may also be affected by changes in economic conditions that have a significant impact on future consolidated financial statements.

(5) Measurement of defined benefit plans obligation

a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

Retirement benefit liability	19,670 million yen
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b. Information that contributes to an understanding of the content of accounting estimates

The Groups adopts a variety of retirement benefit plans, including defined benefit plans. The present value and service cost of defined benefit obligations for all plans are based on actuarial projections. Actuarial projections require estimates and judgments related to variable factors such as discount rates, rates of salary increase and inflation. The Group is advised by external actuaries as to the adequacy of actuarial projections, including these variable factors. While actuarial projections are determined based on management’s best estimates and judgments, they may be affected by changes in uncertain future economic conditions and the establishment and revise of related laws and regulations that could have a material effect on future consolidated financial statements.

(6) Measurement of financial instrument without quoted prices in active market

a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

Other financial assets (Current)	1,172 million yen
Other financial assets (Non-current)	9,682 million yen

b. Information that contributes to an understanding of the content of accounting estimates

The Group applies valuation techniques that use unobservable inputs in the market to evaluate the fair value of financial instruments without quoted prices in an active market. Unobservable inputs may be impacted by uncertain future changes in economic conditions that could have a material impact on future consolidated financial statements. Details related to the assessment of financial asset are provided in (Notes regarding financial instruments)

(Notes regarding Consolidated Statement of Financial Position)

Accumulated depreciation of property, plant and equipment and right-of-use assets: 457,106 million yen

(Notes regarding Consolidated Statement of Income)

Other income includes 1,251 million yen of gain on sale of property, plant and equipment. Other expenses include 90,497 million yen of impairment loss, special retirement allowances of 3,433 million yen associated with the implementation of a voluntary employee retirement program, and 3,634 million yen of transformation-related expenses for measures implemented to promote the creation of more efficient organization aimed at greater value and further improving productivity in order to achieve sustainable growth.

(Notes regarding Consolidated Statement of Changes in Shareholders' Equity)

1. Matters related to the total number of issued and outstanding shares

Type of shares	Number of shares as of January 1, 2025	Number of increased shares for the current consolidated fiscal year	Number of decreased shares for the current consolidated fiscal year	Number of shares at the end of current consolidated fiscal year
Common stock	183,269 thousand shares	–	12,000 thousand shares	171,269 thousand shares

Note: The number of issued and outstanding common shares decreased by 12,000 thousand due to cancellation of treasury shares as resolved by the Board of Directors.

2. Matters concerning dividends of surplus

(1) Dividends paid

Resolution	Type of shares	Total amount of dividends (million yen)	Dividend per share amount (Yen)	Reference date	Effective date
March 26, 2025 Ordinary general meeting of shareholders	Common shares	5,057	28	December 31, 2024	March 28, 2025
August 1, 2025 Board of Directors	Common shares	4,864	28	June 30, 2025	September 1, 2025

Note: The total amount of dividends resolved at March 26, 2025 Ordinary general meeting of shareholders includes 81 million yen for the Company shares held by Executive reward BIP Trust and Stock granting ESOP Trust.

The total amount of dividends resolved at August 1, 2025 Board of Directors includes 77 million yen for the Company shares held by Executive reward BIP Trust and Stock granting ESOP Trust.

(2) Among the dividends whose reference dates belong to the current consolidated fiscal year, the dividends whose effective date come after the end of the current consolidated fiscal year.

Resolution	Type of shares	Total amount of dividends (million yen)	Source of dividends	Dividend per share amount (Yen)	Reference date	Effective date
March 26, 2026 Ordinary general meeting of shareholders	Common shares	5,390	Retained earnings	32	December 31, 2025	March 30, 2026

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

(Notes regarding revenue)

(1) Information disaggregating revenue arising from contracts with customers

The Group's organizational structure is based on the three business segments, which are Vending business, OTC business and Food Service business. Discrete financial information is available for these components of the Group, and operating results are regularly reviewed by the Board of Directors (chief operating decision makers) to make decisions about the allocation of business resources. These business segments purchase, manufacture, and sell carbonated beverages such as Coca-Cola, coffee beverages, tea-based beverages, mineral water, alcohol, and other beverages in Japan. Revenue for sales of these products is recognized primarily at the time of delivery as the customer has obtained control over the products and the performance obligation is satisfied.

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

(Millions of yen)

	Current fiscal year (From January 1, 2025 To December 31, 2025)
Reporting segment	
Vending business	399,880
OTC business	417,949
Food Service business	45,323
Others	30,652
Total	893,805

(2) Information that forms the basis for understanding revenue from contracts with customers
As stated in notes 4. Significant accounting policies (6) Revenue recognition.

(3) Contract balances

①Receivables (accounts and notes receivable) arising from contracts with customers are as follows.

(Millions of yen)

	Beginning Balance (January 1, 2025)	Ending Balance (December 31, 2025)
Receivables arising from contracts with customers		
Accounts and notes receivable	85,715	94,071
Total	85,715	94,071
Contract liabilities (Other current liabilities)	1,424	1,372

Note: Contract liabilities based on a point system for its customers. When we assume that customer will use the points, we recognize as performance obligation and record in contract liabilities, whereby points awarded for the purchase of products can be used for future purchases of the Company's products. The amount of revenue recognized in the current fiscal year that was included in the contract liabilities at the beginning of the period was 1,424 million yen. The amount of revenue recognized from performance obligations in prior periods was not material in the current fiscal year.

②Transaction price allocated to the remaining performance obligation

Information regarding the remaining performance obligation is omitted as there are no significant transactions in which the estimated individual contract periods exceed one year in the Group.

(Notes regarding financial instruments)

1. Matters concerning the situation of financial instruments

(1) Financial risk management

The Groups are exposed to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Group faces a variety of financial risks (credit risk, liquidity risk and market risk (equity price risk, interest rate risk, currency risk and commodity price risk) in the course of conducting business and manages risks in accordance with certain policies to avoid and mitigate these financial risks. The Group's risk management policies are formulated after identifying and analyzing the risks faced by the Group with the aim of appropriately identifying risks and controls and monitoring risks and complying with controls. Risk management policies and systems are reviewed periodically to reflect market conditions and the Group's business activities. The Group conducts training and develops manuals and procedures to maintain a control environment in which all employees understand their roles and disciplines.

Based on our risk management policies, the group utilizes derivative transactions to hedge certain risk exposures. The Group's policy is to utilize derivative transactions to hedge foreign currency exchange and commodity price risks and not to engage in speculative transactions. Our finance division identifies, evaluates, and hedges financial risk.

a. Credit risk

Credit risk is the risk that one party to the financial instrument will be unable to fulfil its obligations and another party will incur financial losses. In the course of our business, the Group is exposed to counterparty credit risk with respect to trade and other receivables and other financial assets (including deposits, securities, and other receivables). The carrying amount after impairment for financial assets presented in the consolidated financial statements is the maximum exposure of the Group of financial assets to credit risk, without taking into account of any collateral held. In addition, the Group has no significant credit risk exposure to any particular counterparty and has no excessive concentration of credit risk with specific managements.

In order to manage credit risk, the Group manages payment due dates and outstanding for each customer in accordance with our internal customer control regulations and monitors the credit standing of our major customer on a regular basis. In order to mitigate the credit risk of derivative transactions, in principle, transactions are limited to financial institutions with high credit ratings.

In addition, the Group calculates allowance for credit loss by classifying receivables based on credit risk characteristics. For trade and lease receivables, the Group always measures allowance for credit loss at the same amount as lifetime expected credit losses. Receivables other than trade and lease receivables, in principle, are measured the allowance for credit loss at the same amount as the 12-month expected credit losses. However, if credit risk increases significantly from the initial recognition date, the Group recognizes the allowance for credit losses at the same amount as the lifetime expected credit losses. The Group determines whether or not the credit risk has increased significantly based on fluctuations in the risk of default, and consideration of the passage of time and deterioration in the financial condition of the obligor. All receivables other than trade receivables for which the Group measures the allowance for credit loss at the same amount as the 12-month expected credit losses are measured on a collective basis.

The amount of expected credit losses related to trade receivables is calculated based on simplified approaches by classifying receivables according to the credit risk characteristics of the counterparty and multiplying by the provision rate reflected historical credit loss rate calculated for each category and forecasts of future economic conditions. The amount of expected credit losses related to receivables other than trade receivables whose credit risk has not increased significantly is calculated based on the principle approach by multiplying by provision rate reflected the historical rate of credit loss of the same type of asset by its carrying amount.

The amount of expected credit losses related to asset whose credit risk has been increased significantly and credit-impaired financial asset is calculated as the difference between the present value of estimated future cash flows discounted by the asset's initial effective interest rate and carrying amount.

b. Liquidity risk

Liquidity risk is the risk that the Group will be unable to pay its obligations on the due date for repayment in the financial liabilities when such obligations become due. The Group manages to secure sufficient funds to meet payment due dates under any circumstances that do not affect the Group's conditions of loss or reputation. Our financial division manages our liquidity risk by maintaining adequate levels of net income and cash balances within our line of credit with banks and by comparing and analyzing actual cash flows and forecast cash flows.

c. Market risk

Market risk is the risk of fluctuations in interest rates, stock prices and other market prices that may affect the value of the Group's revenue and value of securities held by the Group. While optimizing profits, the Group manages market risk exposures to acceptable levels.

(a) Interest rate risk

Loans payable and bonds are fixed interest rates. Accordingly, the impact of changes in interest rates on profit or loss is limited and the Group believes that our interest rate risk is insignificant and has not performed sensitivity analyses such as basis point values.

(b) Stock price risk

The Group is exposed to the risk of fluctuations in stock prices because the Group holds a large number of securities with quoted market prices. Securities with quoted market prices are held for purposes other than trading and are designated primarily as financial assets measured at fair value through the other comprehensive income.

(c) Currency risk

The Coca-Cola Bottlers Japan Co., Ltd., a consolidated subsidiary, purchases raw materials denominated in foreign currencies and is therefore exposed to currency risk, mainly in U.S. dollars. Currency risk arises from forecast transactions, such as future purchases, or from assets and liabilities that are already recognized. The Group utilizes foreign currency forward contracts to hedge its currency risk. Hedge accounting is applied to transactions that meet the criteria for hedge accounting. Receivables and payables denominated in foreign currencies are exposed to the risk of exchange rate fluctuations, but the impact of this risk is limited as it is offset by forward exchange contracts.

(d) Commodity price risk

The Coca-Cola Bottlers Japan Co., Ltd., a consolidated subsidiary, purchases raw materials that are subject to fluctuations in prices due to weather and natural disasters. As a result, the Group is exposed to the commodity price risk of raw materials. The Group enters into commodity swap contracts to hedge the risk of fluctuations in the prices of these raw materials.

2. Classification by level of the fair value hierarchy

(1) 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 fiscal year. There was no transfer between Level 1 and Level 2.

(2) 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:

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)

EBIT Multiple: Corporate Value/EBIT

PBR: Price Book Value Ratio

(3) 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

(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

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 on January 1, 2025	2,231
Purchase	–
Disposals	(6)
Gains recognized in other comprehensive income	104
Other	–
Balance on December 31, 2025	2,329

(4) Financial instrument measured at amortized cost

The amount recorded on consolidated statement of financial position as of December 31, 2025 fair values and the difference between these amounts are as follows.

(Millions of yen)

	Amount recorded on consolidated statement of financial position	Fair values	Difference in amount
Long-term loans payable and bonds	113,903	110,791	3,112

(Note) Long-term loans payable and bonds include the 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:

Loan payable

Loans payable with variable interest rates are calculated using the carrying amount as its fair value because interest rates are considered to reflect market interest rates in the short term. 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.

Bonds payable

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.

(Earning per share information)

Equity attributable to owners of the parent per share 2,292.46 yen

Basic Earnings per share (296.51) yen

Note: 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 year for calculating the amount of equity attributable to owners of the parent per share, basic earnings per share and diluted earnings per share. The weighted average number of common shares deducted was 10,223 thousand shares for the current fiscal year.

(Other notes)**(Assets held for sale)**

The breakdown of Assets held for sale is as follows:

Asset	Amount (Millions of yen)
Land	2,634
Total	2,634

The assets held for sale as of the end of the current consolidated fiscal year relate to sales centers owned by the Group, and have been classified as assets held for sale due to the decision to sell them. The sale of these assets is expected to be completed within the next consolidated fiscal year.

(Impairment loss)

(Millions of yen)

Use	Cash Generating Units	Type	Impairment loss
Business assets	Vending business	Buildings and structures	5,728
		Machinery and vehicles	14,563
		Vending machines	47,986
		Land	3,716
		Contract related intangible asset	16,375
		Subtotal	88,368
Idle assets	Other	Buildings and structures	135
		Machinery and vehicles	1,391
		Land	496
		Software	107
		Subtotal	2,129
		Total	90,497

In applying impairment accounting in accordance with IAS 36 Impairment of Assets, the Group had previously identified the Group as a single cash-generating unit. However, in light of the execution of achieving “Vision 2030,” including the establishment of a management reporting structure by business unit, the Group has identified three cash-generating units: “Vending,” “OTC,” and “Food Service”, from the current fiscal year.

In the current fiscal year, indications of possible impairment were identified for the “Vending” cash-generating unit, and accordingly, an impairment test was performed. As a result, the carrying amount of the assets of this cash-generating unit was reduced to their recoverable amount, and an impairment loss of 88,368 million yen was recognized under “Other Expenses” in the consolidated statement of income. The recoverable amount of 147,469 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

As to the lease assets and idle assets, we determine their potential impairment by grouping individual assets as a minimum unit. In the current fiscal year, we reduced the book value of idle assets to the recoverable amounts and recorded as the impairment losses of 2,129 million yen under “Other Expenses” in the consolidated statement of income. The recoverable amount of idle assets is measured at fair value less costs of disposal. The recoverable amounts of the idle assets are calculated based on the real estate appraisals, etc. The fair value hierarchy is classified as Level 3.

(Sale of subsidiary)

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

In January 2025, the Company 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 current consolidated 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 current fiscal year.

(Subsequent events)

Not applicable.

(Additional information)

(Sale of fixed assets)

The Company decided to sell fixed assets, as described below, following the real estate sales agreements concluded on December 15 and 25, 2025

1. Reason for the sale

As part of our efforts to optimize the balance sheet with the aim of further driving shareholder value through enhanced profitability and capital efficiency, we have decided to transfer the assets listed below in order to further improve capital efficiency.

2. Detail of the assets to be transferred

Name of the asset	Address	Gain on Sales
Totsuka Sales Center (North Site)	Hirado-cho, Totsuka-ku, Yokohama	2,967 million yen
Totsuka Sales Center (South Site)	Shimonagaya, Konan-ku, Yokohama	2,795 million yen
Total		5,763 million yen

Note: The transfer price will not be disclosed at the request of the transferees. The gain on sales represents an approximate amount calculated by deducting the book value and estimated expenses related to the transfer from the transfer price.

3. Overview of the transferees

1) Company name	Tokyo Tatemono Co., Ltd.
2) Address	1-4-16 Yaesu, Chuo-ku, Tokyo
3) Representative	Representative Director, President & Chief Executive Officer, Katsuhito Ozawa
4) Main business	Development, leasing and management of office buildings, retail facilities, and others Development, sales, leasing and management of condominiums and detached houses Sale/purchase, brokerage and consulting for real estate; parking lot development and management Leisure business, Logistics facilities development, asset management business, overseas business, and real estate appraisal
5) Capital	92,451 million yen (as of end of Sep 2025)
6) Establishment	October 1896
7) Net Asset	565,557 million yen (as of end of Sep 2025)
8) Total Asset	2,229,914 million yen (as of end of Sep 2025)
9) Major Shareholders and shareholding ratios	The Master Trust Bank of Japan, Ltd. (Trust Account): 17.7% Custody Bank of Japan, Ltd. (Trust Account): 11.3% Japan Securities Finance Co., Ltd.: 2.4% (As of end of Jun 2025)

We refrain from disclosing the detail of the transferee of Totsuka Sales Center (North Site) at the request of the transferee.

Apart from ordinary business relationships, there are no capital, personnel, or related-party relationships between the Company and its consolidated subsidiary, Coca-Cola Bottlers Japan Inc., and the transferees.

4. Schedule of the transfer

Name of the asset	Contract Date	Delivery Date
Totsuka Sales Center (North Site)	December 25, 2025	March 30, 2026 (scheduled)
Totsuka Sales Center (South Site)	December 15, 2025	March 27, 2026 (scheduled)

Following the delivery of both properties, we plan to continue using them for one year under lease agreements of land to be executed with the transferees

5. Outlook

The gains from the transfer of these fixed assets are expected to be recorded as “gain on sales of fixed assets” in the fiscal year ending December 2026 (approximately 4.6 billion yen) and in the fiscal year ending December 2027 (approximately 1.2 billion yen), related to the land and the building, respectively. The gains to be recorded in the fiscal year ending December 2026 have been incorporated into the full-year financial forecast for that fiscal year, which was announced on February 13.

Non-consolidated Balance Sheet

As of December 31, 2025

(Millions of yen)

Assets		Liabilities	
Current assets:	21,189	Current liabilities:	71,212
Cash and deposits	7,292	Current portion of bonds payable	60,000
Accrued income receivable	45	Other accounts payable	539
Prepaid expenses	38	Accrued expenses payable	5
Short-term loan receivable of subsidiaries and affiliates	13,791	Money entrusted	9,707
Other assets	23	Allowance for bonuses	18
Fixed assets:	397,353	Allowance for bonuses to directors	234
Property, plant, and equipment:	54,455	Allowance for performance-based compensation	168
Buildings	8,946	Other current liabilities	541
Structures	551	Long-term liabilities:	52,178
Tools, instruments, and fixtures	3	Bonds payable	50,000
Land	44,955	Assets retirement obligation	579
Intangible assets:	27	Provision for performance-linked compensation	1,402
Leasehold right	27	Other long-term liabilities	196
Investments and other assets:	342,872	Total liabilities	123,390
Investment securities of subsidiaries and affiliates	342,561	Net assets	
Deferred tax assets	66	Shareholders' equity:	295,152
Other assets	244	Capital stock	15,232
Total assets	418,543	Additional paid-in capital	158,808
		Capital reserve	108,167
		Other additional paid-in capital	50,642
		Retained earnings:	132,710
		Legal reserve	3,317
		Other retained earnings:	129,393
		Reserve for advanced depreciation	665
		General reserve	110,388
		Retained earnings to be carried forward	18,340
		Treasury shares	(11,598)
		Total net assets	295,152
		Total liabilities and net assets	418,543

Note: Amounts less than one million yen are rounded.

Non-consolidated Statement of Income

For the fiscal year ended December 31, 2025

(Millions of yen)

Net operating revenues		13,988
Operating expenses		4,139
Operating income		9,849
Non-operating income:		
Interest and dividend received	70	
Gain on forfeiture of unclaimed dividends	10	
Other non-operating income	1	80
Non-operating expenses:		
Interest expenses	280	
Loss on disposal of fixed assets	64	
Treasury stock acquisition costs	54	
Other expenses	12	410
Recurring income		9,519
Extraordinary profit:		
Gain on sale of fixed assets	821	821
Extraordinary losses:		
Impairment loss	475	475
Income before income taxes		9,865
Income taxes	676	
Income taxes deferred	4	
Net income		9,185

Note: Amounts less than one million yen are rounded.

Non-consolidated Statement of Changes in Shareholders' Equity

For the fiscal year ended December 31, 2025

(Millions of yen)

	Shareholders' equity									Total net assets
	Capital stock	Additional paid-in capital			Retained earnings			Treasury shares	Total shareholders' equity	
		Capital reserve	Other additional paid-in capital	Total additional paid-in capital	Legal reserve	Other retained earnings (Note 1)	Total retained earnings			
Balance as of Jan. 1, 2025	15,232	108,167	80,276	188,443	3,317	130,128	133,445	(11,369)	325,751	325,751
Changes during this term										
Dividends of surplus	–	–	–	–	–	(9,921)	(9,921)	–	(9,921)	(9,921)
Income	–	–	–	–	–	9,185	9,185	–	9,185	9,185
Withdrawal of reserves	–	–	–	–	–	–	–	–	–	–
Acquisition of treasury shares	–	–	–	–	–	–	–	(30,111)	(30,111)	(30,111)
Disposal of treasury shares	–	–	0	0	–	–	–	248	248	248
Cancellation of treasury shares	–	–	(29,634)	(29,634)	–	–	–	29,634	–	–
(Net) Changes in items other than shareholders' equity during this term	–	–	–	–	–	–	–	–	–	–
Total changes during this term	–	–	(29,634)	(29,634)	–	(735)	(735)	(229)	(30,599)	(30,599)
Balance as of Dec. 31, 2025	15,232	108,167	50,642	158,808	3,317	129,393	132,710	(11,598)	295,152	295,152

Note 1: Breakdown of other retained earnings (Millions of yen)

	Other retained earnings			
	Reserve for advanced depreciation	General reserve	Retained earnings to be carried forward	Total other retained earnings
Balance as of Jan. 1, 2025	674	110,388	19,067	130,128
Changes during this term				
Dividends of surplus	–	–	(9,921)	(9,921)
Income	–	–	9,185	9,185
Withdrawal of reserves	(9)	–	9	–
Acquisition of treasury shares	–	–	–	–
Disposal of treasury shares	–	–	–	–
Cancellation of treasury shares	–	–	–	–
(Net) Changes in items other than shareholders' equity during this term	–	–	–	–
Total changes during this term	(9)	–	(726)	(735)
Balance as of Dec. 31, 2025	665	110,388	18,340	129,393

Note 2: Amounts less than one million yen are rounded.

Notes to Non-Consolidated Financial Statements

(Notes on matters concerning significant accounting policies)

1. Accounting policy for measuring securities

(1) Bonds held to maturity

These are measured at amortized cost (straight-line method).

(2) Investment securities of subsidiaries and associates

These are measured at cost determined mainly by the moving-average method

(3) Other securities

With market value:

These are measured by the market value method based on market prices as of the end of the fiscal year (valuation differences are all included in net assets, and the sold cost of securities is determined by the moving-average method).

Without market value:

These are measured at cost determined principally by the moving-average method.

2. Depreciation method used for fixed assets

(1) Tangible fixed assets

Depreciation is calculated by the straight-line method. The main useful life is as follows:

Buildings	2-50 years
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(2) Intangible fixed assets

Amortization is calculated by the straight-line method.

3. Basis for recording provision

(1) Allowance for bonuses

Bonus provision is recognized at the estimated amount to be paid as of the fiscal year, in order to prepare for the payment of bonuses to employees.

(2) Allowance for officers' bonuses

Provision of directors' bonuses is recognized as the estimated amount to be paid as of the fiscal year, in order to prepare for the payment of bonuses to directors and corporate auditors.

(3) Allowance for performance-linked compensation

Performance-linked compensation provision is recognized the estimate amount to be paid as of the fiscal year, in order to prepare for the payment of shares and cash to executive directors and executive officers.

(4) Allowance for retirement benefit

In order to prepare for the payment of retirement benefit, the company records an estimate payment amount as of the end of year. Actuarial gains and losses are amortized from the following fiscal year by the straight-line method over a fixed number of years within the average remaining service period of employees.

4. Accounting standards for income and expenses

The Company's operating revenue consists of real estate rents and dividends income from subsidiaries. The main performance obligation in real estate rents is the provision of goods or services to subsidiaries. Since the performance obligation is satisfied when control of these promised goods or services is transferred to the customer, revenue is recognized when the performance obligation is satisfied. Dividends income is recognized as of the effective date of dividends.

5. Other important matters that form the basis for the preparation of financial statements

Not applicable.

(Application of the "Accounting Standards for Corporate Taxes, Resident Taxes, and Enterprise Taxes," etc.)

The "Accounting Standards for Corporate Taxes, Resident Taxes, and Enterprise Taxes," etc. (ASBJ Statement No. 27, October 28, 2022) and the "Guidance on Accounting Standards for Tax-Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022) have been applied from the current fiscal year. This has no impact on the financial statements.

(Notes regarding changes in presentation method)

(Income Statement)

In the previous fiscal year, "Gain on forfeiture of unclaimed dividends" (10 million yen in the previous fiscal year), which was included in "Other non-operating income" under "Non-operating income," has been presented separately from the current fiscal year due to its increased monetary significance.

In addition, in the previous fiscal year, "Loss on disposal of fixed assets" (3 million yen in the previous fiscal year), which was included in "Other expenses" under "Non-operating expenses," has been presented separately from the current fiscal year due to its increased monetary significance.

(Notes to the Non-Consolidated Balance Sheet)

1. Amount of accumulated depreciation of tangible fixed assets 63,992 million yen
2. Monetary receivables from or payables to subsidiaries and affiliates (excluding the items stated separately in the Balance Sheet)

Short-term monetary receivables	45 million yen
Short-term monetary payables	9,815 million yen

(Notes to Non-Consolidated Statement of Income)

Transaction amount with affiliated company

Net revenues	13,988 million yen
Others (non-operating transactions)	90 million yen

(Notes to Non-Consolidated Statement of Changes in Shareholders' Equity)

Matters concerning class and total number of treasury shares

Type of shares	Shares as of January 1, 2025	Increase in shares for fiscal year 2025	Decrease in shares for fiscal year 2025	Shares as of December 31, 2025
Common shares	5,574thousand shares	12,148 thousand shares	12,167 thousand shares	5,555thousand shares

1. The increase of 12,148 thousand shares in the common shares of treasury shares is due to the purchase of 12,145 thousand shares based on a resolution of the Board of Directors and the purchase of 3 thousand shares constituting less than one unit.
2. The decrease of 12,167 thousand shares in the common shares of treasury shares are due to the cancellation of 12,000 thousand treasury shares based on a resolution of the Board of Directors, delivery of BIP Trusts 82 thousand shares, delivery of ESOP Trusts 85 thousand shares and additional purchase of 0 thousand shares constituting less than one unit.
3. Common shares at the end of fiscal year included 1,179 thousand shares of BIP Trusts and 1,556 thousand shares of ESOP Trusts.

(Notes on deferred tax accounting)**Breakdown of deferred tax assets and deferred tax liabilities by main cause**

Deferred tax assets	
Depreciation	1,685 million yen
Impairment loss	378 million yen
Other	983 million yen
Sub-total of deferred tax assets	3,045 million yen
Allowance for evaluation losses	(1,019) million yen
Total deferred tax assets	2,026 million yen
Deferred tax liabilities	
Reserve for advanced depreciation	(925) million yen
Valuation difference on land	(1,010) million yen
Other	(25) million yen
Total deferred tax liabilities	(1,960) million yen
Net deferred tax assets	66 million yen

(Notes on transactions with related parties)

Subsidiaries, etc.

Type	Name of company	Address	Capital or investment amount (million yen)	Line of business	Ownership of voting rights (%)	Relationship		Description of transaction	Transaction amount (million yen)	Accounting item	Year-end balance (million yen)
						Interlocking directorate	Business relationship				
Subsidiary	Coca-Cola Bottlers Japan Inc.	Minato-ku, Tokyo	100	Manufacture and sales of beverage and food products	Owned 100.0	concurrent post 2	Lending of funds	Lending of funds	4,980	Receivables from subsidiaries and affiliates	7,051
							Net revenues	Net revenues		Operating accrued income receivable	–

(Notes)

1. The transaction amount does not include consumption tax. Year-end balance includes consumption tax, etc.
2. Transaction terms and conditions and the policy for deciding on these terms and conditions

Terms and conditions for the transaction with Coca-Cola Bottlers Japan Inc.

With regard to the lending of funds, the interest rate on loans is determined in consideration of market interest rates. In addition, the Company has adopted a cash management system for the purpose of improving the group's funds efficiency. Also, transaction amounts are stated in net value.

Regarding net revenues, it is accompanied by real estate leasing and is determined based on certain rational standards.

Type	Name of company	Address	Capital or investment amount (million yen)	Line of business	Ownership of voting rights (%)	Relationship		Description of transaction	Transaction amount (million yen)	Accounting item	Year-end balance (million yen)
						Interlocking directorate	Business relationship				
Subsidiary	Coca-Cola Bottlers Japan Vending Inc.	Minato-ku, Tokyo	80	Operational business of vending machines	Owned 100.0	–	Lending of funds	Lending of funds	–	Receivables from subsidiaries and affiliates	5,524

(Notes)

1. The transaction amount does not include consumption tax. Year-end balance includes consumption tax, etc.
2. Transaction terms and conditions and the policy for deciding on these terms and conditions

Terms and conditions for the transaction with Coca-Cola Bottlers Japan Vending Inc.

With regard to the lending of funds, the interest rate on loans is determined in consideration of market interest rates. In addition, the Company has adopted a cash management system for the purpose of improving the group's funds efficiency.

(Notes on impairment loss)

In the current fiscal year, the Company recorded an impairment loss on the following asset groups.

Region	Use	Number of locations	Type	Impairment loss (million yen)
Chugoku	Idle asset	1	Buildings	3
			Structures	0
			Land	42
Kyusyu	Idle asset	4	Buildings	5
			Structures	1
			Land	425

The Company has divided assets for business use into groups by business unit that generates cash continuously based on management accounting system. As for rental property and idle assets, each individual property is recognized as the smallest grouping unit in order to detect and judge any sign of impairment.

For the current fiscal year, of the idle assets of which market value, etc. decreased, the book values of certain pieces of land, buildings and structures in the target locations are reduced to their recoverable amounts, and the amount of reduction is recognized as impairment loss.

The recoverable amounts of idle assets are calculated based on the valuation by real estate appraiser, etc.

(Notes on per share information)

Net assets per share 1,781.10 yen

Income per share 53.65 yen

Note: We have introduced 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 average number of shares during the period for calculating the amount of net assets per share and income per share. The average number of treasury shares deducted was 10,223 thousand shares for current fiscal year.

(Revenue Recognition Related)

Information that forms the basis of understanding revenue arising from contracts with customers is as stated in “(Significant accounting policies) 4. Accounting standards for income and expenses.”

(Significant subsequent events)

Not applicable.

Independent Auditor's Report

Independent Auditor's Report

February 16, 2026

The Board of Directors

Coca-Cola Bottlers Japan Holdings, Inc.

Ernst & Young ShinNihon LLC
Tokyo Office

Makoto Matsumura (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Keita Tsujimoto (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Keisuke Kishi (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the consolidated financial statements, comprising the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of Coca-Cola Bottlers Japan Holdings, Inc. for the fiscal year from January 1, 2025 to December 31, 2025 in accordance with Article 444, Paragraph 4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and the results of operations of Coca-Cola Bottlers Japan Holdings, Inc. and its consolidated subsidiaries for the period, for which the consolidated financial statements were prepared, in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting which allows companies to prepare consolidated financial statements with the omission of some disclosure items required under Designated International Financial Reporting Standards.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics (Including provisions applicable to audits of financial statements of entities with significant social impact.) in Japan and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Description

The other description consists of the business report and the supplementary schedules. Management is responsible for preparing and disclosing the other description. The Audit & Supervisory Committee is responsible for monitoring the execution of the duties of the Directors related to designing and operating the reporting process of the other description.

Our audit opinion on the consolidated financial statements does not include any other description and we express no opinion on such other description.

In auditing the consolidated financial statements, we are responsible for reading through the other description, and in the process of reading it through, reviewing whether there are any material discrepancies between the other description and the consolidated financial statements or the knowledge that we gained during our auditing process, and paying attention to any signs of material misstatement in other description in addition to such material discrepancies.

When we judge that there is any material misstatement in other description based on the tasks that we performed, we are required to report such fact.

We have found no matters to report with regard to the other description.

Responsibilities of Management and the Audit & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting which allows companies to prepare consolidated financial statements with the omission of some disclosure items required under Designated International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting which allows companies to prepare consolidated financial statements with the omission of some disclosure items required under Designated International Financial Reporting Standards.

The Audit & Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting which allows companies to prepare consolidated financial statements with the omission of some disclosure items required under Designated International Financial Reporting Standards, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Plan and perform an audit of the consolidated financial statements in order to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries which forms the basis for expressing an opinion on the consolidated financial statements. The auditor is responsible for directing, supervising, and reviewing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence, and if any measures have been taken to remove disincentives and any safeguards that are applied to reduce disincentives to an acceptable level.

Other Matter

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act.

Independent Auditor's Report

Independent Auditor's Report

February 16, 2026

The Board of Directors
Coca-Cola Bottlers Japan Holdings, Inc.

Ernst & Young ShinNihon LLC
Tokyo Office

Makoto Matsumura (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Keita Tsujimoto (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Keisuke Kishi (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the financial statements, comprising the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the supplementary schedules of Coca-Cola Bottlers Japan Holdings, Inc. for the fiscal year from January 1, 2025 to December 31, 2025 in accordance with Article 436, Paragraph 2-(i) of the Companies Act.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of Coca-Cola Bottlers Japan Holdings, Inc. for the period, for which the financial statements and the supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics (Including provisions applicable to audits of financial statements of entities with significant social impact) in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Description

The other description consists of the business report and the supplementary schedules. Management is responsible for preparing and disclosing the other description. The Audit & Supervisory Committee is responsible for monitoring the execution of the duties of the Directors related to designing and operating the reporting process of the other description.

Our audit opinion on the financial statements and the accompanying supplementary schedules does not include the other description and we express no opinion on the other description.

In auditing the financial statements and the accompanying supplementary schedules, we are responsible for reading through the other description, and in the process of reading it through, reviewing whether there are any material discrepancies between the other description and the financial statements and the accompanying supplementary schedules or the knowledge that we gained during our auditing process, and paying attention to any signs of material misstatement in other description in addition to such material discrepancies.

When we judge that there is any material misstatement in other description based on the tasks that we performed, we are required to report such fact.

We have found no matters to report with regard to the other description.

Responsibilities of Management and the Audit & Supervisory Committee for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

The Audit & Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our responsibility is to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.
- To express an opinion on the financial statements and the accompanying supplementary schedules, obtain sufficient and appropriate audit evidence relating to the financial information on components, which is included in the financial statements and the accompanying supplementary schedules. The auditor is responsible for giving instructions on, monitoring, and performing audits relating to the financial information on components. The auditor is solely responsible for audit opinions.

The auditor reports to the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence, and if any measures have been taken to remove disincentives and any safeguards that are applied to reduce disincentives to an acceptable level.

Other Matter

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act.

Audit Report

Audit Report

We, as the Audit & Supervisory Committee (“A&S Committee”) conducted audits relating to the execution of duties by directors during FY 2025 business year from January 1, 2025 to December 31,2025, and hereby report the method of audits and results as follows.

1. Method of audits and the details

A&S Committee received regular reports from directors and employees on the content of resolutions of the board of directors regarding matters prescribed in Paragraph 1 (i) (b) and (c) of Article 399-13 of the Companies Act and the status of building and operation of the internal control system which had been developed based on the board resolutions, requested further explanations as needed, explained its opinions and conducted audits as below:

① A&S Committee members participated in important meetings in accordance with the audit policy specified by the Committee in cooperation with the company’s internal control department. A&S Committee received reports relating to the execution of duties by directors from directors and employees, requested further explanations as needed, and examined the process and details of decision-making at important meetings, etc. as well as the status of business and assets.

A&S Committee also received reports on the status of subsidiaries’ business as needed by communicating and exchanging information with directors, auditors, etc. of the subsidiaries.

② A&S Committee examined the basic policies (specified according to Article 118 (iii)(a) of the Companies Act) and the special efforts (specified according to Article 118 (iii)(b) of the Companies Act) described in the business reports in light of the status of deliberations at the board of directors and other meetings.

③ A&S Committee members conducted audits to ensure that accounting auditors kept independence and conducted appropriate accounting audits, while receiving reports on the execution of duties by them and requesting further explanations as needed. In addition, A&S Committee received notification by accounting auditors that they were developing a “structure to secure appropriate execution of duties by directors” in accordance with the “quality control standards relating to audits”, etc., and requested further explanations as needed.

Based on the above outlined method, we examined the business reports and their detailed statements, the financial statements and their detailed statements, as well as the consolidated financial statements relating to the business year in question.

2. Audit Results

(1) Result of Audit of Business Reports, etc.

- ① We acknowledge that the business reports and detailed statements correctly indicate the company's situation in accordance with laws and regulations and the Articles of Incorporation.
- ② We acknowledge that there is no misconduct relating to the director's execution of duties or any significant facts that violate laws and regulations or the Articles of Incorporation.
- ③ We acknowledge that the details of resolutions of the board of directors relating to the internal control system are appropriate. Furthermore, we acknowledge that there is no point of concern to be indicated regarding the details stated in business reports relating to internal control systems and the execution of duties by the director. We also received reports from directors and ERNST & YOUNG SHIN NIHON LLC that they acknowledged the internal control relating to financial reporting was valid as of preparation of this Audit Report.
- ④ We acknowledge that there is no point of concern to be indicated regarding the basic policies relating to control of the company described in the business reports. We acknowledge that the special effort described in the business reports (specified according to Article 118 (iii) (b) of the Companies Act) is consistent with the basic policies, does not harm the common interests of shareholders of the company, and is not intended to maintain the position of officers of the company.

(2) Results of Audit of Financial Statements and Detailed Statements

We acknowledge that the method and results of the audit by ERNST & YOUNG SHIN NIHON LLC are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We acknowledge that the method and results of the audit by ERNST & YOUNG SHIN NIHON LLC are appropriate.

February 16, 2026

Audit & Supervisory Committee, Coca-Cola Bottlers Japan Holdings Inc.

Audit & Supervisory Committee Member	Stacy Apter
Audit & Supervisory Committee Member	Nami Hamada
Audit & Supervisory Committee Member	Sanket Ray
Audit & Supervisory Committee Member	Rika Saeki

(Note) Audit & Supervisory Committee Member Stacy Apter, Audit & Supervisory Committee Member Nami Hamada, Audit & Supervisory Committee Member Sanket Ray and Audit & Supervisory Committee Member Rika Saeki are External Auditors provided for in Article 2-15 and Article 331-6 of the Companies Act.

We bottle happy moments.

Coca-Cola

BOTTLERS JAPAN HOLDINGS INC.