

First Quarter 2023 Earnings Presentation

May 15, 2023

Coca-Cola Bottlers Japan Holdings Inc.

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(Posted to CCBJH website on May 12, 2023)

The logo features the iconic Coca-Cola script in red and white, followed by the text "BOTTTLERS JAPAN HOLDINGS INC." in a bold, white, sans-serif font.



Coca-Cola Bottlers Japan Holdings Inc. (CCBJH)

First Quarter 2023 Earnings Presentation

Q1 2023 Results

Marketing Update

Outlook

Q1 2023 Results

Q1 2023 Overview

- ❗ Achieved strong revenue growth of about 8%. In addition to price revision benefits, commercial activities drove 4% increase in volume by capturing traffic recovery.
- ❗ Benefits of the price revisions implemented in the previous year materialized as planned. Wholesale revenue per case improved across all channels.
- ❗ Business income improved by about 3 billion yen from the previous year. Top line growth contributed significantly to profitability improvement despite continued commodity and forex impact.
- ❗ Preparations for can and large PET price revisions progressed as planned. Effective as of May 1 shipment.

Strong Top Line Growth

Achieved both wholesale revenue per case and sales volume growth

Revenue
Growth
+ 8 %



Wholesale Revenue Per Case Improvement

- Price revisions executed with agility and speed.
- Careful negotiations with customers.
- Maintain shipment prices with discipline.

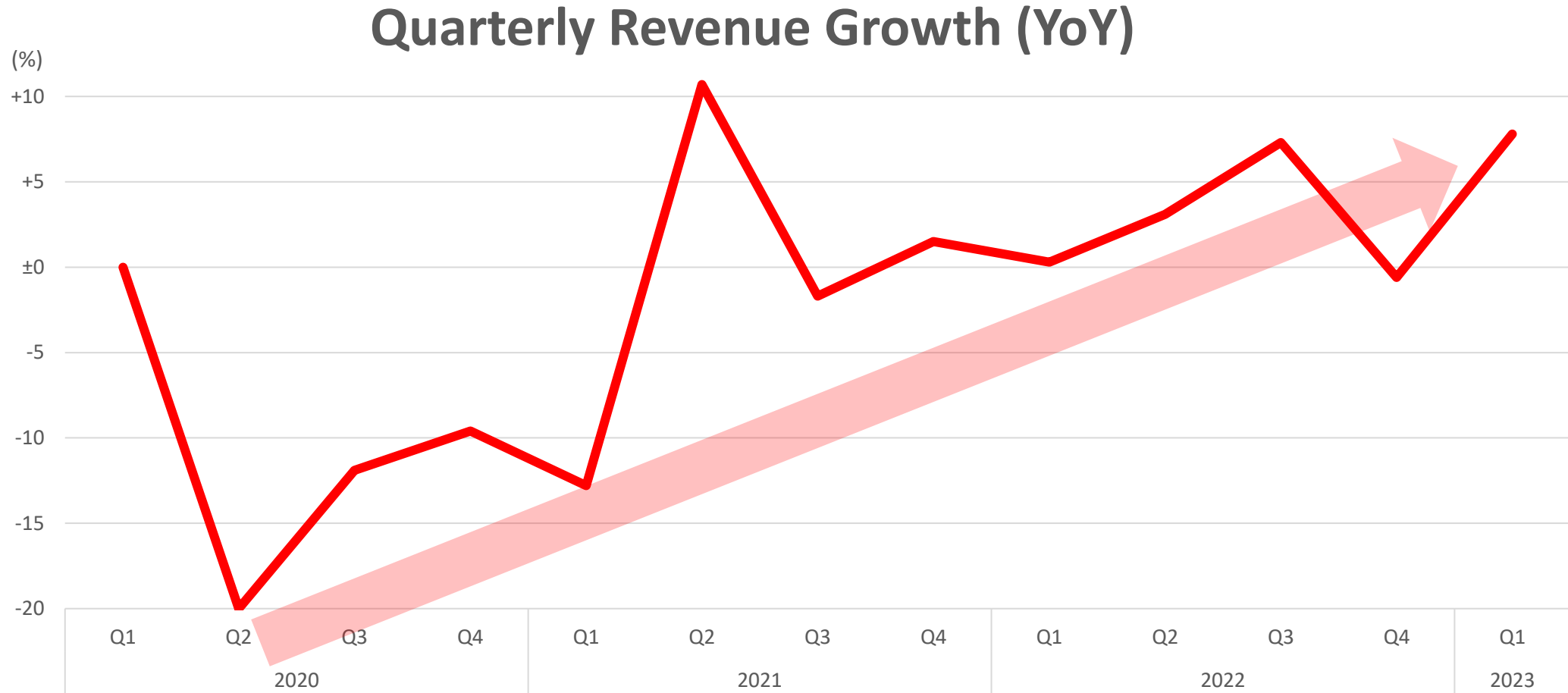


Sales Volume Growth

- Maximized opportunity to capture the traffic recovery to minimize volume impact from price revisions.
- Strengthen new product expansion and initiatives to expand sales space.

Top Line Heading in an Uptrend

Volume growth and profitability improvement initiatives gradually taking effect



Q1 2023 Results (vs 2022)

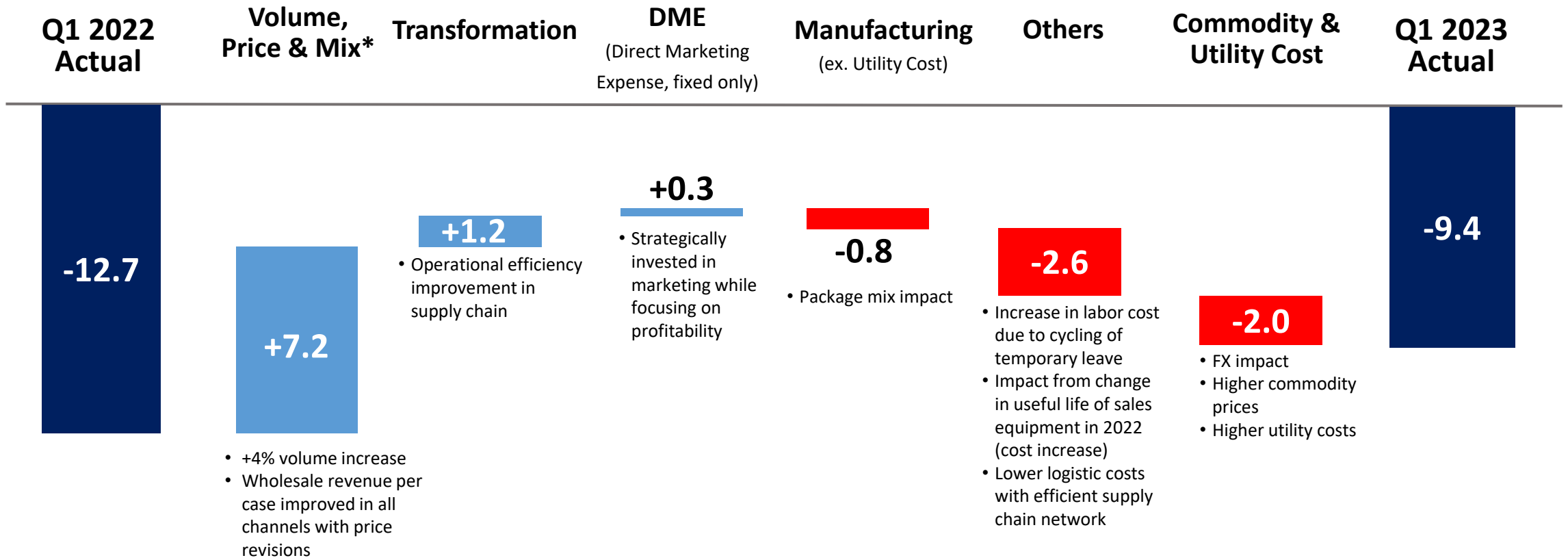
Unit: Million JPY

	Q1 2023 Actual	Q1 2022 Actual	YoY
Revenue	182,063	168,853	+7.8%
Sales Volume (Million Cases)	104	100	+4%
NARTD (Non-alcoholic ready to drink) Beverage Volume (Million Cases)	103	99	+4%
COGS	103,322	96,842	+6.7%
Gross Profit	78,741	72,011	+9.3%
SG&A	88,002	84,892	+3.7%
Business Income (Loss)	(9,437)	(12,749)	-
Operating Income (Loss)	(9,160)	(9,670)	-
Net Income (Loss) attributable to owners of parent	(6,459)	(6,568)	-

Note: Some inconsistencies with the volume data provided in past presentations may be expected as a result of standardization of volume and revenue calculation.

Q1 2023 Drivers of Business Income (vs 2022)

Top line growth improving profitability despite external cost pressures



(Unit: B JPY)	Q1 2023	vs PY	Full-year Plan
Capex	5.6	Flat	37.0
Depreciation	11.4	Flat	47.2

Note: Capex not including IFRS16 non cash items.

Unit: B JPY
(Rounding off less than unit)

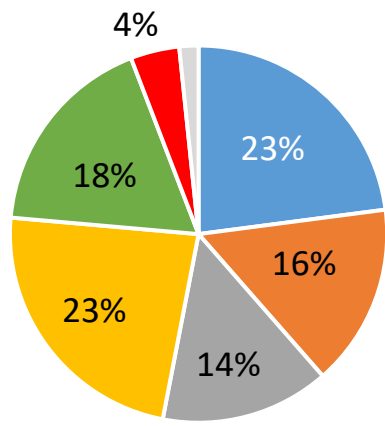
*Volume, Price & mix represent marginal profit of our commercial activities including variable costs and deduction from revenue in IFRS.

Q1 2023 NARTD Beverage Sales by Channel/Category (vs 2022)

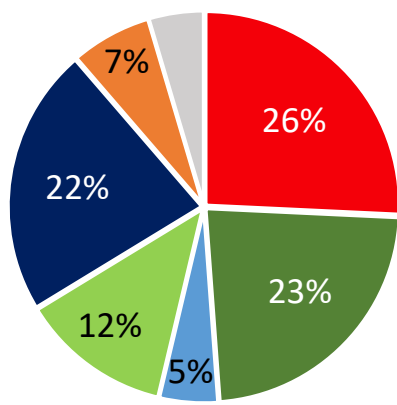
- 4% volume growth. Capturing traffic recovery demand despite price revision impacts.
- Wholesale revenue per case improved in all channels from price revision benefits.
- Vending impacted by price revisions, but grew wholesale revenue per case and volume.
- R&F grew with recovering restaurant demand. D&D grew with the recovery in large PET.
- SM and CVS continued to be impacted by price revisions.
- Sparkling grew for Coca-Cola brand. Strong water growth with new package design.

Sales Volume +4%

Channel	Volume	Wholesale revenue per case (Yen)
Supermarket (SM)	-3%	+65
Drug & Discounter (D&D)	+3%	+60
Convenience Store (CVS)	-1%	+49
Vending (VM)	+1%	+167
Retail & Food (R&F)	+23%	+47
Online	+3%	+10



Category	Volume
Sparkling	+6%
Tea	-5%
Sports	-8%
Water	+20%
Coffee	+2%
Juice	+20%



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

Building Foundation for Value Share Growth

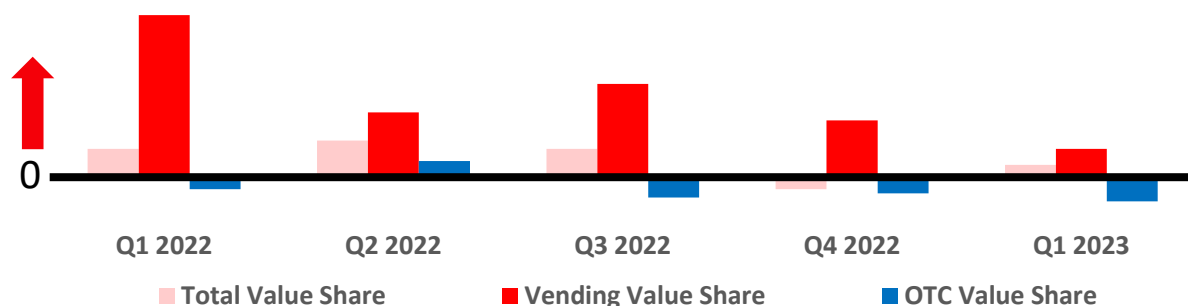
- Total channel value share grew by 0.3 pts.
- Vending market share continued to grow, but OTC channel market share trend impacted by price revisions.
- OTC retail price improved from the previous year with price revisions. Maintained the price premium vs. market average.

Market Share (Jan. to March, vs PY, Pts)	Value	Volume
Total (CCBJH Area)	+0.3	+0.3
Vending	+0.7	+0.5
Over the Counter (OTC)	-0.6	-0.4

OTC Retail Price (Jan. to March, JPY per bottle)	vs Market Average	vs PY
Small PET	+11.0	+15.0
Large PET	+20.5	+3.2

Source: Intage SRI+ soft drink market Small PET (351~650ml), Large PET products (1.251L~)
 CCBJH Area Jan-March 2023
 Market Ave: CCBJH avg. retail price (bottles) / market avg. retail price (bottles)
 YoY: CCBJH retail price (bottles) / previous year actuals

Quarterly Value Share (vs. PY, Pts Chg)

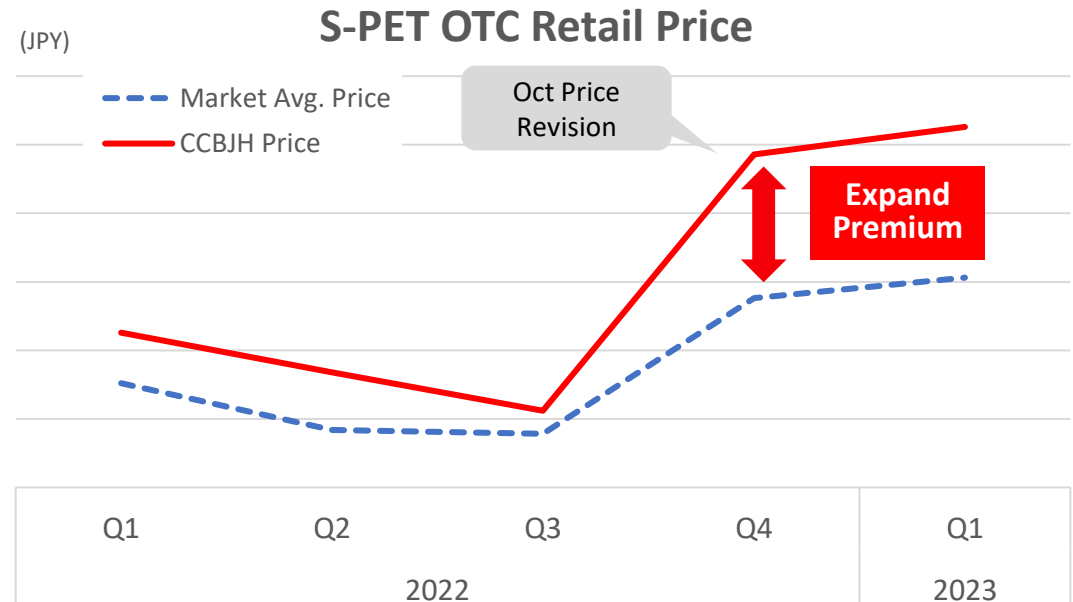
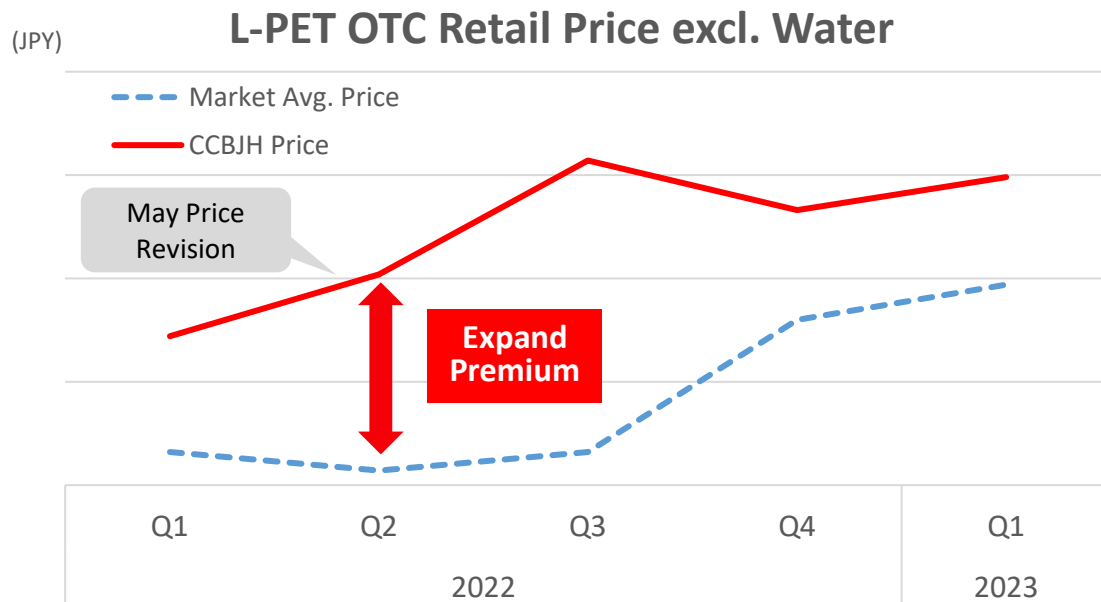


Source: Coca-Cola Japan Internal Estimate

Retail Price Trends in OTC Channel

Following two rounds of price revisions, retail prices trending favorably

- Retail price for large PET & small PET maintained higher levels after price revisions.
- Large PET: Leading the market with price revisions in May, 2022. Volume was initially impacted by the retail price differences with the market average price, but shipment prices were maintained with discipline.
- Small PET: Speedy implementation of the price revisions with strong determination resulted in the expansion of the price premium.

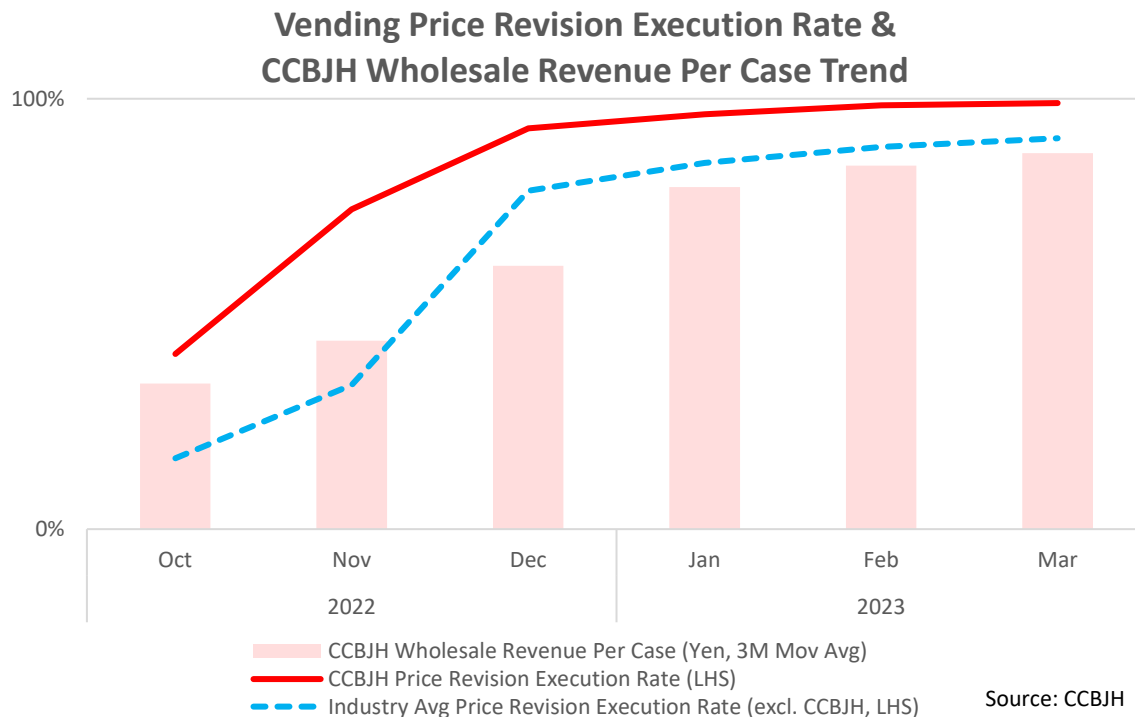


Source: Intage SRI+ soft drink market Small PET (351~650ml), Large PET products excl. water (1.251L~)
 CCBJH Area Jan 2022 - March 2023
 CCBJH: Avg. retail price (bottles) / Market Avg. price: Market avg. retail price (bottles)

Vending Continues Recovery with Higher Price

Agile operations, strong market share base allowing early price revision effect realization

- Agile operations leading to be one of the first in the industry to complete the price reflections in vending machines.
- Wholesale revenue per case improvement materialized early on.
- Minimized volume decline impact from price revisions by leveraging market share base and Coke ON user base, strengthening product lineup including new products and implementing vending channel exclusive campaigns.



Sales Activities

Growth Foundation



Product Lineup Optimization by Location



Vending Exclusive Campaigns



10 Months Consecutive Growth

Value Share

46 Million

Coke ON Download

※As of April

App Downloads

ESG Initiatives

Advancing sustainability management with customers and local government

----- Major Initiatives -----

----- Values -----

Customer Collaboration

- 🔥 Collaboration with Family Mart in promoting SDGs.
- 🔥 Collaborated with Seven & i to launch fourth 100% closed recyclable PET bottle.
- 🔥 “Bottle to Bottle” collaboration with Sugi Pharmacy.



Local Government Collaboration

- 🔥 “Bottle to Bottle” collaborations with cities of Numazu in Shizuoka, Nishinomiya in Hyogo, etc.
- 🔥 In cooperation with Saitama and Urawa Reds F.C., launched Circular Economy Demonstration Experiment at Saitama Stadium 2002.



In-house Initiatives

- 🔥 Co-sponsor of Tokyo Rainbow Pride 2023 event, celebrating LGBTQ.
- 🔥 Water replenishment rate increased to 420%* focusing on watersheds near plants
- 🔥 About 940 K bottles* of Coca-Cola products donated to Food Bank Organizations.



Newly acquired certifications:

Ministry of the Environment: Eco-First ; CDP: Supplier Engagement Leader



Contribute to expanding business opportunities through collaboration



Reduce environmental impact through recycling-oriented society



Increase profits through preferential bidding as certified company

*2022 results

Marketing Update

Q1 2023 Initiative Review

Successfully grew KO NARTD value share (+0.3pts)[※] with strong renewal & activations in core, new innovations and digitally driven new ways of marketing

CORE

CokeTM with Meat Campaign



GEORGIA TM Re-launch



COSTA Coffee Core Renewal



INNOVATIONS

Ayataka Koi-Green tea FFC



GEORGIA Dessert Latte series



Karada Refresh-cha W FFC



MARKETING TRANSFORMATION

Digital x GenZ culture for GEORGIA Re-launch

Photo turning into illustration



Coke TM “Which great taste do you like?”

Coke ON + Unique ID code Laser Printing on Cap



※Coca-Cola Japan Internal Estimate

Q2 2023 Initiative Highlights

Expand user base and drinking occasions through core enhancement & new Innovations by transforming the way of marketing

CORE

Ayataka TM
Early Summer
Campaign



Kochakaden TM
Renewal



I LOHAS TM
Brand Restage



INNOVATIONS

AQUARIUS
NEWATER



Jack Daniel's &
Coca-Cola



Lemon Dou
Sukkiri Lemon



MARKETING TRANSFORMATION

AQUARIUS Ad. (TV, Digital, OOH)
linked to temperatures by region



Jack Daniel's & Coca-Cola
Drive digital and real consumer experience



OOH



Digital

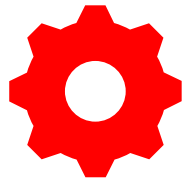


Experiential event

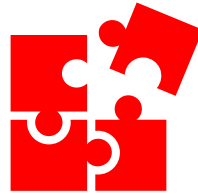
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2023 Marketing Strategy

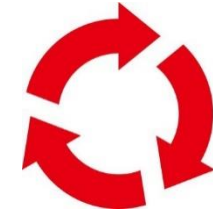
Strengthen the core & continue to focus on scalable innovation with target relevant and effective marketing



**STRENGTHEN
THE CORE**



**FEWER, BIGGER
INNOVATIONS**



**MARKETING
TRANSFORMATION**



**FURTHER ACCELERATE
KO SYSTEM COLLABORATION**

Outlook

Outlook

Top priority on profitability improvement, while business environment requires monitoring

Operating Environment

- Traffic recovery expected to continue, while cycling impact of last year's early end to the rainy season and heat wave is expected.
- Impact from commodities and forex to continue.
- Inflation impact on consumer sentiment may materialize.

Key Initiatives and Progress

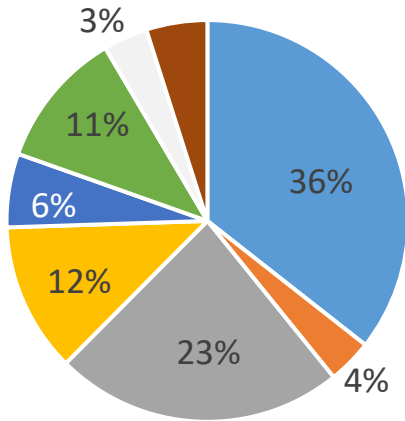
Price Revisions	<ul style="list-style-type: none">• Disciplined market execution of May price revisions for can and large PET.• Continue to seriously consider further price revisions, while monitoring market conditions.
Profitability Focused Commercial Activities	<ul style="list-style-type: none">• Key commercial activities delivering results.• Strengthen new product launches and sales space expansion to grow revenue.• Maintained flat volume in April despite continued impact from price revisions on volume.
Supply Foundation Supporting Growth	<ul style="list-style-type: none">• Enhance agility to demand fluctuations through S&OP process with improved accuracy of demand forecasting and leveraging Mega DCs.• New production line at Ebina plant, strengthening production capacity of high-value add products.
Driving Transformation	<ul style="list-style-type: none">• Operational transformation in supply chain to realize cost savings.

Summary

- ▶ Profitability improved by about 5 billion yen, for the elements under our control.
- ▶ Price revisions implemented with strong determination made a significant contribution to revenue growth.
- ▶ Key initiatives are delivering results, confident that our strategy is the right one.
- ▶ Continue commercial activities with profitability focus to achieve top-line growth by maximizing market recovery opportunities and achieve the full-year profitability improvement target.

Appendix

Q1 2023 NARTD Beverage Sales by Package (vs 2022)



Package	Volume
S-PET	-5%
M-PET	+8%
L-PET	+3%
Can	+8%
Bottle Can	-3%
Syrup	+31%
Powder	+28%

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

Note: Volume doesn't include alcohol. Some inconsistencies with the volume data provided in past presentations may be expected as a result of standardization of volume and revenue calculation.

Staying True to Our Mission, Vision, Values



Mission

*Deliver happy moments
to everyone while creating value*

Vision

- *We are the preferred partner for our customers*
- *We win in the market through sustainable growth*
- *We lead a learning culture with commitment to grow*
- *We are the best place to work with pride for Coca-Cola*

Values

- *Learning*
- *Agility*
- *Result-orientation*
- *Integrity*



THANK YOU

Investor Relations

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Forward-looking Statements

The plans, performance forecasts, and strategies appearing in this material are based on the assumptions and judgment of the management of Coca-Cola Bottlers Japan Holdings Inc. (CCBJH or Company) in view of data obtained as of the date this material was released. These forecasts may differ materially from actual performance due to risks and uncertain factors such as those listed below.

Risks and uncertain factors are not limited to the items listed below. They are also included in our annual securities report, or “Yuka Shoken Houkokusho”.

- Agreements with The Coca-Cola Company and Coca-Cola (Japan) Company Limited.
- The quality and safety of products
- Market competition
- Natural environment, such as climate, disaster, water resources, etc.
- Legal environment
- Leakage or loss of information
- Change of economic conditions, such as personal consumption, currency exchange rates, prices of raw materials, fair value of assets, etc.
- Business integration, streamlining and optimization of business processes, etc.
- Uncertain factors other than those above

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