



Center of Deliciousness, Foremost Reassurance.

Financial Results for FY2025



LIFEDRINK COMPANY

May 13, 2025



Executive Summary: FY2025

(FY2025)

**Increased
Production •
Revenue &
Profit**

- Production volume increased by 15% (YoY) , driven by the commencement of operations at the Gotemba factory, increased capacity at Nitto Beverage, and new M&As.
- Sales revenue also rose by 16% (YoY) due to securing sales channels to accommodate the increased production.
- However, operating profit slightly increased but fell short of the initial forecast due to delays in the start of new transactions, resulting in worsened logistics efficiency, and the incurrence of expenses and losses related to the new M&As.

**(FY2025)
Initiatives**

**Generally
Progressing
Well**

- Following its April 2024 launch, Gotemba factory reached full single-month production in the first half. Construction of a new 500ml beverage line is underway, targeting operation by FY2027.
- Nitto Beverage has completed investments for full production and higher in-house bottle production. Expansion of a water beverage line and warehouse construction are in progress, aiming for FY2027 operation.
- Two M&As to gain production capacity were executed. Post-acquisition efforts to boost FY2026 profits, including in-house bottle production investments, are on track.

**(FY2026)
Performance
Forecast**

- Targeting full production at all LDC-G factories (including prior-year M&As), we aim for +15% production, +17% revenue, and +37% operating profit growth.

1.FY2025 Performance

2.FY2026 Performance Forecast

3.(Reference) Company Introduction

Highlights : FY2025

Production volume*1

73
Million cases*2
YoY +15%



Revenue

44.5
Billion yen
YoY +16%



Operating profit

4.7
Billion yen
YoY +1%



EBITDA

6.5
Billion yen
YoY +12%



ROE

26.5%
(YoY ▲5.8pt)



*1: Incl, Nitto Beverage, but not incl, Ikoma meisui.

4 *2: 1box = 12L is calculated

Financial Results : FY2025

Increased production volume *1 (+15% YoY) drove a 6.3 billion yen revenue increase (+16%). Operating profit saw a slight rise of +1%, below the initial forecast.

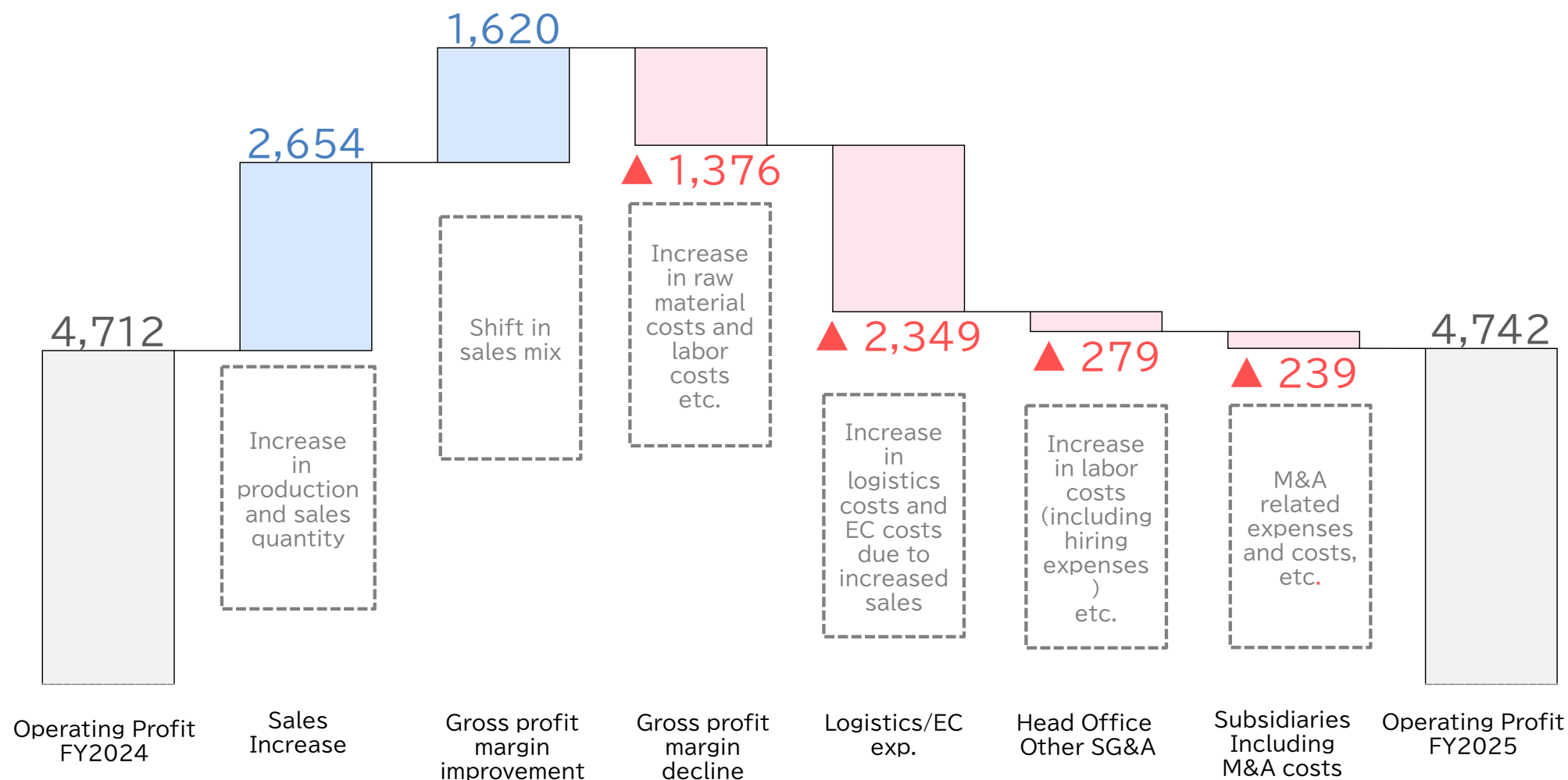
| Unit:MM(JPY) | FY2024 | FY2025 | Variance (YoY) | YoY% | Initial forecast |
|-----------------------|----------------------------|----------------------------|------------------------------|------|---------------------|
| Revenue | 38,236 | 44,537 | +6,301 | +16% | 44,000 |
| Operating profit % | 4,712 (12.3%) | 4,742 (10.6%) | +30 (▲1.7pt) | +1% | 5,750 (13.1%) |
| Profit % EPS*2 | 3,155 (8.3%) (60.68) | 3,392 (7.6%) (64.93) | +237 (▲0.7pt) (+4.25円) | +8% | 3,850 (8.8%) |
| EBITDA % | 5,841 (15.3%) | 6,560 (14.7%) | +718 (▲0.6pt) | +12% | 7,500 (17.0%) |

*1: Incl, Nitto Beverage, but not incl, Ikoma meisui. *2:We conducted a stock split at a ratio of 4 shares for 1 common share on October 1, 2024. Therefore, EPS is calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

Analysis of Operating Profit: FY2025

Despite covering increased costs for raw materials and labor/personnel expenses through higher revenue, a slight profit increase was limited by factors such as delays in new transactions, resulting inefficiencies in logistics, and expenses/losses associated with a new M&A.

Unit:MM JPY

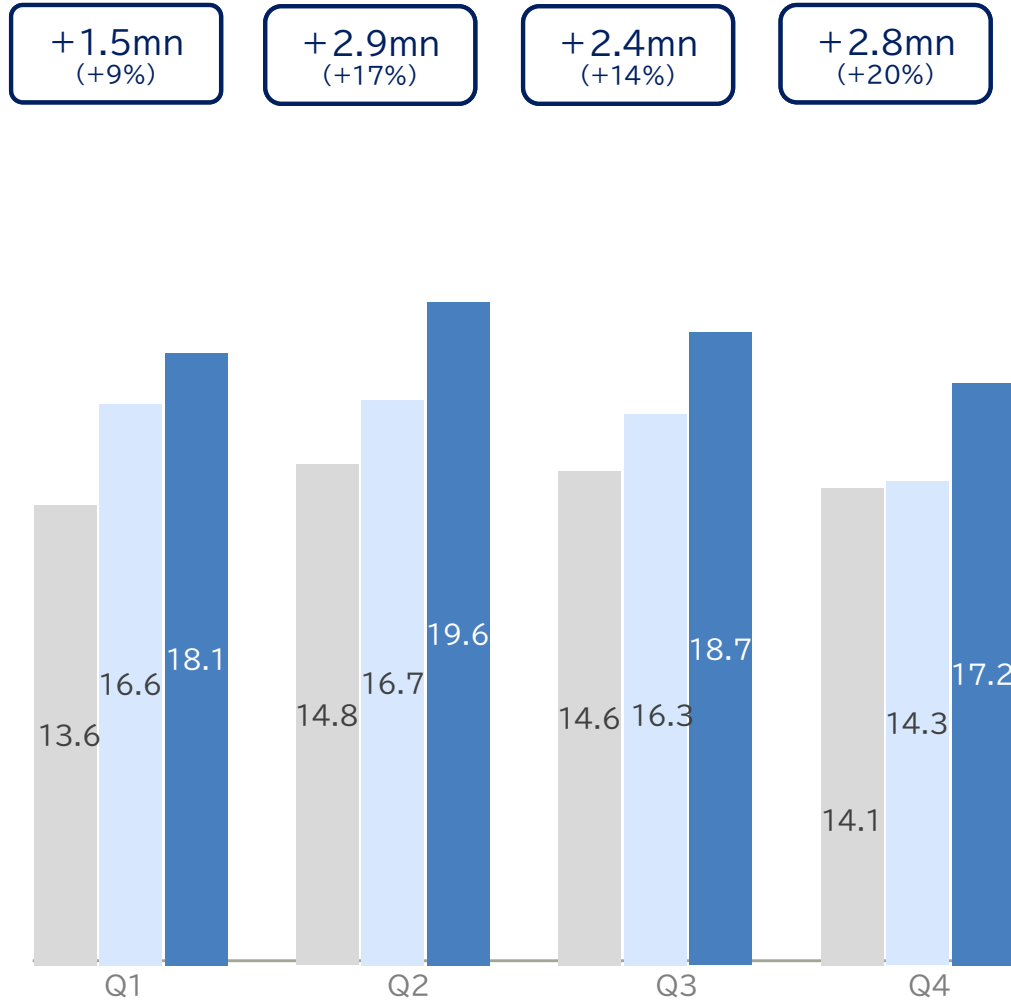


[Reference] Quarterly Performance Trends (1)

■ FY2023
■ FY2024
■ FY2025

Unit: million cases*1

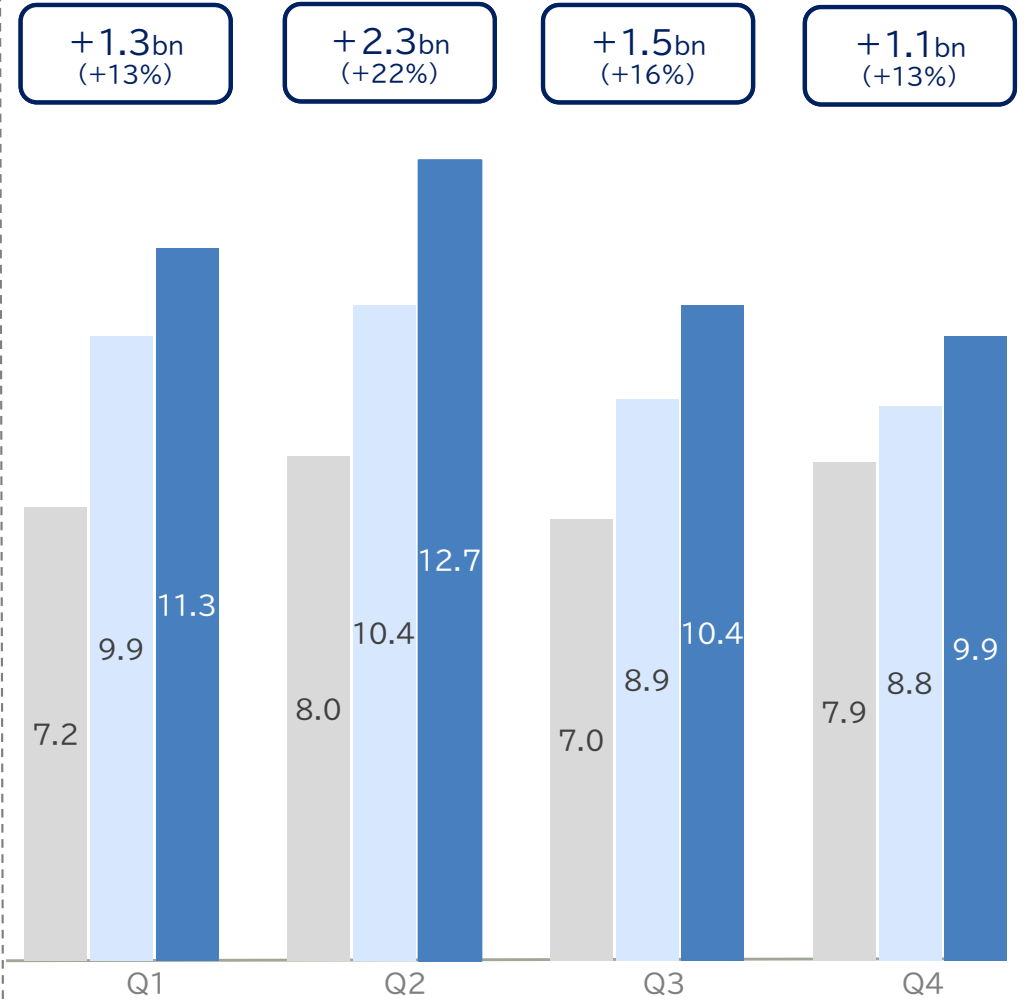
Production volume



■ FY2023
■ FY2024
■ FY2025

Unit: bn JPY

Revenue

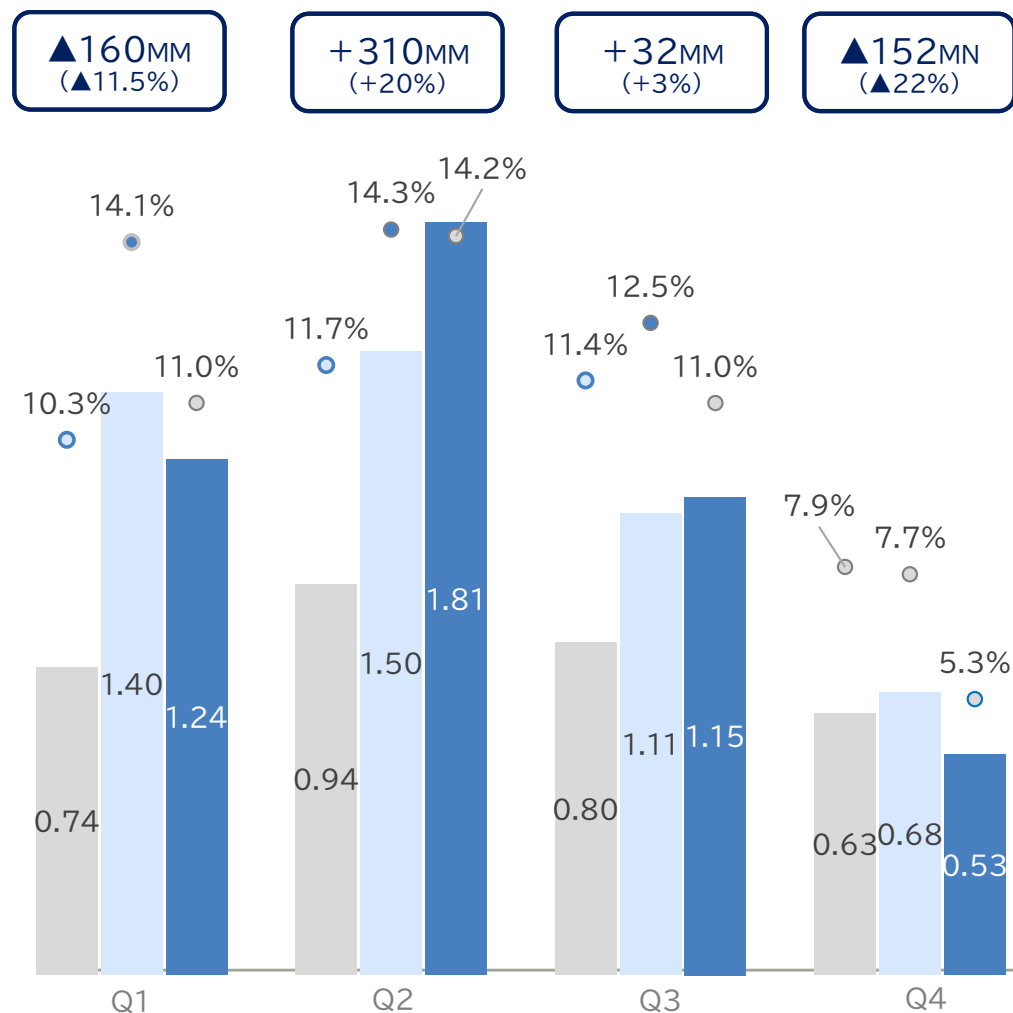


[Reference] Quarterly Performance Trends(2)

■ FY2023
■ FY2024
■ FY2025

Unit:bn JPY

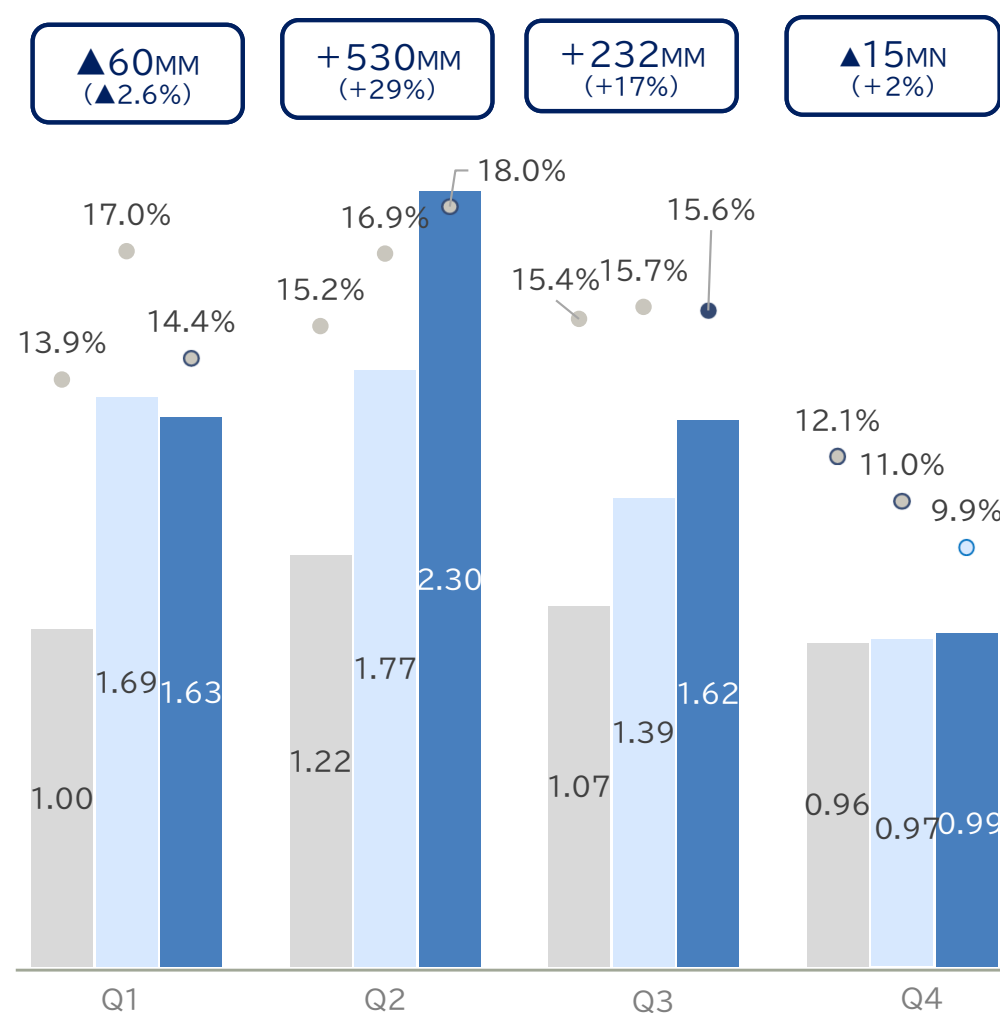
Operating profit/%



■ FY2023
■ FY2024
■ FY2025

Unit:bn JPY

EBITDA/EBITDA%



Balance Sheet: FY2025

Fixed assets increased by 1.8 billion yen YoY due to the completion of capital investments at the Gotemba factory and other factors. The net debt-to-EBITDA ratio improved by 0.3 points due to a decrease in net interest-bearing debt and an increase in EBITDA.

| Unit:MM [JPY] | FY2024 | | FY2025 | | |
|----------------------------------|--------|------|--------|------|----------|
| | Amount | % | Amount | % | Variance |
| Current assets | 11,753 | 38% | 12,443 | 37% | +690 |
| [Cash and deposits] | 3,736 | 12% | 3,014 | 9% | ▲721 |
| Non-current assets | 18,893 | 62% | 20,763 | 63% | +1,870 |
| Total assets | 30,646 | 100% | 33,207 | 100% | +2,561 |
| Current liabilities | 7,645 | 25% | 10,811 | 33% | +3,165 |
| Non-current liabilities | 11,657 | 38% | 8,165 | 25% | ▲3,492 |
| [Interest-bearing debt] | 13,740 | 45% | 12,401 | 37% | ▲1,338 |
| Total liabilities | 19,303 | 63% | 18,976 | 57% | ▲326 |
| Net assets | 11,342 | 37% | 14,230 | 43% | +2,888 |
| Total liabilities and net assets | 30,646 | 100% | 33,207 | 100% | +2,561 |

【Reference】

| | | | | | |
|---------------------------|------|---|------|---|--------|
| [Net debt EBITDA ratio]*1 | 1.7x | - | 1.4x | - | ▲0.3pt |
|---------------------------|------|---|------|---|--------|

Cash flow statement : FY2025

Operating cash flow was an inflow of 5.2 billion yen, an increase of 0.5 billion yen YoY due to higher depreciation. Investing cash flow was an outflow of 4.0 billion yen, a decrease of 4.6 billion yen YoY due to factors such as subsidies received.

| Unit:MM [JPY] | FY2024 | FY2025 | Variance |
|--|---------|---------|----------|
| Cash flows from operating activities | 4,610 | 5,204 | +594 |
| Cash flows from investing activities | ▲ 8,770 | ▲ 4,099 | +4,670 |
| (Capital investment)*1 | ▲8,814 | ▲3,471 | +5,342 |
| Net Increase (decrease) in cash and cash equivalents | ▲4,159 | 1,105 | +5,265 |
| Cash flows from financing activities | 3,553 | ▲ 1,826 | ▲5,380 |
| (Increase/decrease in interest-bearing debt) | 3,929 | ▲1,338 | ▲5,268 |
| (Dividend payment) | ▲363 | ▲483 | ▲119 |
| Net increase /decrease in cash and cash equivalents | 3,736 | 3,014 | ▲721 |

Growth investment results:FY2025

Growth investments for FY2025 are progressing as planned. The investment to improve the No. 2 line at Nitto Beverage (increasing the in-house production ratio) is expected to contribute to profits from FY2026 onwards.

| Unit:bn JPY | FY2024 | FY2025 | FY2025 Notes |
|------------------|---------|---------|--|
| | results | results | |
| LDC | | | |
| Existing Factory | – | – | <ul style="list-style-type: none"> Capacity expansion/productivity improvement investments have been completed, and FY2025 focused on maintenance and upgrades. |
| Gotemba Factory | 7.6 | 1.3 | <ul style="list-style-type: none"> Payments related to the installation of the No. 1 line were completed in the first quarter (1Q). |
| Nitto Beverage | 0.1 | 0.3 | <ul style="list-style-type: none"> Capacity expansion (increased production) for the No. 1 line was completed in the previous fiscal year, with payments finalized in FY2025. The upgrades to the No. 2 line (to increase the in-house production ratio) have been completed as planned, with some payments scheduled for April 2025 and beyond. |
| M&A *1 | – | 1.6 | <ul style="list-style-type: none"> Two M&As have been completed. The existing line at O Beverage's Hita factory will be upgraded (to increase the in-house production ratio) between March and April 2025. |
| Total | 7.7 | 3.2 | |

*1:This includes the acquisition of carbonated water production facilities and water production facilities, as well as additional investment amounts after the acquisitions.

Financial & dividend policy

While prioritizing growth investments, we plan to pay an annual dividend of 12yen per share (total dividend payout of 627 million) for FY2025 an increase of 2.75yen per share compared to FY2024.

| policy | Measures | FY2025 |
|---------------------------------|--|--|
| 1. Strengthen growth investment | <ul style="list-style-type: none"> Actively implement growth investments <ul style="list-style-type: none"> Increase production capacity of existing factory New factory construction M&A | Growth investment amount 3.2bn (YoY ▲4.5bn) |
| 2. Financial stability | <ul style="list-style-type: none"> Increase debt financing ability for future growth investments through profit growth and reduction of interest-bearing dept, etc. | NET Debt* ¹ /EBITDA 1.4x (YoY ▲0.3pt) |
| 3. Shareholder returns | <ul style="list-style-type: none"> Priotize growth investment /Financial stability Aiming for a dividend payout ratio of 20% as a constant shareholder return | Dividends per share(planned) 12.0yen (YoY +2.75yen) Dividend amount/Dividend payout ratio (planned) 6.2billion yen/18.5% |

FY2025 Topics:PMI progress

Nitto Beverage has completed its profitability improvement investments and is scheduled to begin full-scale production from the next fiscal year. The PMI of M&As conducted since 2023 is also progressing smoothly.

Nitto Beverage's Main Initiatives

- Expansion of Production Volume and improvement of Profitability
 - Phase 1 (Completed)
:Capacity enhancement of existing lines
+full weekday production
 - Phase 2 (Completed)
:Increased in-house bottle production rate
+full weekend production
 - Phase 3 (Planned for FY2027)
:Expansion of water beverage line
+warehouse construction
- Expansion of Sales Volume
 - Increased sales of NBK products to LDC customers
 - Sales through the LD online store (barley tea, functional oolong tea, etc.)

O Beverage

Hita Factory (acquired in June 2024)

- Reduce material costs
- In-house bottle production + full production on weekends (completed 4/25)
- Expand sales to LDC customers
- Sold at LD Online Store(OZA SODA Silica, etc.)

Yamanakako Factory

(acquired in January 2025)

- Improving production efficiency by specializing in 2L
- In-house bottle production + full production on weekends (by March 26)
- Expand sales to LDC clients

FY2025 Topics:EC initiatives

We have completed the launch of six new products in FY2025. In addition, each mall store is growing steadily.

Product lineup

Launched in
FY2025

OZASODA



Aya-cha



Tsuzukeru
Purasu



Aya-mizu



Others



Awards

Product: "ZAO SODA"

- Rakuten Annual Ranking 2024*1
Water and Soft Drinks Genre Award

Store: LIFEDRINK Online Store

- Rakuten Shop of the Year 2024*2
Overall Award 5th Place Water
Soft Drink Genre Award Grand Prize
Double Year Award
- Amazon.co.jp Marketplace Awards 2024
Category Award *3
(Food & Beverages)
- Qoo10AWARDS2024
Grand prize

*3:Reference:https://www.amazon.co.jp/b/?ie=UTF8&node=26809570051&ref_=asa24spr

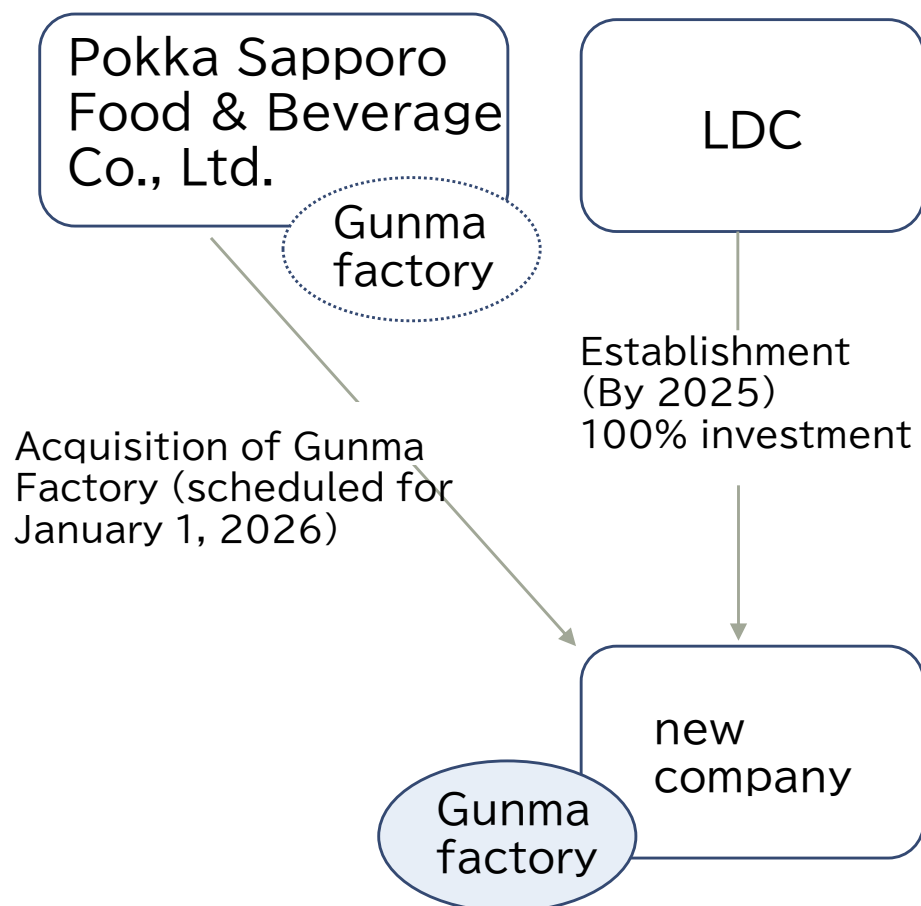
*1: Calculation period: 2023/8/17~ 2024/8/16 Calculation method: Rakuten Ichiba ranking (Aug '23 - Aug '24) based on sales & trends.

*2: Calculation method: From among the more than 50,000 stores nationwide that are open on Rakuten Ichiba (as of November 2024), the best shops of the year were selected based on a comprehensive evaluation of user popularity votes, store sales, etc.

Other topics: Acquisition of production bases

With the goal of increasing production volume, we've decided to acquire a production site. After the acquisition is completed in January 2026, we intend to start further capital investment aimed at boosting production capacity and improving profitability.

Structure



Overview of production base to be acquired

| | |
|---------------------|---|
| Location | Gunma Prefecture, Isesaki City, Sakai Higashiarai 1301-1 Sakai Hokubu Industrial Park |
| Production items | Bottled beverage products (tea, carbonated drinks, etc.) |
| Production capacity | 600BPM (as of May 2025) |

Main initiatives after acquisition

- Expand production capacity and improve profitability via additional capital investment (phased implementation over 3 years)
- Secure sales channels for increased production volume

1.FY2025 Performance

2.FY2026 Performance Forecast

3.(Reference) Company Introduction

Initiatives for FY2026

Our company aims to increase production capacity through expansion and acquisition, venture into the EC/D2C model, and enhance productivity to elevate corporate value.

Evolution and deepening of max production and max sales =Increase/acquire production capacity

- Increase production capacity by updating and improving facilities at existing factories*1
- Enhancement of production capacity at existing factories*1
- Acquisition of production capacity through M&A

Productivity

- Review the location of the logistics center
- Using IT for business process optimization

Challenge to EC/D2C model

- Expansion of products and services sold at the LDC online store
- Attracting customers through advertising and promotional spending

*1: Our beverage factory and Nitto Beverage

Performance forecast:FY2026

In addition to the full-scale operation of the Gotemba factory and Nitto Beverage, we anticipate increased production, revenue, and profit due to the full-year contribution of the production facilities acquired in the previous period (O Beverage 's two factories).

| Unit: MM(JPY) | FY2025 (Performance) | FY2026 (Forecast) | increase/ decrease | Rate of change |
|---|-------------------------|----------------------|-----------------------|-------------------|
| Production quantity*1 Million cases | 73 | 84 | +10 | +15% |
| Revenue | 44,537 | 52,000 | +7,462 | +17% |
| Operating profit | 4,742 | 6,500 | +1,757 | +37% |
| Rate | (10.6%) | (12.5%) | (+1.9pt) | - |
| Net income | 3,392 | 4,450 | +1,057 | +31% |
| Rate | (7.6%) | (8.6%) | (+1.0pt) | - |
| EPS | (64.93円) | (85.14円) | (20.21円) | - |
| EBITDA | 6,560 | 8,600 | +2,039 | +31% |
| | (14.7%) | (16.5%) | (+1.8pt) | - |
| Dividend amount*2 | 627 | 731 | +104 | +17% |
| DPS | 12.0円 | 14.0円 | +2.0円 | - |

Points

- Increase in production quantity
:Full-year full production at Gotemba factory
:Full production at Nitto Beverage
:Full-year contribution from O Beverage
- Revenue
:Securing sales channels to accommodate the increased production volume mentioned above.
- Operating profit
:In addition to the revenue increase mentioned above, cost reduction through in-house bottle production investments.

Future growth investment

Over the next three years, we plan to expand the Gotemba factory and Nitto Beverage, as well as pursue M&As and make additional investments following those M&As.

| Unit:bn JPY | FY2026to FY2028 Forecast | Notes |
|--------------------|--------------------------------|---|
| LDC | | |
| Existing Factory | – | <ul style="list-style-type: none"> Until FY2027, the focus will be on maintaining existing equipment (approximately 1 billion yen per year) and reducing logistics costs (warehouses, etc.). We have also begun considering future production capacity expansion (equipment upgrades). |
| Gotemba Factory | 6.0 | <ul style="list-style-type: none"> Planning to add a new 500ml beverage line with a capacity of 8 million cases per year, targeting operation in the second half of FY2027. |
| Nitto Beverage | 5.6 | <ul style="list-style-type: none"> Payments related to the upgrades of the No. 2 beverage line will occur in FY2026.Planning to add a new 500ml water beverage line with a capacity of 3 million cases per year, targeting operation in the first half of FY2027. Additionally, we will construct a warehouse to accommodate the increased production volume. |
| M&A | 5.6 | <ul style="list-style-type: none"> Planning upgrade investments at O Beverage's Hita and Yamanakako factories (to increase the in-house production ratio). We plan to acquire a beverage production facility in January 2026. Including additional investments, the total planned investment is approximately 5 billion yen. |
| Total | 17.2 | |

1.FY2025 Performance

2.FY2026 Performance Forecast

3.(Reference) Company Introduction

About us

Our head office is located in Osaka, and our main business is the drink and leaf business that manufactures and sells Mineral water, tea, and carbonated drinks.

| | |
|-----------------------|--|
| Issuer | LIFEDRINK COMPANY, INC. (“LDC”) |
| President and CEO | Kuniaki Okano |
| Founded | 1950 (Established:1972) |
| Head office | Osaka-shi, Osaka |
| Business | <ul style="list-style-type: none">• Drinks / Leaves Business<ul style="list-style-type: none">– Mineral water, tea, carbonated drinks, and tea leaf products |
| Offices & Plants | <ul style="list-style-type: none">• Head Office: Osaka, Branch Office: Tokyo• 10 plants (Beverage = Iwate, Zao (Yamagata), Tochigi, Fuji (Yamanashi), Gotemba(Shizuoka), Owase (Mie), Miyama (Kyoto), Yuasa (Wakayama), Minoh (Fukuoka), Others = Chiran (Kagoshima)• Consolidated subsidiary: Nitto Beverage(Toyama),O Beverage(Oita Yamanashi) |
| Number of Employees*1 | 672(155) as of March 2025 |
| Other | <ul style="list-style-type: none">• Tokyo Stock Exchange Prime Market (Securities Code: 2585) |

*1:The number of employees refers to the headcount as of the end of the reporting period, including employees seconded from external organizations to our company. The number of temporary employees (including part-timers and those from staffing agencies) is listed in parentheses.

History

| | |
|------|---|
| 2015 | • Formed a capital and business alliance with Sunrise Capital, sub-advised by CLSA Capital Partners Japan |
| 2016 | • Established the Fuji Meisui Ashikaga factory (Tochigi factory) |
| 2017 | • Changed the company name to Life Drink Company <small>LIFEDRINK COMPANY</small> |
| 2019 | • Sold Aquapia (ice business) • Sold solar power business |
| 2020 | • Opened an online store on Rakuten Ichiba and started selling ZAOSODA • Liquidation of Hokusei Menpun (dried noodles and instant noodles) |
| 2023 | • Sold source business |

- Soji Tanaka incorporated Ryokkaen (tea wholesaler), founded by Tanaka Tane in 1950, and established **Asamiya** in 1972

Asamiya

| | |
|------|---|
| 2021 | • Listed on the Second Section of the Tokyo Stock Exchange |
| 2023 | • Acquired Nitto Beverage • Listed on the “prime market” of the Tokyo Stock Exchange |
| 2024 | • Established the Gotemba factory • Acquired carbonated water factory (currently OBK Hita Factory) |
| 2025 | • Acquired drinking water factory (currently OBK Yamanakako Factory) • Agreement signed to acquire Pokka Sapporo Food & Beverage Gunma Factory |

Foundation
(1950)

Entering Soft Drink Business
Diversification of Business through M&A

Capital
participation
by Sunrise

Selection & Concentration
(Return to being a
beverage manufacturer)

Regrowth

| | |
|------|--|
| 2001 | • Acquired Seihou Beverage (Minoh factory) |
| 2002 | • Acquired Miyama Meisui (Miyama factory) |
| 2004 | • Acquired Iwate Soy Sauce (Iwate factory) (withdrew from soy sauce business in 2018) • Acquired Daikokuya for rice crackers business (merged with Higashi Choco in 2009, liquidation completed in 2014) • Established the Shizuoka factory for canned coffee business |
| 2005 | • Acquired Aquapia for ice business |
| 2006 | • Established Owase Meisui (Owase factory) |

| | |
|------|---|
| 2008 | • Established Yuasa Meisui Corporation (Yuasa factory) • Acquired Higashi chocolate business (withdrew from chocolate business in 2013, liquidation completed in 2017) |
| 2010 | • Established Fuji Meisui Corporation (Fuji factory) • Acquired Popeye Food Industries |
| 2011 | • Acquired Hokusei Meipun for dried noodles and instant noodles business • Acquired Fujiko for frozen noodles business |
| 2012 | • Acquired Yamachu Unyu for transportation business |
| 2013 | • Acquired Tohoku Beverage (Zao factory) for carbonated water business |

Corporate Philosophy

Based on our corporate philosophy, “Center of Deliciousness, Foremost Reassurance”, we conduct according to action guidelines, “Only what you want your loved ones to drink”.

Center of Deliciousness,
Foremost Reassurance

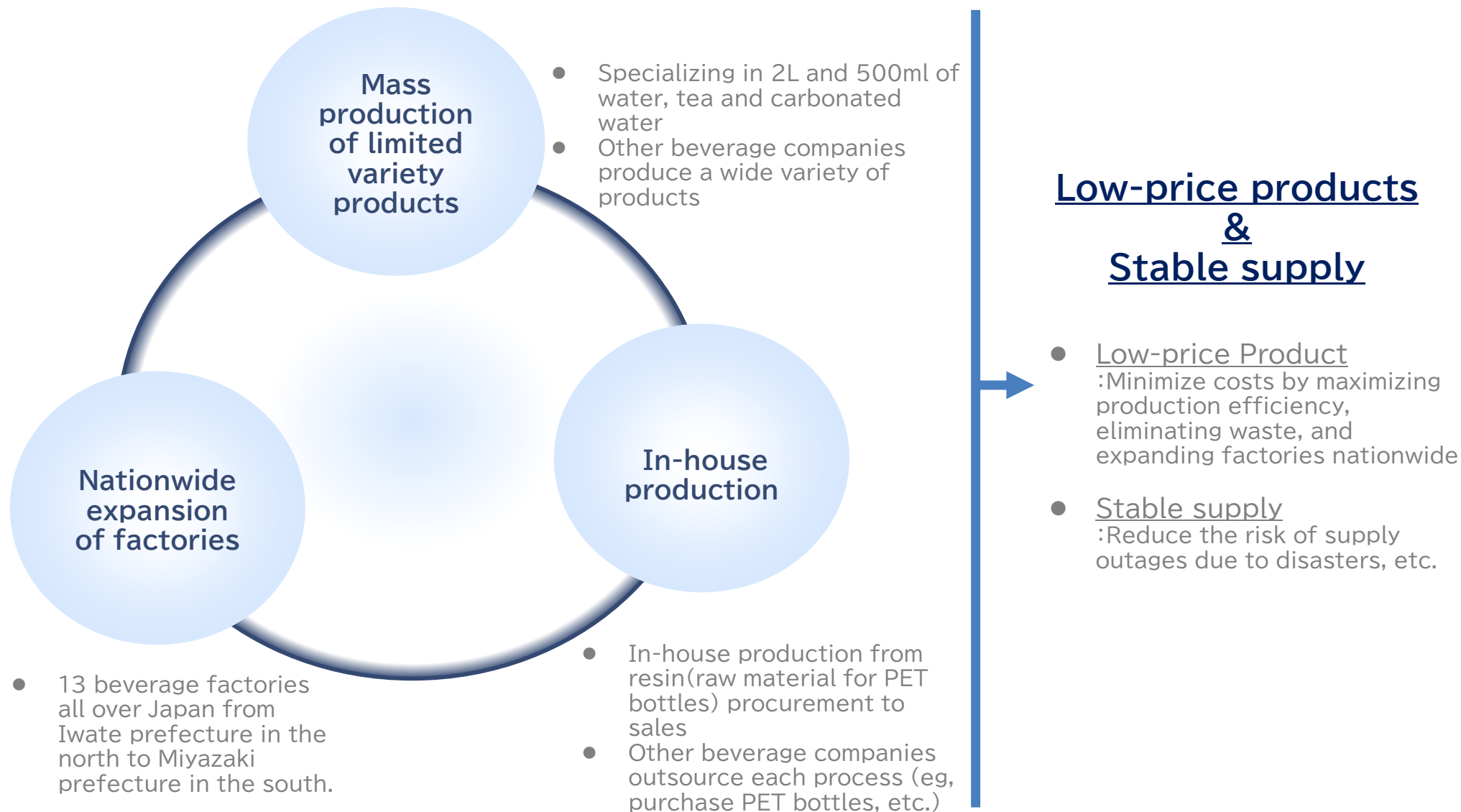
To “always” be close to our customers
from babies to the elderly,

We pursue “standard of deliciousness” and “reliable safety”
and

We provide products with taste and quality
that can be chosen in all aspects of daily life,
from waking up in the morning
to going to sleep at night

Features and Strengths

We have the advantage of offering "low-price products" and ensuring "stable supply" through "mass production of limited varieties," "in-house production," and "nationwide expansion of factories."



Features and Strengths (Mass Production of limited variety products)

The liquids available are water, tea, and carbonated water, with capacities concentrated in 2 liters or 500 milliliters.

We aim to minimize waste in each process.



Natural mineral water
500ml/ 2L



Carbonated water OZA SODA
for EC 500ml



Green tea
500ml/ 2L

Oolong tea
500ml/ 2L



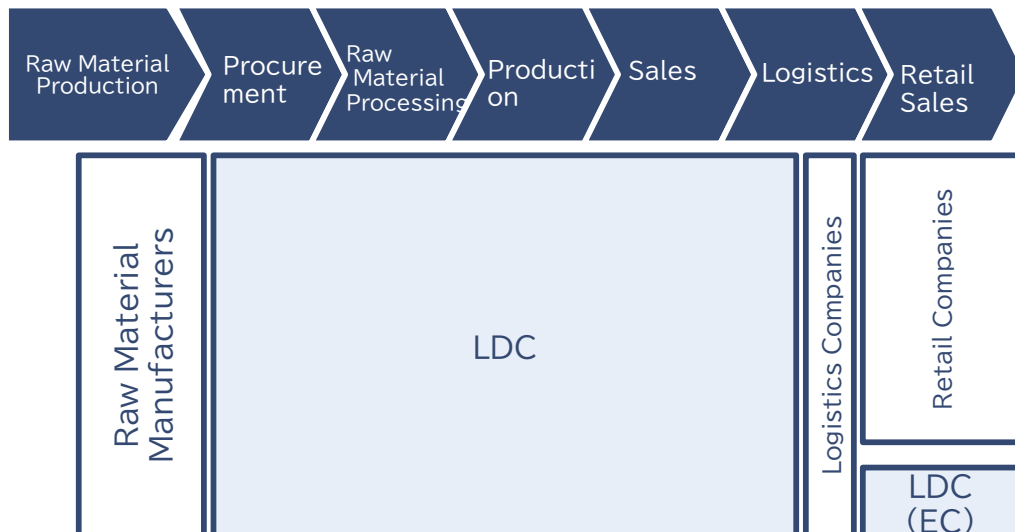
Natural mineral water
for EC 500ml/ 2L

Green tea
for EC 500ml

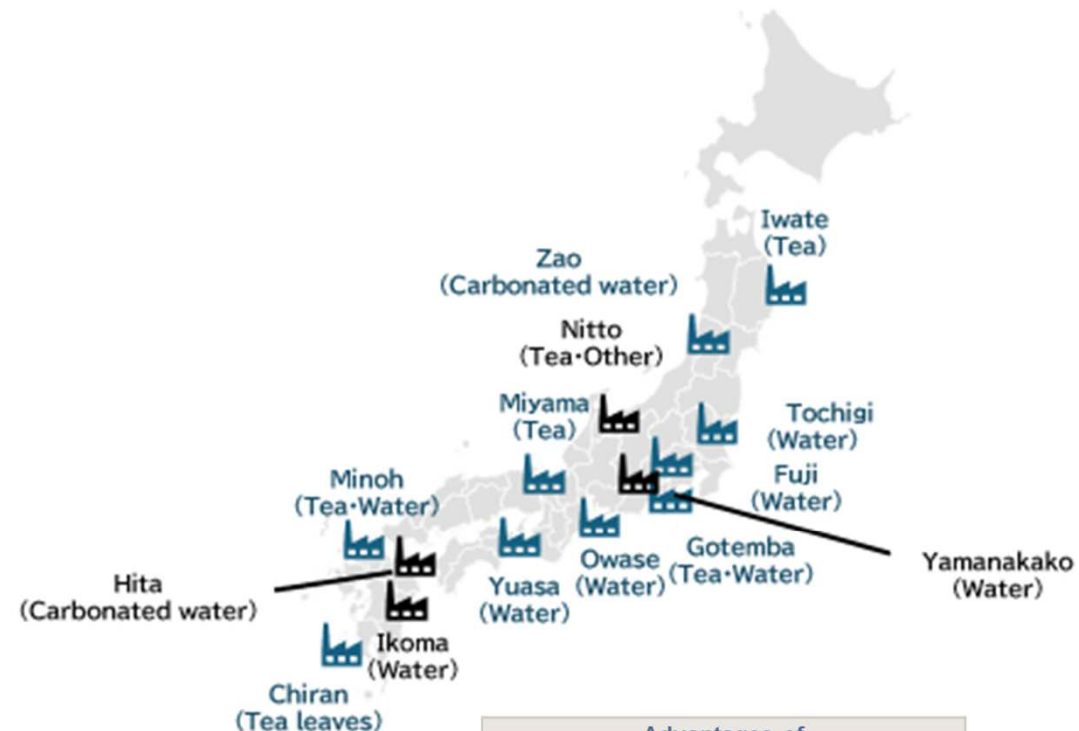
Features and Strengths (In-house/Nationwide Expansion of Factories)

In-house production mainly reduces manufacturing costs, and nationwide expansion of factories reduces distribution costs.

In-house production from procurement to sales



Nationwide expansion of factories



- | Advantages of Nationwide Plants Expansion |
|---|
| • Cost competitiveness by reducing logistics costs through "local production for local consumption" |
| • Expand relationships with major retail companies expanding nationwide by nationwide stable supply |
| • Reduce the risk of supply interruptions due to natural disasters |

Sales Channels

We build relationships with major retailers in each channel.

Our e-commerce business is steadily expanding, with our main products and directly managed stores each winning the Rakuten Ranking Grand Prize.

Strong partnership with retailers



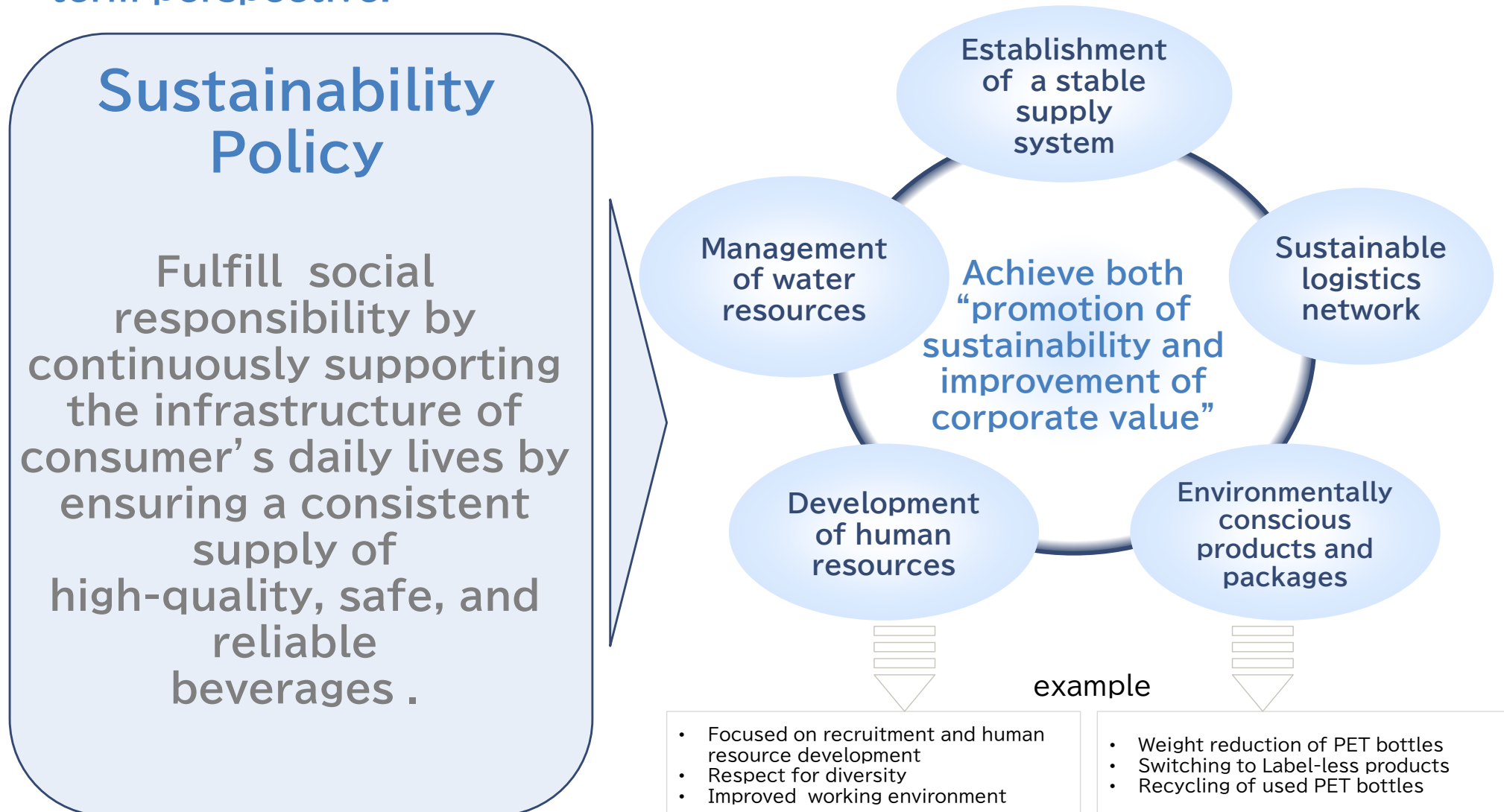
Expansion of direct channels through EC development



※1 This is a sales ranking for all products listed on the Rakuten marketplace during the aggregation period from September 25, 2020, to September 24, 2021. *2: Calculation method: From among the more than 50,000 stores nationwide that are open on Rakuten Ichiba (as of November 2024), the best shops of the year were selected based on a comprehensive evaluation of user popularity votes, store sales, etc.

Sustainability Policy and Materiality

Based on our sustainability policy, we aim to achieve both the promotion of sustainability and the improvement of corporate value from a long-term perspective.



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LIFEDRINK COMPANY
