

**Supplementary Material on Consolidated Financial Results for the First Six Months of the Year Ending December 31, 2023**

<Results for the First Six Months of the Year Ending December 31, 2023>

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**Suntory Beverage & Food Limited**

**August 9, 2023**

<Results for the First Six Months of the Year Ending December 31, 2023>

**1. Summary of Consolidated Statement of Profit or Loss, Indices, etc.**

(1) Summary of Consolidated Statement of Profit or Loss

(Billions of yen with fractional amounts rounded off)

	Six months ended June 30, 2022		Six months ended June 30, 2023		Increase (decrease)	
		Ratio to revenue		Ratio to revenue		
Revenue	679.0	100.0%	749.1	100.0%	70.1	10.3%
Gross profit	267.8	39.4%	280.8	37.5%	13.0	4.9%
Selling, general and administrative expenses	203.2	29.9%	211.6	28.2%	8.4	4.1%
Gain on investments accounted for using the equity method	0.1	0.0%	0.2	0.0%	0.1	159.3%
Other income	17.4	2.6%	1.5	0.2%	(15.9)	(91.6)%
Other expenses	1.7	0.2%	2.0	0.3%	0.4	22.4%
Operating income	80.4	11.8%	68.8	9.2%	(11.5)	(14.4)%
Finance income	0.8	0.1%	1.8	0.2%	1.0	120.3%
Finance costs	1.0	0.1%	1.3	0.2%	0.3	30.7%
Profit before tax for the period	80.2	11.8%	69.4	9.3%	(10.8)	(13.5)%
Income tax expense	22.1	3.3%	19.9	2.7%	(2.2)	(10.1)%
Profit for the period	58.1	8.6%	49.5	6.6%	(8.6)	(14.8)%
Profit for the period attributable to non-controlling interests	9.4	1.4%	11.1	1.5%	1.7	18.5%
Profit for the period attributable to owners of the Company	48.7	7.2%	38.4	5.1%	(10.4)	(21.3)%

## (2) Other Indices

(Billions of yen)

		Six months ended June 30, 2022		Six months ended June 30, 2023		Increase (decrease)	
Depreciation		35.1		35.9		0.8	2.2%
Operating income	Operating margin	80.4	11.8%	68.8	9.2%	(11.5)	(14.4)%
EBITDA *1	EBITDA margin	99.7	14.7%	105.0	14.0%	5.2	5.2%

\*1 EBITDA is calculated as operating income - other income + other expenses + depreciation.

	As at December 31, 2022	As at June 30, 2023	Increase (decrease)	
Total assets	1,783.3	1,949.9	166.5	9.3%
Total equity	1,060.1	1,171.4	111.3	10.5%
D/E ratio (Times) *2	(0.03)	(0.02)		

\*2 D/E ratio is calculated as (interest-bearing debt - cash and cash equivalents ± valuation difference from adopting hedge accounting, etc.) / total equity.

## (3) Exchange Rates for the Consolidation of Profit or Loss of the Major Overseas Companies

(Yen, average exchange rate)

	Six months ended June 30, 2022	Six months ended June 30, 2023
USD	123.2	135.0
EUR	134.4	145.9
GBP	159.6	166.7
SGD	90.2	101.0
THB	3.7	4.0
VND	0.0054	0.0057
NZD	81.6	84.2
AUD	88.6	91.3

## 2. Revenue Details

(Billions of yen with fractional amounts rounded off)

	Six months ended June 30, 2022	Six months ended June 30, 2023	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	305.9	328.2	22.3	7.3%	–	
Asia Pacific	170.0	182.7	12.7	7.5%	0.9%	*
Europe	144.7	164.5	19.8	13.7%	6.4%	*
Americas	58.5	73.8	15.4	26.3%	15.2%	
Reconciliations	–	–	–	–	–	
Consolidation total	679.0	749.1	70.1	10.3%	6.2%	

\* Due to the organizational changes, the Africa business, which was previously reported in the “Asia Pacific business,” has been reclassified to the “Europe business” from the “Asia Pacific business,” starting from the three months ended March 31, 2023. Accordingly, the information for the six months ended June 30, 2022 is presented based on the reportable segments after the reclassification.

## 3. Profit Details

### (1) EBITDA

(Billions of yen)

	Six months ended June 30, 2022	Six months ended June 30, 2023	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	32.0	33.6	1.6	5.1%	–	
Asia Pacific	33.4	30.9	(2.5)	(7.6)%	(11.3)%	*1
Europe	29.0	33.2	4.2	14.5%	7.1%	*1
Americas	9.5	12.0	2.5	26.2%	15.2%	
Reconciliations	(4.2)	(4.8)	(0.6)	–	–	*2
Consolidation total	99.7	105.0	5.2	5.2%	0.9%	

\*1 Due to the organizational changes, the Africa business, which was previously reported in the “Asia Pacific business,” has been reclassified to the “Europe business” from the “Asia Pacific business,” starting from the three months ended March 31, 2023. Accordingly, the information for the six months ended June 30, 2022 is presented based on the reportable segments after the reclassification.

\*2 “Reconciliations” to segment EBITDA represents overhead costs incurred by the Company to manage the Group’s operations and is not allocated to each reportable segment.

### (2) Segment Profit

(Billions of yen)

	Six months ended June 30, 2022	Six months ended June 30, 2023	Increase (decrease)		Increase (decrease) currency neutral	Reference
Japan	14.1	17.0	2.9	20.8%	–	
Asia Pacific	40.5	22.5	(18.0)	(44.4)%	(46.7)%	*1
Europe	24.1	26.2	2.1	8.8%	2.0%	*1
Americas	7.4	9.4	2.0	27.7%	16.5%	
Reconciliations	(5.7)	(6.4)	(0.7)	–	–	*2
Consolidation total	80.4	68.8	(11.5)	(14.4)%	(18.4)%	

\*1 Due to the organizational changes, the Africa business, which was previously reported in the “Asia Pacific business,” has been reclassified to the “Europe business” from the “Asia Pacific business,” starting from the three months ended March 31, 2023. Accordingly, the information for the six months ended June 30, 2022 is presented based on the reportable segments after the reclassification.

\*2 “Reconciliations” to segment profit represents overhead costs incurred by the Company to manage the Group’s operations and is not allocated to each reportable segment.

### (3) Breakdown of Increase (Decrease) in Segment Profit for Japan Business Segment

(Billions of yen)

Segment profit for the six months ended June 30, 2022, Actual	14.1
Increase in revenue	22.3
Increase in cost of goods sold	(18.2)
Increase in sales promotion and advertising costs	(0.3)
Increase in other expenses	(0.8)
Segment profit for the six months ended June 30, 2023, Actual	17.0

#### 4. Summary of Consolidated Statement of Financial Position

(Billions of yen with fractional amounts rounded off)

	As at December 31, 2022	As at June 30, 2023	Increase (decrease)	Reference
Cash and cash equivalents	200.6	183.8	(16.8)	
Trade and other receivables	271.0	333.2	62.3	*1
Other financial assets	3.1	2.9	(0.3)	
Inventories	106.1	133.4	27.3	*1
Other current assets	25.6	28.8	3.2	
<b>Current assets</b>	<b>606.4</b>	<b>682.0</b>	<b>75.7</b>	
Property, plant and equipment	381.5	401.4	19.9	*2
Right-of-use assets	48.8	52.6	3.7	
Goodwill	264.6	278.5	13.9	*2
Intangible assets	452.4	501.4	49.0	*2
Investments accounted for using the equity method	1.3	1.9	0.6	
Other financial assets	14.8	15.3	0.5	
Deferred tax assets	6.4	7.0	0.7	
Other non-current assets	7.1	9.6	2.5	
<b>Non-current assets</b>	<b>1,177.0</b>	<b>1,267.8</b>	<b>90.8</b>	
<b>Total assets</b>	<b>1,783.3</b>	<b>1,949.9</b>	<b>166.5</b>	
Bonds and borrowings	58.0	71.0	13.0	*3
Trade and other payables	384.4	441.0	56.6	*1
Other financial liabilities	34.0	23.3	(10.7)	
Accrued income taxes	18.1	20.0	1.9	
Provisions	1.4	0.9	(0.5)	
Other current liabilities	8.3	10.1	1.8	
<b>Current liabilities</b>	<b>504.2</b>	<b>566.2</b>	<b>62.1</b>	
Bonds and borrowings	64.8	45.0	(19.8)	*3
Other financial liabilities	45.0	46.0	1.0	
Post-employment benefit liabilities	13.7	14.4	0.7	
Provisions	5.7	6.0	0.3	
Deferred tax liabilities	84.9	94.3	9.3	
Other non-current liabilities	5.0	6.5	1.5	
<b>Non-current liabilities</b>	<b>219.1</b>	<b>212.2</b>	<b>(6.9)</b>	
<b>Total liabilities</b>	<b>723.2</b>	<b>778.4</b>	<b>55.2</b>	
Total equity attributable to owners of the Company	965.2	1,062.8	97.6	
Non-controlling interests	94.9	108.6	13.8	
<b>Total equity</b>	<b>1,060.1</b>	<b>1,171.4</b>	<b>111.3</b>	
<b>Total liabilities and equity</b>	<b>1,783.3</b>	<b>1,949.9</b>	<b>166.5</b>	

\*1 The increase is mainly due to the impact of foreign exchange and seasonal fluctuations on December 31 and June 30.

\*2 The increase is mainly due to the impact of foreign exchange.

\*3 The change is mainly due to the transfer from non-current liabilities (long-term borrowings) to current liabilities (current portion of long-term borrowings).

## 5. Summary of Consolidated Statement of Cash Flows

(Billions of yen with fractional amounts rounded off)

	Six months ended June 30, 2022	Six months ended June 30, 2023	Increase (decrease)
Profit before tax for the period	80.2	69.4	(10.8)
Depreciation and amortization	35.1	35.9	0.8
Loss (gain) on sales of shares of subsidiaries	(15.8)	(0.2)	15.7
Other	(18.9)	(61.5)	(42.6)
Cash flows from operating activities	80.6	43.6	(37.0)
Payments for capital expenditures	(27.1)	(32.7)	(5.6)
Proceeds from sale of businesses	–	0.6	0.6
Proceeds from sale of subsidiaries	19.5	–	(19.5)
Other	(0.6)	0.4	1.0
Cash flows from investing activities	(8.2)	(31.6)	(23.5)
Increase (decrease) in interest-bearing debt	(15.6)	(18.5)	(2.9)
Dividends paid to owners of the Company	(12.1)	(12.7)	(0.6)
Dividends paid to non-controlling interests	(5.2)	(5.8)	(0.6)
Cash flows from financing activities	(32.8)	(37.0)	(4.1)
Net increase (decrease) in cash and cash equivalents	39.6	(25.0)	(64.6)
Effects of exchange rate changes	11.1	8.2	(2.9)
Cash and cash equivalents included in assets held for sale	(2.9)	–	2.9

## 6. Other Information

<Sales Volume of Major Brands in Japan Business> \* Sales volume on a delivered basis

(Million cases)

	Six months ended June 30, 2022		Six months ended June 30, 2023	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Suntory Tennensui</i>	60.7	10%	62.9	3%
<i>Boss</i>	50.9	2%	50.7	(0)%
<i>Iyemon</i>	29.4	5%	26.3	(11)%
<i>GREEN DA•KA•RA</i>	21.0	14%	21.8	4%
<i>Suntory Oolong Tea</i>	6.6	(3)%	6.9	6%
<i>PEPSI</i>	8.3	15%	8.3	0%
FOSHU drinks and functional beverages	12.6	24%	18.5	45%
Total	208.1	7%	210.8	1%

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

<Sales Volume of Major Brands in Europe Business>

(Million liters)

	Six months ended June 30, 2022		Six months ended June 30, 2023	
	Actual	Increase (decrease)	Actual	Increase (decrease)
<i>Oasis (France)</i>	166	15%	169	1%
<i>Schweppes (France)</i>	100	11%	95	(5)%
<i>Orangina (France)</i>	97	10%	96	(1)%
<i>Lucozade (UK, Ireland)</i>	207	8%	221	7%
<i>Ribena (UK, Ireland)</i>	43	(4)%	43	(1)%
<i>Schweppes (Spain, Portugal)</i>	62	23%	62	(1)%