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Notice of Convocation of the 17th Ordinary General Meeting of Shareholders

Suntory Beverage & Food Limited

Our Purpose

**To inspire the brilliance of life,
by creating rich experiences for people, in harmony with nature.**

Our Values

Growing for Good / “Yatte Minahare” / Giving Back to Society

Who We Are

Always Together with Seikatsusha

We connect with your feelings to enrich every moment of life

To: Our Shareholders

“Aiming to Create New Value and Business Growth through Innovation”

2025 was once again a year in which we faced challenges that had a major impact on our business including surging raw material prices and unstable weather conditions in the countries where we operate. Under such environment, we explored customer needs and continued to thoroughly implement activities for core brands; we developed the cashless app *Jihanpi* for the promotion of transitioning to cashless vending machines in Japan, and additionally launched *Tokusui* as a food with functional claim in the water category, which was a first for the *Tokucha* brand. In overseas markets, we looked at ways to create new value including the manufacture and sale of RTD alcoholic beverage -196 in Australia.

In 2026, we will work towards sustained business growth by accelerating the “creation of new value (innovation)” and “business transformation (transformation)” in Japan and overseas, in anticipation that the highly uncertain external environment and challenging competitive landscape will continue and that there will be further diversification of consumer behavior.

In addition, as for DEI, we will promote various initiatives, utilizing our global and diverse personalities based on a vision of growth as One Team. We are redoubling our efforts in regard to our sustainability initiatives toward achieving our targets toward 2030, with water, greenhouse gases, and plastics as key priorities.

We sincerely ask for the continued warm support of our shareholders.

Sincerely yours,

Makiko Ono
Representative Director, President & Chief
Executive Officer
Suntory Beverage & Food Limited

Date issued: March 3, 2026
Start date of measures for electronic provision: February 25, 2026

To: Our Shareholders

Notice of Convocation of the 17th Ordinary General Meeting of Shareholders

You are hereby notified that the 17th Ordinary General Meeting of Shareholders (the “Meeting”) of Suntory Beverage & Food Limited (the “Company”) will be held as described below. Your attendance would be much appreciated.

When convening the Meeting, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the Company’s website. Please access the Company’s website by using the Internet address shown below to review the information.

The Company’s website

https://www.suntory.com/softdrink/ir/stock_meeting/

In addition to posting items subject to measures for electronic provision on the website above, the Company also posts this information on the website of the Tokyo Stock Exchange (TSE). To access this information from the latter website, access the TSE website (Listed Company Search) by using the Internet address shown below, enter the issue name (company name) or securities code, and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.”

TSE website

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

In consideration of the convenience of shareholders, paper-based documents stating particularly important items among the items subject to measures for electronic provision are delivered to all shareholders. (In addition, the paper-based documents stating all other items subject to measures for electronic provision excluding certain items are to be delivered to shareholders who have made a request for delivery of such documents.)

If you are unable to attend the Meeting, you may exercise your voting rights via the Internet, etc. or by mail. We kindly request that you exercise your voting rights no later than 5:30 p.m. on Tuesday, March 24, 2026 (JST).

Additionally, the Meeting can be viewed via a live stream. Please be aware that you will not be able to exercise your voting rights or ask questions during the live streaming session. We appreciate your understanding in that regard.

Exercising voting rights by the Internet, etc.

Please refer to page 7.

Exercising voting rights by mail

Please refer to page 8.

1. Date and Time: March 25, 2026 (Wednesday) at 10:00 a.m. (JST)
(Reception desk opens at 9:15 a.m.)
2. Place: Main Hall, Suntory Hall
13-1, Akasaka 1-chome, Minato-ku, Tokyo
3. Purpose:
Items to be reported:
 1. Business Report and the Consolidated Financial Statements for the 17th business term (from January 1, 2025 to December 31, 2025), the audit reports on the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
 2. The Non-consolidated Financial Statements for the 17th business term (from January 1, 2025 to December 31, 2025)

Items to be resolved:

- Proposal 1: Appropriation of Surplus
- Proposal 2: Partial Amendment to the Articles of Incorporation
- Proposal 3: Election of Four (4) Directors (excluding Directors Serving on the Audit and Supervisory Committee)
- Proposal 4: Election of One (1) Director Serving on the Audit and Supervisory Committee
- Proposal 5: Election of One (1) Substitute Director Serving on the Audit and Supervisory Committee

Sincerely yours,

Makiko Ono
Representative Director, President & Chief
Executive Officer

Suntory Beverage & Food Limited
1-1, Shibaura 3-chome, Minato-ku, Tokyo

For shareholders attending the Meeting in person:

- Please present the voting form sent out with this convocation notice to the reception desk.
- Please note that persons other than shareholders who can exercise voting rights, such as proxies who are not shareholders or accompanying persons, shall not be permitted entry even if they hold the enclosed voting form.

Regarding items subject to measures for electronic provision:

- Among the items subject to measures for electronic provision, in accordance with the provisions of relevant laws and regulations and the Company's Articles of Incorporation, the following items are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. Documents subject to audit, including the items stated below, have been audited by the Accounting Auditor and the Audit and Supervisory Committee.
 - System to Ensure the Appropriateness of the Business and the Operational Status of the System (Business Report)
 - Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements (Consolidated Financial Statements)
 - Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial Statements (Non-consolidated Financial Statements)
- If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company's website and the TSE website.

Exercising voting rights when not attending the General Meeting of Shareholders

Exercising voting rights by the Internet, etc.

Votes to be transmitted by: March 24, 2026 (Tuesday) at 5:30 p.m.

(i) By scanning QR code (Smart Voting)

You can exercise your voting rights without entering your voting right exercise code and password.

1. Scan the QR code indicated at the lower right of the voting form.
2. Follow the subsequent input instructions on the screen to register your approval or disapproval.

("QR code" is a registered trademark of DENSO WAVE INCORPORATED.)

Please note that exercising voting rights by using "Smart Vote" method is available only once.

If you need to change your votes after exercising your voting rights, please exercise your voting rights again in accordance with (ii) below.

If you rescan the QR code, you will be taken to the voting rights exercise website described in (ii) below.

(ii) By entering your voting right exercise code and password

You can exercise your voting rights by accessing the voting rights exercise website and entering your voting right exercise code and password.

Voting rights exercise website (<https://www.web54.net> (in Japanese only))

If you have any technical inquiries regarding the operation of a PC and smartphone for exercising voting rights on the voting rights exercise website, please contact the following:

Sumitomo Mitsui Trust Bank, Limited

Stock Transfer Web Support Phone No.

Toll-free (within Japan): 0120-652-031 (9:00 a.m. to 9:00 p.m.) (JST)

For institutional investors

Institutional investors may use the electronic voting rights exercise platform operated by ICJ, Inc. to exercise the voting rights by electronic or magnetic means for the Meeting.

Exercising voting rights by mail

Please indicate “For” or “Against” with respect to each proposal on the voting form sent out with this convocation notice and post it without affixing a postage stamp. Please note that if you indicate neither your “For” nor “Against” with respect to each proposal on the voting form, your answer will be deemed to be “For.”

Votes to be received by: March 24, 2026 (Tuesday) at 5:30 p.m.

- If you exercise your voting rights both via the Internet, etc. and by mail, the vote exercised via the Internet, etc. will be taken as valid. If you exercise your voting rights more than once, only the final vote will be taken as valid.

To shareholders with physical disabilities and other impairments

- We have arranged for the following accommodations at the venue and accordingly ask that shareholders requiring assistance inform our staff members without hesitation of such needs. Subtitles are provided with explanatory video. We also set up seats where real-time subtitles are available in the venue so that more people can understand the proceedings of the Meeting.
 - Wheelchair-accessible seating
 - Loaner wheelchairs
 - Sets of tools for written communication
 - Subtitles
- Individuals accompanying shareholders with physical disabilities and guide dogs may attend the Meeting.
- Designated routes for wheelchair access to the Meeting venue are provided via the link below.
<https://www.suntory.com/culture-sports/suntoryhall/map/wheelchair.html>

<Information on the mini-concert to be held>

Following the Meeting, Thaleia Quartet will perform a 15-minute mini-concert at the venue. Please take this opportunity to visit Suntory Hall.

- * The mini-concert will also be broadcast live to shareholders. Please refer to page 10 for details on how to watch the Meeting.
- * Any changes in the content of the concert or any other matters that shareholders need to be aware of will be posted on the Company's website.
https://www.suntory.com/softdrink/ir/stock_meeting/

<Profile>

Thaleia Quartet string quartet

Kako Yamada (first violin), Hiromi Futamura (second violin), Sakuya Watabe (viola), Miu Ishizaki (cello)

Thaleia Quartet was formed by students of Tokyo University of the Arts in 2014. Its accomplishments include 3rd prize at the Salzburg-Mozart International Chamber Music Competition 2015, semifinalist at the Osaka International Chamber Music Competition 2023, and the Bordeaux String Quartet Festival Prize. Its members completed their training as fellows in the fifth cohort of the Suntory Hall Chamber Music Academy, and it has performed with Mr. Tsuyoshi Tsutsumi at the Toyama Chamber Music Festival. Its first regular concert was held in October 2025. The quartet studied under Ms. Nobuko Yamazaki and Mr. Kazuhide Isomura.

Official website: <https://www.thaleiaquartet.com> (in Japanese)

Information on submission of questions in advance and live streaming for shareholders

Questions regarding matters covered in the Meeting will be accepted in advance.
Moreover, proceedings of the Meeting will be streamed live.

Questions in advance

1. Questions to be submitted by: March 18, 2026 (Wednesday) at 5:30 p.m.
2. How to ask questions:
 - (1) Please access the following website.
Website
<https://2587.ksoukai.jp> (in Japanese only)
 - (2) After accessing the website, enter your ID and password following the on-screen instructions.
 - (i) ID Shareholder number (9-digit numeric code printed on the voting form)
 - (ii) Password Postal code (7-digit numeric postal code of the shareholder's registered address, no hyphen)
 - (3) Click the "Ask Questions in Advance" button.
 - (4) Following the on-screen instructions, select a question category then enter your question and click the "Submit" button.
 - * Of the questions received in advance, the Company will answer questions at the Meeting that seem to be of particular interest to shareholders.

Live stream

1. Streaming date and time: March 25, 2026 (Wednesday) from 10:00 a.m. to the end of the mini-concert
 - * You may view proceedings of the Meeting beginning at 9:15 a.m. on March 25, 2026 (Wednesday).
2. How to watch:
 - (1) Log in to the website after having read the aforementioned instructions under "How to ask questions."
 - (2) Follow the on-screen instructions after logging in to watch proceedings of the Meeting.

Inquiries regarding live streaming

Phone No.: 03-4335-8085

Time: March 25, 2026 (Wednesday) from 9:00 a.m. to the end of the mini-concert

Notes on viewing live stream

1. You will not be able to exercise your voting rights or ask questions during the live streaming session.
2. Access to the website may not be possible using certain devices and network configurations. Access to the website may not be possible due to system malfunction, or other such unforeseen circumstances. Notification regarding matters arising that shareholders need to be aware of will be posted to the Company's website
(URL: https://www.suntory.com/softdrink/ir/stock_meeting/).

3. Any fees to internet service providers and telecommunication carriers (such as access fees, etc.) shall be borne by the shareholders.
4. Only those shareholders listed in the Company's shareholder registry as of December 31, 2025 may access the website. Please refrain from recording video and audio of the live streaming session, providing or otherwise disclosing such content to third parties, and instructing third parties on how to view the proceedings.

*Streaming will be in Japanese only.

Reference Document for the General Meeting of Shareholders

Proposals and Reference Information

Proposal 1: Appropriation of Surplus

Considering the business performance and business environment, we propose to pay a year-end dividend for the current business term of ¥60 per share of common stock of the Company in accordance with our dividend policy.

Accordingly, including the interim dividend of ¥60 already paid, the annual dividend for the current business term will be ¥120 per share. The details are as follows.

- (i) Type of dividend property: Cash
- (ii) Matters concerning the allotment of dividend property to shareholders and the total amount of the allotment:
¥60 per share of common stock of the Company
Total cash dividends of ¥18,539,979,600
- (iii) Date on which the dividend of surplus will become effective:
March 26, 2026

(Reference)

Dividend Policy of the Company

The Company believes its prioritization of strategic investments as well as capital expenditures for sustainable profit growth and improving corporate value will benefit its shareholders. In addition, the Company views an appropriate shareholder return as one of its core management principles. While giving due consideration to providing a stable return and maintaining robust internal reserves for the future, the Company intends to pursue a comprehensive shareholder return policy that also takes into account its business results and future funding needs.

Specifically, the Company aims to stably increase dividends on the basis of profit growth with a targeted consolidated payout ratio of 40% or more of profit for the year attributable to owners of the Company.

Transition of annual dividend and payout ratio (consolidated)

Category	The Fiscal Year 2020	The Fiscal Year 2021	The Fiscal Year 2022	The Fiscal Year 2023	The Fiscal Year 2024	The Fiscal Year 2025
Annual dividend (yen)	78	78	80	80	120	120
Payout ratio (%)	46.2	35.1	30.0	29.9	39.7	41.8

Proposal 2: Partial Amendment to the Articles of Incorporation

1. Reasons for the proposal

As the Group's business domain expands, we have decided to change our trade name with the aim of globally unifying the use of the trade name "Suntory Beverage & Food." In line with this, Article 1 (Trade name) of the current Articles of Incorporation will be amended.

This change shall take effect on April 1, 2026, as shall be specified in the supplementary provisions. Such supplementary provisions will be deleted upon the passage of that day.

2. Details of the amendment

Details of the amendment are as follows:

(Underlined portions are amended.)

Current Articles of Incorporation	Proposed amendment
Article 1 (Trade name) The trade name of the company shall be <u>Suntory Shokuhin International Kabushiki Kaisha</u>. In English, the trade name of the company shall be expressed as "Suntory Beverage & Food Limited." SUPPLEMENTARY PROVISION (Transitional measures concerning exemption from liability of audit and supervisory board members) Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the company may, by resolution of the board of directors, exempt audit and supervisory board members (including former audit and supervisory board members) from their liability for damages arising from their failure to perform their duties to the extent prescribed by laws and regulations regarding conduct carried out before the partial amendments to the articles of incorporation resolved at the 6th ordinary general meeting of the shareholders take effect. (Newly established)	Article 1 (Trade name) The trade name of the company shall be <u>Suntory Beverage & Food Kabushiki Kaisha</u>. In English, the trade name of the company shall be expressed as "Suntory Beverage & Food Limited." SUPPLEMENTARY PROVISION <u>Article 1</u> (Transitional measures concerning exemption from liability of audit and supervisory board members) Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the company may, by resolution of the board of directors, exempt audit and supervisory board members (including former audit and supervisory board members) from their liability for damages arising from their failure to perform their duties to the extent prescribed by laws and regulations regarding conduct carried out before the partial amendments to the articles of incorporation resolved at the 6th ordinary general meeting of the shareholders take effect. <u>Article 2 (Effective date of amendment to Article 1 of the Articles of Incorporation)</u> <u>The change in Article 1 (Trade name) shall take effect on April 1, 2026, and this Article 2 of these supplementary provisions shall be deleted upon the passage of that day.</u>

Proposal 3: Election of Four (4) Directors (excluding Directors Serving on the Audit and Supervisory Committee)

At the close of the Meeting, the term of office of all five (5) Directors (excluding Directors serving on the Audit and Supervisory Committee; the same applies hereafter in this proposal) will expire. Accordingly, we request the election of four (4) Directors, reducing the number of Directors by one (1), in order to further enhance agility of the Board of Directors.

Also, in regard to this proposal, the Audit and Supervisory Committee has judged the candidates to be reasonable nominations for the position of Director of the Company.

The candidates for Directors to be elected are as follows:

No.	Name		Current positions, etc. in the Company or other companies	Board of Directors Meeting Attendance
1	New election	Josuke Kimura	Advisor [Business Transformation] Director, Vice President of Suntory Holdings Limited	—
2	New election	Naoto Okinaka	Senior Managing Executive Officer Chief Strategy & Finance Officer, Chief Business Growth Officer, Head of Global Commercial Excellence	—
3	New election	Sho Senba	Senior Managing Executive Officer of Suntory Holdings Limited	—
4	Reelection Outside Director Independent Officer	Maki Nakamura	Outside Director Representative Director and President of Mamma Co., Ltd. Director and CHRO of SATUDORA HOLDINGS CO., LTD.	12/13

- Notes:
1. There is no special interest between the Company and each candidate.
 2. The Company has entered into a directors and officers liability insurance policy contract with an insurance company, as stipulated in Article 430-3, paragraph (1) of the Companies Act of Japan, with all of its Directors included in the policy as insured persons. The overview of the details of this insurance policy is presented under “Names, etc. of Directors” in “Status of Directors” in the Business Report. If a respective candidate assumes office as a Director, he or she will be included as an insured party under the insurance policy. The Company intends to renew the insurance policy with no change to its content during the terms of office.
 3. The Company has entered into an indemnity agreement with Ms. Maki Nakamura, as stipulated in Article 430-2, paragraph (1) of the Companies Act of Japan. The overview of the details of this agreement is presented under “Names, etc. of Directors” in “Status of Directors” in the Business Report. The Company plans to continue this agreement with Ms. Nakamura if she is reelected at the Meeting. If Messrs. Josuke Kimura, Naoto Okinaka and Sho Senba assume office as Director, the Company will conclude a similar indemnity agreement with each of them.
 4. In addition to the number of attendances at meetings of the Board of Directors presented above, in accordance with the provisions of Article 370 of the Companies Act of Japan, and of Article 27 of the Company’s Articles of Incorporation, there were four (4) written resolutions where it was deemed that a resolution of the Board of Directors had been made.

Name (Date of Birth)	Career Summary, Positions and Responsibilities and Important Concurrent Positions	Number of Company's Shares Held (shares)
Candidate 1 New election Josuke Kimura (January 23, 1961)	Joined Suntory Limited in April 1983. Assumed the office of Senior General Manager, Marketing & Development Division of Suntory Beverage & Food Limited in April 2009. Assumed the office of Executive Officer of such company in April 2010. Assumed the office of Deputy Chief Operating Officer, Marketing & Development Division of such company in April 2010. Assumed the office of Senior General Manager, Brand Marketing Department, Marketing & Development Division of such company in May 2012. Assumed the office of Director of Suntory Foods Limited in March 2013. Assumed the office of Chief Operating Officer, Nationwide Chainstores Sales Division of such company in April 2013. Assumed the office of Senior Managing Director of such company in March 2014. Assumed the office of Full-time Advisor of Suntory Beverage & Food Limited in April 2014. Assumed the office of Chief Operating Officer, Nationwide Chainstores Sales Division and in charge of Sales Development & Marketing Promotion Division of Suntory Foods Limited in September 2015. Assumed the office of Managing Director of Suntory Beer Limited (Present: Suntory Spirits Limited) in March 2016. Assumed the office of Executive Officer of Suntory Holdings Limited in April 2016. Assumed the office of Chief Operating Officer, Business Strategy Planning Division and Chief Operating Officer, Brand Marketing Division of Suntory Beer Limited in April 2016.	1,000

Name (Date of Birth)	Career Summary, Positions and Responsibilities and Important Concurrent Positions	Number of Company's Shares Held (shares)
	Assumed the office of Managing Executive Officer of such company in April 2017. Assumed the office of Chief Operating Officer, Brand Marketing Division and Senior General Manager, Premium Beer Marketing Department of such company in April 2017. Assumed the office of Director, Managing Executive Officer of Suntory Beverage & Food Limited in March 2018. Assumed the office of Chief Executive Officer, Japan Business Division of such company in April 2018. Assumed the office of Director, Senior Managing Executive Officer of such company in March 2019. Assumed the office of Chief Executive Officer, Japan Business Division and Chief Operating Officer, Communication Division, Japan Business Division of such company in January 2020. Assumed the office of Director, Executive Vice President of such company in January 2022. Assumed the office of Chief Executive Officer, SBF Japan of such company in January 2022. Assumed the office of Senior Managing Executive Officer of Suntory Holdings Limited in January 2023. Assumed the office of Supervisor, SCM Division, and Division COO, Supply Chain Division of such company in January 2023. Assumed the office of Director, Senior Managing Executive Officer of such company in March 2023. Has occupied the office of Director, Vice President of such company from January 2026 to date (incumbent). Has occupied the office of Advisor [Business Transformation] of Suntory Beverage & Food Limited from January 2026 to date (incumbent). <Important Concurrent Positions> Director, Vice President of Suntory Holdings Limited <Reason for the Selection> In consideration of Mr. Kimura's track record in driving business forward with strong leadership in the marketing division, sales division and the supply chain division for the entire Suntory Group as a division head, and his management experience as Chief Executive Officer of the Group's Japan business and Executive Vice President of Suntory Holdings Limited, and his keen insight derived from these achievements and experiences, we judge him well qualified for the role of Director.	

Note: The positions and responsibilities held at the parent company, etc. at present and in the last ten years by Mr. Josuke Kimura are as listed in the "Career Summary, Positions and Responsibilities and Important Concurrent Positions" column above.

Name (Date of Birth)	Career Summary, Positions and Responsibilities and Important Concurrent Positions	Number of Company's Shares Held (shares)
Candidate 2 New election Naoto Okinaka (August 13, 1967)	Joined Suntory Limited in April 1991. Assumed the office of Senior General Manager, Brand Marketing Department, Marketing & Development Division and Senior General Manager, Development & Design Department, Marketing & Development Division of Suntory Beverage & Food Limited in May 2014. Assumed the office of Executive Officer of such company in September 2015. Assumed the office of Division COO, Brand Development Division 1, Beverage & Food Business Division of such company in September 2015. Assumed the office of Division COO, Strategy & Business Planning Division, Japan Business Division, Chief Operating Officer, Communication Division, Japan Business Division and Senior General Manager, Innovation Development Department, Strategy & Business Planning Division, Japan Business Division of such company in September 2018. Assumed the office of Managing Executive Officer of such company in April 2019. Assumed the office of Executive Officer of Suntory Holdings Limited in January 2020. Assumed the office of Representative Director, President & Chief Executive Officer of Suntory Wellness Limited in January 2020. Has occupied the office of Senior Managing Executive Officer of Suntory Beverage & Food Limited from January 2025 to date (incumbent). Assumed the office of Division COO, Corporate Strategy Division and in charge of Corporate Communication Department of such company in January 2025. Has occupied the office of Chief Strategy & Finance Officer, Chief Business Growth Officer, and Head of Global Commercial Excellence of such company from January 2026 to date (incumbent).	—

Name (Date of Birth)	Career Summary, Positions and Responsibilities and Important Concurrent Positions	Number of Company's Shares Held (shares)
	<Important Concurrent Positions> Director of Suntory Beverage Solution Limited Director of Suntory Products Limited Director of Suntory PepsiCo Vietnam Beverage Co., Ltd. Director of Suntory PepsiCo Beverage (Thailand) Co., Ltd. Director of Pepsi Bottling Ventures LLC <Reason for the Selection> In consideration of Mr. Okinaka's track record in driving business forward with strong leadership in the marketing division over many years, his abundant business experience, including management experience as a President & Chief Executive Officer of a supplement operating company of the Suntory Group and in leading the corporate planning division of the Company, and his keen insight derived from these achievements and experiences, we judge him well qualified for the role of Director.	

Note: The positions and responsibilities held at the parent company, etc. at present and in the last ten years by Mr. Naoto Okinaka are as listed in the "Career Summary, Positions and Responsibilities and Important Concurrent Positions" column above.

Name (Date of Birth)	Career Summary, Positions and Responsibilities and Important Concurrent Positions	Number of Company's Shares Held (shares)
Candidate 3 New election Sho Senba (August 10, 1961)	Joined Suntory Limited in April 1985. Assumed the office of Senior General Manager, Business Planning Department of such company in September 2005. Assumed the office of Executive Officer of Suntory Liquors Limited (Present: Suntory Spirits Limited) in April 2009. Assumed the office of Executive Officer of Suntory Holdings Limited in January 2011. Assumed the office of Chief Operating Officer, Chinese Alcoholic Beverage Division of Suntory (China) Holding Co., Ltd. in January 2011. Assumed the office of Managing Director of Suntory Liquors Limited in September 2011. Assumed the office of Division COO, Beer Division of such company in September 2011. Assumed the office of Managing Director of Suntory Beer & Spirits Limited (Present: Suntory Spirits Limited) in October 2013. Assumed the office of Division COO, Kinki Sales & Marketing Division of such company in October 2013. Assumed the office of Division COO, Corporate Planning Division and Division COO, Business Development Department of Suntory Holdings Limited in June 2015. Chairman of the Board of Suntory (China) Holding Co., Ltd. in June 2015. Assumed the office of Division COO, Corporate Planning Division and in charge of Corporate Management & Finance Division of Suntory Holdings Limited in April 2016. Assumed the office of Representative Director, President & Chief Executive Officer of Suntory Spirits Limited in July 2016.	—

Name (Date of Birth)	Career Summary, Positions and Responsibilities and Important Concurrent Positions	Number of Company's Shares Held (shares)
	Assumed the office of Director of Suntory Beer, Wine & Spirits Japan Limited (Present: Suntory Spirits Limited) in April 2017. Assumed the office of Managing Executive Officer of Suntory Holdings Limited in April 2018. In charge of China, Beam Suntory Inc. (Present: Suntory Global Spirits Inc.) in April 2019. Assumed the office of President, Japan & China of such company in January 2020. Assumed the office of President, Asia of such company in January 2021. Assumed the office of President, Asia, President of Global RTD of such company in September 2022. Assumed the office of President, Asia Pacific, President of Global RTD of such company in January 2023. Assumed the office of Head of Suntory RTD Company, Suntory Spirits Limited in April 2023. Has occupied the office of Senior Managing Executive Officer of Suntory Holdings Limited from January 2024 to date (incumbent). Assumed the office of Interim President, Global RTD of Suntory Global Spirits Inc. in October 2025. Assumed the office of Senior Advisor to President, Global RTD of such company in December 2025. In charge of Group Companies Management Department of Suntory Holdings Limited from January 2026 to date (incumbent). <Important Concurrent Positions> Senior Managing Executive Officer of Suntory Holdings Limited <Reason for the Selection> In consideration of Mr. Senba's extensive track record as a corporate executive in Japan and overseas including as a President of a group company of Suntory Group in Japan and as a Chairman of the Board of a group company of Suntory Group in China, and his keen insight based on his experience as leader of the corporate planning division and sales division, we judge him well qualified for the role of Director so that he may contribute to further strengthening the functioning of the Board of Directors.	

- Notes:
1. The positions and responsibilities held at the parent company, etc. at present and in the last ten years by Mr. Sho Senba are as listed in the "Career Summary, Positions and Responsibilities and Important Concurrent Positions" column above.
 2. If Mr. Senba assumes office as a Director, the Company will conclude a limited liability agreement with him pursuant to Article 427, paragraph (1) of the Companies Act of Japan. Based on this agreement, Mr. Senba's liability as a Director is limited to the minimum liability amount stipulated by Article 425, paragraph (1) of the Companies Act of Japan.

Name (Date of Birth)	Career Summary, Positions and Responsibilities and Important Concurrent Positions	Number of Company's Shares Held (shares)
Candidate 4 Reelection Outside Director Independent Officer Maki Nakamura (July 21, 1964)	Joined Seiyu Co., Ltd. in March 1987. Assumed the office of Divisional Manager, Product Department Textile Department of Carrefour Japan in April 2000. Assumed the office of Manager, Residential Products Department of Seiyu Co., Ltd. in July 2002. Assumed the office of Senior Director, Merchandise Department Reform of such company in January 2003. Assumed the office of Director, Merchandise Department Residential Equipment I Department Daily Necessities Department of such company in October 2004. Assumed the office of Senior Director, Consumables and Home Appliances of such company in January 2006. Assumed the office of VP/GMM (General Merchandising Manager), Consumables and Home Appliances of such company in January 2007. Assumed the office of VP/GMM (General Merchandising Manager), Grocery Consumables of such company in March 2008. Assumed the office of Executive Officer SVP/Food Manager of such company in January 2009. Assumed the office of Executive Officer SVP/Chief Merchandise Officer (CMO) of Seiyu LLC (Present: Seiyu Co., Ltd.) in November 2009. Assumed the office of Executive Officer SVP of such company and Representative Director and President of Wakana Co., Ltd. in August 2012. Assumed the office of President of HAVI Supply Chain Solutions Japan G.K. in August 2017. Has occupied the office of Representative Director and President of Mamma Co., Ltd. from September 2020 to date (incumbent). Assumed the office of Outside Director of SATUDORA HOLDINGS CO., LTD. in August 2021. Has occupied the office of Director and CHRO of such company from August 2023 to date (incumbent). Has occupied the office of Outside Director of Suntory Beverage & Food Limited from March 2024 to date (incumbent).	—

Name (Date of Birth)	Career Summary, Positions and Responsibilities and Important Concurrent Positions	Number of Company's Shares Held (shares)
	<Responsibilities> — <Important Concurrent Positions> Representative Director and President of Mamma Co., Ltd. Director and CHRO of SATUDORA HOLDINGS CO., LTD. <Reason for the Selection and Expected Role> Ms. Nakamura has extensive experience as a corporate executive in the retail industry and other sectors, and keen insight in the field of human resource development. In consideration of this, and her record of appropriate advice and proposals on important management decisions of the Company in her role as an Outside Director to date, we judge her well qualified for the role of Outside Director. We expect that she will continue to utilize her experience and insight as a corporate executive, give strategic advice and demonstrate supervisory functions at the Board of Directors, and fulfill her role as a member of the Human Resources Committee and the Special Committee from an independent and objective standpoint. <Board of Directors Meeting Attendance> 12/13 <Term of Office as Director> Two years (as of the closing of the Meeting)	

- Notes:
1. Ms. Maki Nakamura is a candidate for Outside Director.
 2. The Company has concluded a limited liability agreement with Ms. Nakamura, pursuant to Article 427, paragraph (1) of the Companies Act of Japan. Based on this agreement, Ms. Nakamura's liability as a Director is limited to the minimum liability amount stipulated by Article 425, paragraph (1) of the Companies Act of Japan. The Company plans to continue this agreement with Ms. Nakamura if she is reelected at the Meeting.
 3. The Company designated Ms. Nakamura as an Independent Officer and reported this designation to the Tokyo Stock Exchange. Ms. Nakamura currently serves as Representative Director and President of Mamma Co., Ltd. However, the Group does not conduct any transactions with the aforesaid company. Although there are transactions for vending machine installation, etc. between the Group and SATUDORA HOLDINGS CO., LTD., where Ms. Nakamura serves as Director and CHRO, and beverage-related transactions between the Group and Seiyu LLC (Present: Seiyu Co., Ltd.), where Ms. Nakamura belonged up to the end of July 2017, in both cases the monetary amount of these transactions is less than 1% of consolidated revenues on either side, and the Company believes that this has no material effect on Ms. Nakamura's independence.

Proposal 4: Election of One (1) Director Serving on the Audit and Supervisory Committee

At the close of the Meeting, the term of office of Director serving on the Audit and Supervisory Committee, Mr. Hideki Kanda will expire. Accordingly, we request the election of one (1) Director serving on the Audit and Supervisory Committee. The Audit and Supervisory Committee has already given their consent to this proposal. This proposal has been considered by the Directors serving on the Audit and Supervisory Committee, but they have expressed no opinion.

The candidate for Director serving on the Audit and Supervisory Committee to be elected is as follows:

Name		Current positions, etc. in the Company or other companies	Board of Directors Meeting Attendance	Audit and Supervisory Committee Meeting Attendance
Reelection	Hideki Kanda	Director serving as full-time Audit and Supervisory Committee Member	13/13	13/13

Note: In addition to the number of attendances at meetings of the Board of Directors presented above, in accordance with the provisions of Article 370 of the Companies Act, and of Article 27 of the Company's Articles of Incorporation, there were four (4) written resolutions where it was deemed that a resolution of the Board of Directors had been made.

(Reference) Directors serving on the Audit and Supervisory Committee who will remain in office

Name		Current positions, etc. in the Company or other companies	Board of Directors Meeting Attendance	Audit and Supervisory Committee Meeting Attendance
Outside Director Independent Officer	Mika Masuyama	Outside Director serving on the Audit and Supervisory Committee President and Representative Partner of Masuyama & Company LLC.	13/13	13/13
Outside Director Independent Officer	Mariko Mimura	Outside Director serving on the Audit and Supervisory Committee Attorney of Nishimura & Asahi (Gaikokuho Kyodo Jigyo) (Of Counsel)	13/13	13/13

Name (Date of Birth)	Career Summary, Positions and Responsibilities and Important Concurrent Positions	Number of Company's Shares Held (shares)
Reelection Hideki Kanda (May 13, 1963)	Joined Suntory Limited in April 1987. Assumed the office of Senior General Manager, Human Resources Department of Suntory Holdings Limited in April 2014. Assumed the office of Executive Officer of such company in April 2016. Assumed the office of Chief Operating Officer, Human Resources Management Division and Senior General Manager, Human Resources Department of such company in April 2016. Assumed the office of Senior General Manager, Human Resources Department and in charge of Career Planning & Development Department of such company in April 2017. Assumed the office of Director of Suntory Business Systems Limited in March 2018. Assumed the office of Chief Operating Officer, Human Resources Division and Senior General Manager, Human Resources Department of Suntory Holdings Limited in April 2019. Assumed the office of Representative Director, President & Chief Executive Officer of Suntory Spirits Limited and Director of Suntory Beer, Wine & Spirits Japan Limited (Present: Suntory Spirits Limited) in January 2020. Assumed the office of Director, Managing Executive Officer of Suntory Spirits Limited in July 2022. Assumed the office of Head, Spirits Company of such company in July 2022. Assumed the office of Chief Operating Officer, Risk Management Division of Suntory Holdings Limited in January 2023. Assumed the office of Managing Executive Officer of Suntory Beverage & Food Limited in January 2024. Has occupied the office of Director serving as full-time Audit and Supervisory Committee Member of such company from March 2024 to date (incumbent). <Important Concurrent Positions> Audit & Supervisory Board Member of Suntory Foods Limited Audit & Supervisory Board Member of Suntory Products Limited <Reason for the Selection> Mr. Kanda has keen insight derived from his experience in leading the human resources and legal/risk management divisions of the Suntory Group, and as Head of a spirits operating company. In his role as a Director serving as full-time Audit and Supervisory Committee Member, he has also audited the execution of business at the Company. In consideration of this, and his record of appropriate advice and proposals on important management decisions of the Company, we judge him well qualified for the role of Director serving on the Audit and Supervisory Committee. <Board of Directors Meeting Attendance> 13/13 <Audit and Supervisory Committee Meeting Attendance> 13/13 <Term of Office as Director Serving on the Audit and Supervisory Committee> Two years (as of the closing of the Meeting)	1,000

Notes: 1. There is no special interest between the Company and Mr. Hideki Kanda.

2. The positions and responsibilities held at the parent company, etc. at present and in the last ten years by Mr. Kanda are as listed in the “Career Summary, Positions and Responsibilities and Important Concurrent Positions” column above.
3. The Company has entered into a directors and officers liability insurance policy contract with an insurance company, as stipulated in Article 430-3, paragraph (1) of the Companies Act of Japan, with all of its Directors serving on the Audit and Supervisory Committee included in the policy as insured persons. The overview of the details of this insurance policy is presented under “Names, etc. of Directors” in “Status of Directors” in the Business Report. If Mr. Kanda assumes office as a Director serving on the Audit and Supervisory Committee, he will be included as an insured party under the insurance policy. The Company intends to renew the insurance policy with no change to its content during his term of office.
4. The Company has concluded a limited liability agreement with Mr. Kanda, pursuant to Article 427, paragraph (1) of the Companies Act of Japan. Based on this agreement, Mr. Kanda’s liability as a Director is limited to the minimum liability amount stipulated by Article 425, paragraph (1) of the Companies Act of Japan. The Company plans to continue this agreement with Mr. Kanda if he is reelected at the Meeting.
5. The Company has entered into an indemnity agreement with Mr. Kanda as stipulated in Article 430-2, paragraph (1) of the Companies Act of Japan. The overview of the details of this agreement is presented under “Names, etc. of Directors” in “Status of Directors” in the Business Report. The Company plans to continue this agreement with Mr. Kanda if he is reelected at the Meeting.

Proposal 5: Election of One (1) Substitute Director Serving on the Audit and Supervisory Committee

As the effect of Mr. Mitsuhiro Amitani's election will expire at the commencement of the Meeting, we request the election of one (1) Substitute Director serving on the Audit and Supervisory Committee as a substitute for all the Directors serving on the Audit and Supervisory Committee, to prepare for a situation where the number of Directors serving on the Audit and Supervisory Committee does not satisfy the number prescribed by laws and regulations.

The Audit and Supervisory Committee has already given their consent to this proposal. This proposal has been considered by the Directors serving on the Audit and Supervisory Committee, but they have expressed no opinion.

The candidate for Substitute Director serving on the Audit and Supervisory Committee to be elected is as follows:

Name (Date of Birth)	Career Summary and Important Concurrent Positions	Number of Company's Shares Held (shares)
Mitsuhiro Amitani (June 2, 1956)	Registered as Attorney in April 1985. Joined Hashidate Law Office in April 1985. Joined Wakita Law Office in November 1989. Has occupied the office of Attorney of Shimada, Seno & Amitani Law Office (Present: SAH & Co.) from March 1990 to date (incumbent). Has occupied the office of Outside Audit & Supervisory Board Member of STANLEY ELECTRIC CO., LTD. from June 2006 to date (incumbent). Assumed the office of Outside Audit & Supervisory Board Member of HUB CO., LTD. in May 2013. Assumed the office of Outside Director of SIGMAXYZ Inc. (Present: SIGMAXYZ Holdings Inc.) in June 2018. Has occupied the office of Outside Director who is an Audit & Supervisory Committee Member of SIGMAXYZ Holdings Inc. from June 2022 to date (incumbent). Has occupied the office of Outside Director who is an Audit & Supervisory Committee Member of KU HOLDINGS CO.,LTD. from June 2025 to date (incumbent). <Important Concurrent Positions> Attorney (Partner) of SAH & Co. Outside Audit & Supervisory Board Member of STANLEY ELECTRIC CO., LTD. Outside Director who is an Audit & Supervisory Committee Member of SIGMAXYZ Holdings Inc. Outside Director who is an Audit & Supervisory Committee Member of KU HOLDINGS CO.,LTD. <Reason for the Selection and Expected Role> Based on his high-level specialized knowledge of the field of law as an attorney, we expect Mr. Amitani to provide appropriate opinions from a reasonable and fair perspective that comes from an independent and objective standpoint on the Company's decision-making as it relates to the execution of its business, and we judge him well qualified for the role of Substitute Outside Director serving on the Audit and Supervisory Committee.	—

- Notes:
1. There is no special interest between the Company and Mr. Mitsuhiro Amitani.
 2. Mr. Amitani is a candidate for Substitute Outside Director.
 3. Although Mr. Amitani has not been directly involved in corporate management in ways other than being an Outside Director or Outside Audit & Supervisory Board Member, as noted in the <Reason for the Selection and Expected Role> pertaining to him, we judge him well qualified to perform his duties as a Director serving on the Audit and Supervisory Committee.
 4. The Company has entered into a directors and officers liability insurance policy contract with an insurance company, as stipulated in Article 430-3, paragraph (1) of the Companies Act of Japan, with all of its Directors serving on the Audit and Supervisory Committee included in the policy as insured persons. The overview of the details of this insurance policy is presented under “Names, etc. of Directors” in “Status of Directors” in the Business Report. If Mr. Amitani assumes office as a Director serving on the Audit and Supervisory Committee, he will be included as an insured party under the insurance policy. The Company intends to renew the insurance policy with no change to its content during his term of office.
 5. If Mr. Amitani assumes office as a Director serving on the Audit and Supervisory Committee, the Company will conclude a limited liability agreement with him pursuant to Article 427, paragraph (1) of the Companies Act of Japan. Based on this agreement, Mr. Amitani’s liability as a Director is limited to the minimum liability amount stipulated by Article 425, paragraph (1) of the Companies Act of Japan.
 6. If Mr. Amitani assumes office as a Director serving on the Audit and Supervisory Committee, the Company will conclude an indemnity agreement with him as stipulated in Article 430-2, paragraph (1) of the Companies Act of Japan. The overview of the details of this agreement is presented under “Names, etc. of Directors” in “Status of Directors” in the Business Report.
 7. If Mr. Amitani assumes office as a Director serving on the Audit and Supervisory Committee, the Company plans to designate Mr. Amitani as an Independent Officer and report this designation to the Tokyo Stock Exchange.

Conversation between the President and Outside Directors

Outside Director Nakamura

Outside Director Mimura

President & Chief Executive Officer Ono

Outside Director Masuyama

Ms. Makiko Ono, our Representative Director, President & Chief Executive Officer, and three Outside Directors had a conversation about the current state and features of the Company as well as future issues.

Please refer to the following Company's website for further details of the conversation. https://www.suntory.com/softdrink/ir/library_ebook/upload/section7_e.pdf

(Reference) Skillset Matrix of the Board of Directors

Having deemed that the Board of Directors is responsible for implementing corporate strategy and achieving management targets by engaging in wide-ranging and practical discussions regarding corporate strategy and medium- to long-term management issues, the Company has accordingly identified the skills that the Board of Directors should possess, as follows, in order to fulfill such responsibilities.

Skill category	Reason for inclusion in the skillset matrix
Company management	Knowledge and experience regarding company management are necessary in seeking to achieve high-quality growth, building corporate strategy, and making appropriate management decisions as a True Global Beverage Company in the rapidly changing business environment.
International experience	Knowledge and experience in building and executing global strategies based on an understanding of diverse values and cultures are necessary in order to achieve growth as a True Global Beverage Company.
Marketing	Knowledge and experience in building and executing marketing strategies are necessary in order to accurately understand the business environment and market trends and create connections with “Seikatsusha” through meaningful dialogue.
Sales	Knowledge and experience in building and executing sales strategies are necessary in order to achieve revenue growth as well as profit growth which outpaces revenue growth.
Finance and accounting	Knowledge and experience in finance and accounting are necessary in order to establish financial infrastructure necessary for achieving corporate strategy.
Human resource development	Knowledge and experience in human resource development are necessary in order to enable each and every employee to achieve ongoing growth enlisting their full potential in terms of their individuality and skills, based on the philosophy that people are the crucial foundation of business management.
Sustainability	Knowledge and experience in sustainability are necessary with respect to enhancing efforts for addressing environmental and social challenges and promoting sustainability management.
Corporate governance/ Risk management	Knowledge and experience in corporate governance and risk management are necessary in order to establish a corporate governance structure and appropriately manage risk in a manner that places due consideration on the “characteristics” and “basic policy” of the Company’s corporate governance.

The Company’s Director candidates are to embody the following three values, which are set out in the Suntory Group corporate philosophy.

Growing for Good	“Yatte Minahare”	Giving Back to Society
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Furthermore, the Company selects internal Director candidates who will ensure diversity in terms of their respective fields of specialty and professional experience, while also demonstrating managerial leadership.

When it comes to Outside Director candidates, the Company considers those with independence and equipped with abundant knowledge, experience and expertise.

The following skillset matrix presents the individual skills possessed by each Director after the Meeting (planned).

* After the Meeting (planned)

Name/ Date of birth	Position(s)*	Gender	Area of expertise	Term of office*
Josuke Kimura January 23, 1961	Representative Director, President & Chief Executive Officer Chief Executive Officer of SBF Japan Chairperson of the Human Resources Committee	Male	Company management International experience Marketing Sales Sustainability	Zero years
Naoto Okinaka August 13, 1967	Director, Senior Managing Executive Officer Chief Strategy & Finance Officer, Chief Business Growth Officer, Head of Global Commercial Excellence	Male	Company management International experience Marketing Finance and accounting	Zero years
Sho Senba August 10, 1961	Director	Male	Company management International experience Marketing Sales Finance and accounting	Zero years
Maki Nakamura July 21, 1964	Outside Director (Independent Officer) Human Resources Committee Member Special Committee Member	Female	Company management International experience Marketing Human resource development	Two years
Hideki Kanda May 13, 1963	Full-time Audit and Supervisory Committee Member Human Resources Committee Member	Male	Company management International experience Marketing Sales Finance and accounting Human resource development Corporate governance/Risk management	Two years
Mika Masuyama January 6, 1963	Lead Outside Director (Independent Officer) Audit and Supervisory Committee Member Human Resources Committee Member Chairperson of the Special Committee	Female	International experience Human resource development Corporate governance/Risk management	Nine years

[Translation]

Name/ Date of birth	Position(s)*	Gender	Area of expertise	Term of office*
Mariko Mimura March 22, 1957	Outside Director (Independent Officer) Audit and Supervisory Committee Member Human Resources Committee Member Special Committee Member	Female	Company management International experience Corporate governance/Risk management	Three years

Business Report (from January 1, 2025 to December 31, 2025)

1. Matters Concerning the Present Condition of the Group

(1) Progress and Achievement of Business

Billions of yen

Category	The 16th Fiscal Year 2024	The 17th Fiscal Year 2025	YoY change
Consolidated revenue	1,696.8	1,715.4	Up 1.1%
Consolidated operating income	160.2	148.7	Down 7.2%
Profit for the year attributable to owners of the Company	93.5	88.7	Down 5.1%

Suntory Beverage & Food Limited Group (the Group) has set the achievement of “high-quality growth” as its target in order to realize sustainable business growth and enhancement of corporate value as a truly global beverage enterprise. Under the medium-term management plan covering the period from 2024, the Group has established the four important strategic themes of “Brand strategy,” “Business structural transformation,” “DEI (diversity, equity and inclusion)” and “Sustainability,” and is actively developing business in line with these themes.

For the operating results of the fiscal year under review, the Group reported consolidated revenue of ¥1,715.4 billion, up 1.1% year on year and up 0.7% on a currency neutral basis. Consolidated operating income was ¥148.7 billion, down 7.2% year on year and down 7.8% on a currency neutral basis. Net profit attributable to owners of the Company was ¥88.7 billion, down 5.1% year on year and down 5.8% on a currency neutral basis.

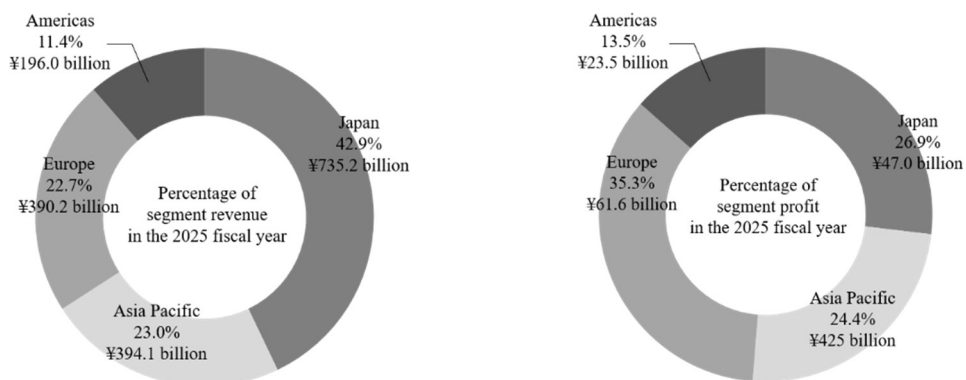
During the fiscal year under review, despite being impacted by a challenging external environment, particularly in Asia Pacific, we continued aggressive marketing activities centered on our core brands. At the same time, we identified issues to be addressed and steadily advanced transformation initiatives aimed at resolving these challenges and creating new value.

Revenue increased year on year. By segment, revenue grew in Europe, Japan, and the Americas, where our aggressive marketing activities yielded positive results. However, revenue declined in Asia Pacific, due to delays in responding to rapid changes in the business environment.

Operating income decreased, mainly reflecting lower revenue in Asia Pacific as well as the impact of soaring raw material prices and logistics costs driven by inflation.

Results by segment are described below.

(Reference) Segment revenue and segment profit in the 2025 fiscal year



Billions of yen

Segment	Segment revenue	Segment profit
Japan business	735.2	47.0
Asia Pacific business	394.1	42.5
Europe business	390.2	61.6
Americas business	196.0	23.5
Reconciliations	—	(25.8)
Total	1,715.4	148.7

Segment Information**Japan business**

Segment revenue	¥735.2 billion (up 0.5% year on year)
Segment profit	¥47.0 billion (down 4.3% year on year)

Revenue was ¥735.2 billion, up 0.5% year on year, as price revisions and product mix improvements offset lower sales volume.

The beverage market declined year on year (based on the Company's estimates) due to the continued impact of price revisions and unfavorable weather conditions during the peak season. Our sales volume was also lower compared with the previous fiscal year, despite the continued strengthening of core brands, new product launches, and aggressive marketing activities, due to the same factors affecting the beverage market.

By brand, *Suntory Tennensui* performed well in the 1L PET bottle products and with *Suntory Tennensui Kirrito Yogu*, but overall sales volume declined due in part to the rebound from increased stockpiling demand in the previous fiscal year. For *BOSS*, *Amakunai Italiano* of the *Craft BOSS series* and the *Sekaino TEA series* performed strongly, resulting in overall brand sales volume remaining roughly in line with the previous fiscal year. For *Iyemon*, sales volume was down year on year due to the continued impact of price revisions, particularly for large-size products, amidst a continued challenging competitive environment. On the other hand, sales of small-size products performed steadily, supported by effective marketing activities. In the category of food for specified health uses and food with functional claims, *Tokucha* performed strongly driven by communications emphasizing evidence of its effectiveness. In addition, *Tokusui*, a water-category product under the *Tokucha* brand launched in October 2025, successfully cultivated new demand.

In the vending machine business, the cashless app *Jihanpi* for vending machines achieved 15 million downloads by the end of December 2025, contributing to the expansion of customer touchpoints.

Segment profit was ¥47.0 billion, down 4.3% year on year, due to higher raw material prices and logistics costs driven by inflation, despite strict cost management.

Asia Pacific business	
Segment revenue	¥394.1 billion (down 2.0% year on year)
Segment profit	¥42.5 billion (down 6.4% year on year)

Revenue was ¥394.1 billion, down 2.0% year on year and down 1.6% on a currency neutral basis.

In the beverage business, sales volume declined year on year in Vietnam and Thailand, where responses to rapid changes in the business environment were delayed, resulting in lower revenue compared to the previous fiscal year. Vietnam experienced a contraction of the beverage market, except for the water category, due to increased competition and sluggish consumption. Thailand was affected by the underperformance of its key carbonated beverage market due to unfavorable weather conditions. In Oceania, revenue increased due to higher sales volume of *V* driven by growth in the energy drink category and aggressive marketing activities, as well as contributions from RTD alcoholic beverages launched in July 2025. In the health supplement business (Thailand and the Indochina Peninsula), revenue increased as sales in Thailand remained solid, supported by the launch of new products and renewed communication strategies, despite weaker demand caused by sluggish consumption and a decline in tourist numbers. Segment profit was ¥42.5 billion, down 6.4% year on year and down 6.2% on a currency neutral basis, due to a decrease in revenue.

Europe business	
Segment revenue	¥390.2 billion (up 6.0% year on year)
Segment profit	¥61.6 billion (up 2.0% year on year)

Revenue was ¥390.2 billion, up 6.0% year on year and up 3.2% on a currency neutral basis.

In France, although sales volume declined following an increase in the sugar tax, revenue rose due to the impact of price revisions. The UK's revenue grew due to aggressive and effective marketing activities for *Lucozade* and *Ribena*, foreign exchange impacts, and a rebound from low production capacity utilization in the first half of the previous fiscal year. In Spain, despite the continued impact of a slowdown in the on-premise tonic water market, revenue grew as a result of successful efforts to expand the product portfolio. Segment profit was ¥61.6 billion, up 2.0% year on year and down 0.6% on a currency neutral basis, as a result of revenue growth and strict cost management.

Americas business	
Segment revenue	¥196.0 billion (up 0.6% year on year)
Segment profit	¥23.5 billion (down 0.7% year on year)

Revenue was ¥196.0 billion, up 0.6% year on year and up 2.0% on a currency neutral basis.

While offerings of certain products in the water category declined, overall revenue was supported by steady performance in the carbonated beverage and energy drink

categories, along with the contribution of new product launches.
Segment profit was ¥23.5 billion, down 0.7% year on year and up 0.8% on a currency neutral basis, due to the impact of higher labor and manufacturing costs.

(2) Issues to Address

1) Corporate philosophy

The Group's corporate philosophy consists of "Our Purpose," "Our Values," and "Who We Are."

"Our Purpose" and "Our Values" align with the Suntory Group's Corporate Philosophy in that they define the values all our employees embrace to achieve our purpose, in addition to the goals of our business and our corporate direction.

Moreover, we define the universal characteristics of the Group as "Who We Are" in seeking to achieve "high-quality growth" as a truly global beverage business.

< Our Purpose >

To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature.

< Our Values >

Growing for Good / "Yatte Minahare" / Giving Back to Society

< Who We Are >

Always Together with Seikatsusha

We connect with your feelings to enrich every moment of life

2) Medium-term strategy and medium-term plan

The medium-term strategy and medium-term plan are as follows:

Medium-term strategy

Our aspiration is ¥2.5 trillion sales by 2030 to be achieved organically by "outperforming the market" as well as through "incremental growth from new investments," as we seek to achieve "high-quality growth" as a truly global beverage enterprise.

Furthermore, we aim for profit growth which outpaces revenue growth.

In order to achieve these, the Group will proactively develop business in line with the following key strategic pillars.

< Brand strategy >

- Enhance core brand innovation
- Expand cross-selling of strategic brands to a wider area
- Develop global Suntory brands

< Structural transformation >

- Japan: Accelerate structural transformation toward strengthening profitability
- Overseas: Accelerate business growth and further strengthen profitability
- Further augment and strengthen the business portfolio (deployment of RTD, etc.)

< DEI >

- Improve corporate competitive strengths through integration of diverse perspectives and values

< Sustainability >

- Reinforce initiatives for taking on environmental and social challenges

Medium-term plan (2024-2026)

The targets through 2026 based on the medium-term strategy are as follows:

Organic growth

(Base year: 2023, on a currency neutral basis)

Revenue	Mid single-digit Compound Annual Growth Rate (CAGR) growth
Operating income	High single-digit Compound Annual Growth Rate (CAGR) growth
Operating margin	Over 10% by 2026
Free cash flow	Generate more than ¥140 billion in 2026

* Free cash flow = cash flows from operating activities - cash flows from investing activities

Growth investment

- Allocate ¥300-600 billion for investment
- Focus on augmenting M&A and strategic capital investment (including investments in sustainability), and on global deployment of strategic brands

Dividend policy

- Target dividend payout ratio of 40% or higher from fiscal year 2024 onward
- * A targeted consolidated payout ratio of profit for the year attributable to owners of the Company

3) Initiatives for 2026

In 2026, we expect the highly uncertain external environment and intense competitive environment to persist, alongside further diversification in consumer behavior. Against this backdrop, we aim to drive revenue growth by accelerating the “creation of new value (innovation)” and “business transformation (transformation).” We will also continue to tightly manage costs and strive for higher profits. Further, to ensure medium- to long-term growth, we will continue to explore M&A and other investment opportunities and work to increase productivity by expanding production facilities.

Regarding our DEI initiatives, we will promote various initiatives under our vision of growing as One Team, while embracing the unique strengths of our global workforce. In terms of sustainability, we have identified water, greenhouse gases, and plastics as priority areas and will intensify our efforts to achieve the “Environmental Targets toward 2030.”

In addition, effective January 1, 2026, we have restructured our organization to accelerate the transformation of our overseas operations and conduct integrated management. Consequently, the reportable segments, previously categorized as “Japan business,” “Asia Pacific business,” “Europe business,” and “Americas business,” will be reorganized into “Japan business,” “Europe business,” “Asia business,” “Oceania business,” and “Americas business,” effective from the fiscal year ending December 31, 2026.

< Japan business >

Designating our business strategies of “core brand innovation,” “vending machine business transformation,” and “supply chain structural reform” as the key priorities, we aim to grow revenue and profit.

We will further strengthen efforts to communicate our distinctive brand value, centered on our core brands, and aim to enhance brand value and create new demand through expanded flavor offerings and a broader range of size options.

With respect to marketing activities, the Group will continue to further strengthen initiatives involving *Suntory Tennensui*, *BOSS*, *Iyemon*, *GREEN DA•KA•RA* and *Tokucha*.

Further, we will expand our portfolio through the development and launch of new brands, thereby creating new value aligned with consumer needs.

< Europe business >

In Europe, we will strengthen our core brands and advance aggressive promotional activities. We will also continue cost reduction initiatives and structural reforms to improve profitability. In France, we will further enhance the added value of *Oasis* and *Orangina*. In the UK, we will actively communicate the distinctive value of *Lucozade* and other products, while launching new products and new flavors. In Spain, we will further expand our product portfolio and advance structural reforms of the on-premise business.

< Asia business >

In Asia, assuming that the impact of rapid changes in the business environment in Vietnam and Thailand will continue, we will strengthen promotional activities for our core brands and, along with providing container and size offerings tailored to consumer needs, aim to create new demand and enhance brand value.

In the beverage business, in Vietnam, the Group will continue to strengthen its sales activities of core brands such as the energy drink *Sting* and tea beverage *TEA+*. In Thailand, in addition to reinforcing the carbonated beverage category, we will advance brand transformation for *TEA+* and expand our portfolio in the non-carbonated beverage category.

In the health supplement business, we will strengthen promotional activities for *BRAND'S Essence of Chicken*, and for *BRAND'S Bird's Nest*, we will work to expand beverage sales and introduce jelly-type products.

< Oceania business >

In Australia and New Zealand, we will continue to focus on our core brand *V* while pursuing further growth of *BOSS*. For RTD alcoholic beverages, we will commence sales in New Zealand in January 2026 and aim to achieve further sales expansion.

< Americas business >

The Group will enhance the core carbonated beverage category while working to further expand the growing non-carbonated beverage category. By optimizing our portfolio through the launch of new brands and product offerings that anticipate changing consumer preferences, we aim to drive growth in revenue and profits.

We appreciate and value your ongoing cooperation and support.

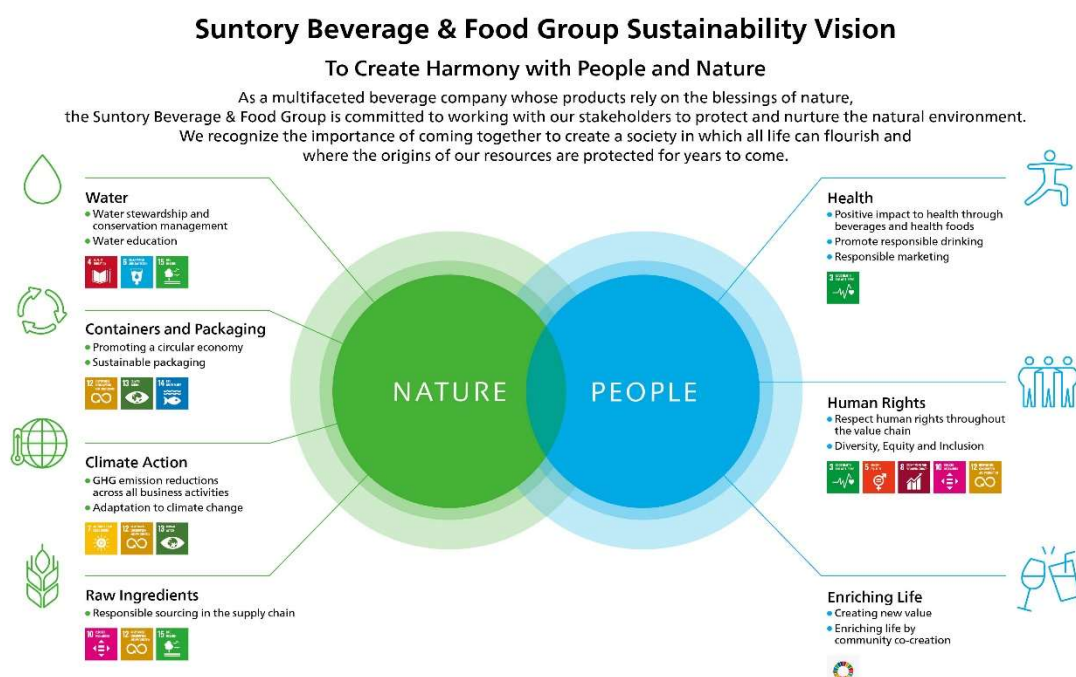
(Reference) Sustainability Initiatives

As companies are expected to implement proactive actions for achieving the Sustainable Development Goals (SDGs)*, which are objectives shared by the whole world, the Group, which operates globally, will continue to take on the challenge of realizing a sustainable society by addressing global issues more sincerely than ever before.

To promote sustainability management, the Company has identified its materiality, and this materiality is incorporated into our sustainability strategy. In materiality analysis, we identified and evaluated the impact on both the Group's financial impact and external impact on the environment and society based on the concept of double materiality.

In addition, we have formulated the “Suntory Beverage & Food Group Sustainability Vision” based on the results of materiality analysis. With the Sustainability Vision incorporating seven priority themes structured around Nature and People, the Group is aware of the interdependence of Nature and People, and accordingly engages in activities together with its stakeholders with the aim of creating a society of harmony between the two.

* The Sustainable Development Goals are goals adopted at a UN Summit in September 2015 that the whole world should tackle by 2030



Targets toward 2030

1. Water

[Reduction of water used in direct operation]

Reduce the water intensity of production at our owned plants^{*1} by 20%^{*2}

[Water replenishment]

Replenish more than 100% of water used in at least 50% of our owned plants^{*1}, including all those in highly water stressed areas

[Sustainable water use in raw ingredients]

Collaborate with suppliers to improve water-use efficiency in the production of water-intensive key ingredients^{*3} in highly water stressed areas

[Water education and access to safe water]

Expand water education programs and initiatives to provide safe water access for more than 5 million people^{*4}

2. Greenhouse Gas (GHG)

- Reduce GHG emissions from our direct operations by 50%^{*5}
- Reduce GHG emissions across our entire value chain by 30%^{*5}

3. Use of Sustainable Materials in PET Bottles^{*6}

Switch all PET bottles used globally to 100% sustainable materials

*1 Owned plants that manufacture finished products of the Group

*2 Reduction of water intensity of production based on 2015 baseline year

*3 Coffee, etc.

*4 The target of 5 million people is the Suntory Group's target.

*5 Based on emissions in 2019.

*6 Sustainable materials in PET bottles by weight (recycled or Bio-based material)

Sustainability Initiatives in 2025

All four of the Group's *Suntory Tennensui* water plants in Japan received the highest-level certification from the Alliance for Water Stewardship (AWS)

The Suntory Kita Alps Shinano-no-Mori Water Plant has received the highest-level Platinum certification from the Alliance for Water Stewardship (AWS), an organization that awards certificates for sustainable water use in the catchment areas around the plants. Suntory Group earned Japan's first AWS Platinum certification at the Suntory Kyushu Kumamoto Plant in 2023, followed by the Suntory Okudaisen Bunanomori Water Plant and the Suntory Minami Alps Hakushu Water Plant in January 2025. With this latest achievement, all four of the Group's *Suntory Tennensui* water plants in Japan now hold the highest AWS certification. Suntory Group is currently the only company in Japan with AWS Platinum certifications.

Initiatives to Promote DEI

The Suntory Group aims to drive growth by encouraging, learning from, and integrating the experiences and perspectives of each individual, regardless of gender, nationality, or age. By leveraging our diverse personalities, perspectives, and strengths as a team, we strive to continue creating new value and providing better products and services to our customers. The Company also promotes initiatives based on the Suntory Group's shared "DEI Vision."

Initiatives for KENKO Investment for Health

The Company has been selected as a certified enterprise of the 2025 KENKO Investment for Health Stock Selection in recognition of its advanced health management practices. The Company has also been selected as a 2025 Certified KENKO Investment for Health Outstanding Organization (White 500) for the 9th consecutive year.

We have set forth and promoted Health Management Declaration since 2016, based on the belief that the robust physical and mental health of employees and their families leads to fulfilling daily lives and rewarding work and is the driving force behind the realization of the SBF Vision that we aim to achieve.

The SUNTORY+ healthcare service for supporting corporate health management has been adopted by more than 1,500 companies since it went into operation in July 2020.

Furthermore, we are engaging in various initiatives through *GREEN DA•KA•RA*, which serves as activities for raising awareness of heatstroke prevention. These include the free provision of products together with original teaching materials that make learning about heatstroke prevention measure fun to elementary schools that request them, as well as heatstroke prevention programs for children and heatstroke prevention seminars for companies. Through these initiatives, the Company is proactively contributing to the health of society.

Please refer to the following Company's website for further details on the Group's sustainability activities.

<https://www.suntory.com/softdrink/company/sustainability/>

(3) Status of Assets and Profit and Loss

Category	The 14th Fiscal Year 2022	The 15th Fiscal Year 2023	The 16th Fiscal Year 2024	The 17th Fiscal Year 2025 (fiscal year under review)
Revenue (Millions of yen)	1,450,397	1,591,722	1,696,765	1,715,438
Operating Income (Millions of yen)	139,688	141,726	160,249	148,739
Profit for the Year Attributable to Owners of the Company (Millions of yen)	82,317	82,743	93,495	88,723
Basic Earnings per Share (Yen)	266.40	267.78	302.57	287.13
Total Equity (Millions of yen)	1,060,104	1,185,027	1,315,278	1,425,198
Equity Attributable to Owners of the Company per Share (Yen)	3,123.69	3,519.00	3,914.53	4,258.74
Total Assets (Millions of yen)	1,783,349	1,912,415	2,058,032	2,218,015

(4) Summary of Principal Businesses (as of December 31, 2025)

The Group manufactures and sells beverages and food including mineral water, coffee beverages, tea beverages, carbonated beverages, sports beverages, and FOSHU.

(5) Status of Significant Parent Company and Subsidiaries

1) Status of Significant Parent Company

Name	Shares Held	Ratio of Voting Rights	Business Relationship
Suntory Holdings Limited	183,800,000 shares	59.4%	Payment of royalties, advance payment for raw materials, etc.

Note: The Company's important transactions, activities, etc. conducted with its parent company are, in accordance with internal regulations, examined beforehand by the departments conducting the important transactions, activities, etc. and by the Company's legal affairs division and finance & accounting division to confirm the necessity and reasonableness of transactions, activities, etc., the appropriateness of their terms and conditions, etc., and the fairness, taking into consideration the perspective of independence from the parent company. Furthermore, following prior deliberation and report by the Special Committee consisting of three Independent Outside Directors who are independent of the parent company group, the Board of Directors carries out a full deliberation on the necessity and

reasonableness of transactions, activities, etc., the appropriateness of their terms and conditions, etc., and the fairness, that precedes decision-making. In addition to deliberation beforehand, after a transaction takes place, in accordance with internal regulations, the legal affairs division, finance & accounting division, and internal audit division conduct a check on whether the transaction was carried out based on the contents of the deliberation. Also, the Audit and Supervisory Committee conducts an audit. Moreover, the status of the transactions, activities, etc. is reported to the Special Committee and the Board of Directors, and they confirm the results of the transactions, activities, etc. After reviewing these procedures, the Company's Board of Directors has determined that the important transactions, activities, etc., with the parent company do not undermine the Company's interests since they are necessary and reasonable, appropriate in terms of terms and conditions, etc., and fair.

2) Status of Significant Subsidiaries, etc.

Name	Paid-in Capital	Ratio of Voting Rights (%)	Principal Business Purpose
Suntory Foods Limited	(Million) ¥1,000	100.0	Sale of non-alcoholic beverages
Suntory Beverage Solution Limited	(Million) ¥80	100.0	Sale of non-alcoholic beverages
Japan Beverage Holdings Inc.	(Million) ¥100	93.7	Sale of non-alcoholic beverages
Suntory Products Limited	(Million) ¥1,000	100.0	Manufacture of non-alcoholic beverages
Suntory Beverage & Food Asia Pte. Ltd.	(Thousand) S\$808,827	100.0	Strategic planning and group supervision for beverage and food businesses in Southeast Asia and other regions
Suntory Beverage & Food International (Thailand) Co., Ltd.	(Million) THB250	100.0	Manufacture and sale of health foods
Suntory PepsiCo Vietnam Beverage Co., Ltd.	(Million) VND5,597,429	100.0	Manufacture and sale of non-alcoholic beverages
Suntory PepsiCo Beverage (Thailand) Co., Ltd.	(Thousand) THB14,085,250	51.0	Manufacture and sale of non-alcoholic beverages
SUNTORY BEVERAGE & FOOD NEW ZEALAND LIMITED	(Thousand) NZ\$446,709	100.0	Manufacture and sale of non-alcoholic beverages
SUNTORY BEVERAGE & FOOD AUSTRALIA PTY LTD	(Thousand) A\$572,200	100.0	Manufacture and sale of non-alcoholic beverages and alcoholic beverages
Orangina Schweppes Holding B.V.	(Thousand) €18	100.0	Manufacture and sale of non-alcoholic beverages

Name	Paid-in Capital	Ratio of Voting Rights (%)	Principal Business Purpose
Lucozade Ribena Suntory Limited	(Million) £413	100.0	Manufacture and sale of non-alcoholic beverages
Pepsi Bottling Ventures LLC	(Thousand) US\$215,554	65.0	Manufacture and sale of non-alcoholic beverages

Notes:

1. The ratio of voting rights includes indirect holdings.
2. The Company and its subsidiary Japan Beverage Holdings Inc. hold all of the issued shares of Suntory Beverage Solution Limited.
3. The Company holds 51.0% of the issued shares of Suntory PepsiCo Investment B.V., which holds all of the issued shares of Suntory PepsiCo Vietnam Beverage Co., Ltd.

(6) Principal Offices and Plants, etc. (as of December 31, 2025)

1) The Company

Head Office:	1-1, Shibaura 3-chome, Minato-ku, Tokyo
Research Institute:	Product Development Center (Kawasaki-shi, Kanagawa)

2) Subsidiaries

Name of Segment	Name	Major Business Sites	
Japan	Suntory Foods Limited	Head Office	Minato-ku, Tokyo
		Office	Tokyo Metropolitan Sales & Marketing Division (Minato-ku, Tokyo), etc.
	Suntory Beverage Solution Limited	Head Office	Shinjuku-ku, Tokyo
		Office	Tokyo Metropolitan Sales & Marketing Division (Shinjuku-ku, Tokyo), etc.
	Japan Beverage Holdings Inc.	Head Office	Shinjuku-ku, Tokyo
	Suntory Products Limited	Head Office	Minato-ku, Tokyo
		Plant	Haruna Plant (Shibukawa-shi, Gunma), etc.

Name of Segment	Name	Major Business Sites	
Asia Pacific	Suntory Beverage & Food Asia Pte. Ltd.	Head Office	Singapore
	Suntory Beverage & Food International (Thailand) Co., Ltd.	Head Office	Bangkok, Thailand
	Suntory PepsiCo Vietnam Beverage Co., Ltd.	Head Office	Ho Chi Minh, Viet Nam
	Suntory PepsiCo Beverage (Thailand) Co., Ltd.	Head Office	Bangkok, Thailand
	SUNTORY BEVERAGE & FOOD NEW ZEALAND LIMITED	Head Office	Auckland, New Zealand
	SUNTORY BEVERAGE & FOOD AUSTRALIA PTY LTD	Head Office	New South Wales, Australia
Europe	Orangina Schweppes Holding B.V.	Head Office	Amsterdam, the Netherlands
	Lucozade Ribena Suntory Limited	Head Office	London, U.K.
Americas	Pepsi Bottling Ventures LLC	Head Office	North Carolina, U.S.A.

(7) Status of Employees (as of December 31, 2025)

Name of Segment	Number of Employees		Increase (Decrease) from Previous Fiscal Year	
Japan	9,404	[445]	(94)	[(83)]
Asia Pacific	6,434	[259]	191	[(11)]
Europe	3,421	[171]	20	[61]
Americas	3,200	[95]	96	[20]
Company-wide (common)	241	[–]	41	[–]
Total	22,700	[970]	254	[(13)]

Notes:

1. The number of employees refers to the number of current workers while the number in the brackets [] is the average number of temporary employees for the most recent one-year period, which is not included in the number of current workers.
2. Employees classified as Company-wide (common) are administrative staff not assigned to any particular segment.

(8) Status of Company's Principal Lenders (as of December 31, 2025)

Name of Lender	Amount of Loan (Millions of yen)
The Hongkong and Shanghai Banking Corporation Limited	14,906

(9) Status of Fund Procurement

No items to report.

(10) Status of Capital Investment

Capital investment in the fiscal year under review was ¥112,252 million. A breakdown of capital investment by segment is as follows.

Name of Segment	Capital Investment (Millions of yen)
Japan	36,532
Asia Pacific	44,867
Europe	20,103
Americas	8,306
Reconciliations	2,442
Total	112,252

1) Major Plant and Equipment Completed in the Fiscal Year under Review

Name of Segment	Content of Capital Investment
Asia Pacific	Expansion of production line at the Bac Ninh Plant of Suntory PepsiCo Vietnam Beverage Co., Ltd.
Americas	New construction of product warehouse of Pepsi Bottling Ventures LLC

2) New Construction, etc. of Major Plant and Equipment in Progress or Planning in the Fiscal Year under Review

Name of Segment	Content of Capital Investment
Japan	Construction of production line and logistics warehouse at the Takasago Plant of Suntory Products Limited
Asia Pacific	Construction of a new plant of Suntory PepsiCo Vietnam Beverage Co., Ltd.
Europe	Expansion of production line at the Coleford Plant of Lucozade Ribena Suntory Limited

(11) Status of Significant Business Realalignments

No items to report.

2. Matters Concerning Shares (as of December 31, 2025)

- (1) Total Number of Shares Authorized to be Issued: 480,000,000 shares
- (2) Total Number of Issued and Outstanding Shares: 309,000,000 shares
- (3) Number of Shareholders: 40,023 (increased by 2,709 from the previous fiscal year)
- (4) Major Shareholders (Top 10 shareholders):

Name of Shareholder	Shares Held (Thousands)	Ratio of Shareholding (%)
Suntory Holdings Limited	183,800	59.4
The Master Trust Bank of Japan, Ltd. (Trust Account)	19,150	6.1
STATE STREET BANK AND TRUST COMPANY 510312	6,911	2.2
STATE STREET BANK AND TRUST COMPANY 510311	5,803	1.8
STATE STREET BANK AND TRUST COMPANY 505103	4,451	1.4
Custody Bank of Japan, Ltd. (Trust Account)	4,383	1.4
BBH FOR BRIDGE BUILDER INTERNATIONAL EQUITY FUND - PZENA	2,709	0.8
STATE STREET BANK AND TRUST COMPANY 505001	2,111	0.6
SMBC Nikko Securities Inc.	1,982	0.6
JP MORGAN CHASE BANK 385781	1,829	0.5

Note: Ratio of Shareholding is calculated after deducting treasury shares (340 shares).

3. Status of Directors

(1) Names, etc. of Directors (as of December 31, 2025)

Position	Name	Responsibilities and Important Concurrent Positions
Representative Director, President & Chief Executive Officer	Makiko Ono	Overall Group Management Director of Orangina Schweppes Holding B.V. Director of Pepsi Bottling Ventures LLC
Director, Senior Managing Executive Officer	Hachiro Naiki	President & Chief Executive Officer of SBF Japan Director, Chairman of the Board & Chief Executive Officer of Suntory Foods Limited Director of Suntory Beverage Solution Limited Director of Suntory Products Limited
Director	Peter Harding	Chief Executive Officer of SBF International Director of Suntory Beverage & Food Asia Pte. Ltd. Director of Suntory PepsiCo Beverage (Thailand) Co., Ltd. Director of Suntory PepsiCo Vietnam Beverage Co., Ltd. Director of SUNTORY BEVERAGE & FOOD NEW ZEALAND LIMITED Director of SUNTORY BEVERAGE & FOOD AUSTRALIA PTY LTD Director of Orangina Schweppes Holding B.V. Director of Lucozade Ribena Suntory Limited Director of Pepsi Bottling Ventures LLC
Director	Toru Miyanaga	Managing Executive Officer of Suntory Holdings Limited
Director	Maki Nakamura	Representative Director and President of Mamma Co., Ltd. Director and CHRO of SATUDORA HOLDINGS CO., LTD.
Full-time Audit and Supervisory Committee Member	Hideki Kanda	Audit & Supervisory Board Member of Suntory Foods Limited Audit & Supervisory Board Member of Suntory Products Limited
Audit and Supervisory Committee Member	Mika Masuyama	President and Representative Partner of Masuyama & Company LLC. Outside Director of Konoike Transport Co., Ltd. Outside Director of Ushio Inc.
Audit and Supervisory Committee Member	Mariko Mimura	Attorney of Nishimura & Asahi (Gaikokuho Kyodo Jigyo) (Of Counsel) Board Director (outside) of TOMY COMPANY, LTD.

Notes:

1. Mses. Maki Nakamura, Mika Masuyama and Mariko Mimura are Outside Directors.
2. The Company designated Outside Directors Mses. Nakamura, Masuyama and Mimura as Independent Officers and reported this designation to the Tokyo Stock Exchange.
3. The Company has concluded limited liability agreements with Mr. Toru Miyanaga, Ms. Nakamura, Mr. Hideki Kanda, Ms. Masuyama and Ms. Mimura pursuant to Article 427, paragraph (1) of the Companies Act of Japan. Based on these agreements, if any of them causes the Company to suffer loss through neglect of duties, then providing that he/she was fulfilling his/her duties in good faith with no gross negligence, the liability to the Company shall be limited to the minimum liability amount stipulated by Article 425, paragraph (1) of the Companies Act of Japan.
4. The Company has concluded indemnity agreement with Ms. Makiko Ono, Mr. Hachiro Naiki, Mr. Peter Harding, Mr. Miyanaga, Ms. Nakamura, Mr. Kanda, Ms. Masuyama and Ms. Mimura as provided for in Article 430-2, paragraph 1 of the Companies Act, and the Company shall compensate for the expenses set forth in item 1 of the same paragraph and the losses set forth in item 2 of the same paragraph within the scope prescribed by laws and regulations. However, measures are taken to ensure there is no loss of appropriateness in the execution of the insured persons' duties by not indemnifying such persons for compensation for damages, etc. in the case of their malicious misconduct or gross negligence in performing their duties.
5. Mr. Kanda has management experience as Head of a spirits operating company of the Suntory Group, and he possesses a considerable amount of expertise related to finance and accounting.
6. Changes in Directors' responsibilities during the fiscal year under review are as follows.

Name	Responsibilities before Change	Responsibilities after Change	Date of Change
Hachiro Naiki	President & Chief Executive Officer of SBF Japan Division COO, Innovation Development Division of SBF Japan	President & Chief Executive Officer of SBF Japan	April 1, 2025

7. Changes in Directors' responsibilities after the end of the fiscal year under review are as follows.

Name	Responsibilities before Change	Responsibilities after Change	Date of Change
Peter Harding	Chief Executive Officer of SBF International	—	January 1, 2026

8. Changes in Directors' important concurrent positions after the end of the fiscal year under review are as follows.

Name	Responsibilities before Change	Responsibilities after Change	Date of Change
Peter Harding	Director of Suntory Beverage & Food Asia Pte. Ltd. Director of Suntory PepsiCo Beverage (Thailand) Co., Ltd. Director of Suntory PepsiCo Vietnam Beverage Co., Ltd. Director of SUNTORY BEVERAGE & FOOD NEW ZEALAND LIMITED Director of SUNTORY BEVERAGE & FOOD AUSTRALIA PTY LTD Director of Orangina Schweppes Holding B.V. Director of Lucozade Ribena Suntory Limited Director of Pepsi Bottling Ventures LLC	—	January 1, 2026

9. To strengthen the auditing and supervising function of the Audit and Supervisory Committee, the Company has appointed Mr. Kanda as full-time Audit and Supervisory Committee Member to enable collection of information from the Directors (excluding Audit and Supervisory Committee Members), sharing of information at important meetings, and the sufficient coordination between the internal audit division and the Audit and Supervisory Committee.
10. The Company has entered into a directors and officers liability insurance policy contract with an insurance company, as stipulated in Article 430-3, paragraph (1) of the Companies Act of Japan. The scope of the insured parties under the relevant insurance policy includes the Directors, Audit and Supervisory Board Members, Executive Officers, and employees in management positions, etc. of the Company and the Company's domestic subsidiaries. The insured parties do not assume the costs of the insurance premiums. This insurance policy covers damages, including litigation costs and other related expenses, incurred by the insured party as a result of claims for damages arising from acts (including nonfeasance) carried out by the insured party as an officer or in an equivalent position of the Company. However, to ensure that the proper performance of duties of an insured party is not impaired, the insurance policy does not provide coverage for losses and costs incurred by an insured party who has committed a criminal act or an otherwise intentionally illegal act.

(Reference) Names, etc. of Senior Managing Executive Officers and Managing Executive Officers (as of January 1, 2026)

Position	Name	Responsibilities
Director, Senior Managing Executive Officer	Hachiro Naiki	President & Chief Executive Officer of SBF Japan
Senior Managing Executive Officer	Naoto Okinaka	Chief Strategy & Finance Officer, Chief Business Growth Officer, Head of Global Commercial Excellence
Senior Managing Executive Officer	Makoto Fujimoto	MONOZUKURI, Chief Supply Chain Officer
Managing Executive Officer	Haruhisa Inada	Senior General Manager, Global Auditing Department and Corporate Auditor of SBF Asia
Managing Executive Officer	Akiyo Sato	Division COO, Brand Marketing Division of SBF Japan
Managing Executive Officer	Atsushi Yoshioka	Representative Director, President & CEO of Suntory Products Limited
Managing Executive Officer	Shigeaki Kazama	Division COO, Production & Supply Chain Management Division of SBF Japan
Managing Executive Officer	Shigeki Kogiso	Representative Director, President & Chief Executive Officer of Suntory Foods Limited, Division COO, Overall Sales & Marketing Division
Managing Executive Officer	Mitsuhiro Kawamoto	Chief Organizational Excellence Officer, Transformation Lead
Managing Executive Officer	Yuji Mori	Representative Director, President & Chief Executive Officer of Suntory Beverage Solution Limited
Managing Executive Officer	Hideki Maki	Chief R&D Officer, Senior General Manager, Development & Design Department of SBF Japan

(2) Policy on Determining Remuneration, etc. for the Company's Directors

The Company has resolved on the following policy on determining remuneration, etc. for the Company's Directors at the meeting of its Board of Directors held on June 15, 2022.

Remuneration, etc. for the Company's Directors are structured at levels commensurate with their role and responsibilities in a manner that motivates them to improve the Company's performance and corporate value and secures outstanding personnel.

The Human Resources Committee, with Outside Directors accounting for at least half of its membership, deliberates the levels and criteria of remuneration, etc. for Directors (excluding Audit and Supervisory Committee Members), and reports to the Board of Directors with respect to the appropriateness thereof.

The Representative Director, President & Chief Executive Officer, appointed by the Board of Directors, makes decisions on amounts of remuneration, etc. for Directors (excluding Audit and Supervisory Committee Members) based on reports of the Human Resources Committee. Remuneration, etc. for Directors serving on the Audit and Supervisory Committee is decided upon discussion involving the Audit and Supervisory Committee Members.

The Human Resources Committee confirms that details of remuneration, etc. for individual Directors (excluding Audit and Supervisory Committee Members) are consistent with remuneration policy. The Board of Directors deems that details of remuneration, etc. for individual Directors (excluding Audit and Supervisory Committee Members) are consistent with remuneration policy based on the confirmation results of the Human Resources Committee.

Remuneration, etc. for the Executive Directors consists of fixed compensation (monthly) and performance-based compensation (annually in March). The remuneration, etc., for Executive Directors who are foreign nationals are paid by overseas subsidiaries. Although the remuneration is not subject to the Company's remuneration system, it is a combination of fixed compensation and performance-based compensation, and the Company's consolidated operating income is used as one of the criteria for performance-based compensation.

Remuneration, etc. for non-executive Directors shall only consist of fixed compensation (monthly). However, full-time Audit and Supervisory Committee members shall be paid, in addition to fixed compensation, a performance-based compensation (annually in March) as remuneration, etc. in consideration of the contribution to the Company's performance.

While fixed compensation is the main form of remuneration, the ratio of fixed compensation to performance-based compensation paid to Executive Directors (excluding Executive Directors who are foreign nationals) is set to secure outstanding personnel and provide the proper incentive to improve the Company's performance and corporate value. The Human Resources Committee takes the trends with respect to remuneration benchmark company groupings and other factors into consideration and holds regular discussions.

The level of fixed compensation shall be set according to position and considering responsibilities.

The performance-based compensation, for which the key performance indicator is consolidated operating income (excluding one-time income and expenses), is calculated by multiplying the amount on the performance-based compensation calculation table set according to the individual's responsibilities/performance evaluation by a performance coefficient, where that performance coefficient is calculated by multiplying the achievement percentage of the targeted consolidated operating income (excluding one-time income and expenses) by the benchmark consolidated operating income (excluding one-time income and expenses). The Company chose consolidated operating income (excluding one-time income and expenses) as the key performance indicator because in the Group, importance is placed on consolidated operating income (excluding one-time income and expenses) as an indicator that reflects the results of continuous business activities and because it will incentivize the recipients to improve the Company's performance and corporate value. In addition, the Company does not have a retirement allowance system or a stock option system.

(3) Remuneration, etc. for Directors

Classification	Fixed Compensation		Performance-Based Compensation		Total (Millions of yen)
	Number of Persons	Payment Amount (Millions of yen)	Number of Persons	Payment Amount (Millions of yen)	
Director (excluding Audit and Supervisory Committee Member)	5	133	2	90	223
(Outside Director)	(1)	(15)	(-)	(-)	(15)
Director (Audit and Supervisory Committee Member)	3	69	1	26	96
(Outside Director)	(2)	(36)	(-)	(-)	(36)
Total	8	202	3	117	319
(Outside Director)	(3)	(51)	(-)	(-)	(51)

Notes:

1. Performance-based compensation is an amount to be paid. Note that the Company has not disclosed the targets and actual results of consolidated operating income (excluding one-time income and expenses), which is a major indicator for the performance-based compensation, but the forecast and actual results for consolidated operating income, which form the basis of those amounts, are ¥147,000 million and ¥148,739 million, respectively.
2. The maximum remuneration limit for Directors (excluding Audit and Supervisory Committee Members) is an annual amount not exceeding ¥1,000 million (of which a maximum amount of

¥100 million shall be paid to Outside Directors; providing, however, not including the employee portion of salaries of Directors who are concurrently employees), which was passed by resolution at the Ordinary General Meeting of Shareholders held on March 27, 2015. The number of Directors (excluding Audit and Supervisory Committee Members) at the conclusion of said Ordinary General Meeting of Shareholders was eight (including one Outside Director).

3. The maximum remuneration limit for Directors serving on the Audit and Supervisory Committee is an annual amount not exceeding ¥150 million, which was passed by resolution at the Ordinary General Meeting of Shareholders held on March 27, 2015. The number of Directors serving on the Audit and Supervisory Committee at the conclusion of said Ordinary General Meeting of Shareholders was three (including two Outside Directors).
4. This does not include remuneration, etc. for the two Directors who are foreign nationals because their remuneration is paid by overseas subsidiaries.
5. The Board of Directors has delegated decisions on amounts of remuneration, etc. for Directors (excluding Audit and Supervisory Committee Members) to Representative Director, President & Chief Executive Officer Makiko Ono. The Company delegated such decisions to her upon having deemed it appropriate for the Representative Director, President & Chief Executive Officer to make decisions on details of remuneration, etc. for individuals in view of factors such as performance of the Group overall. As a measure to ensure that such authority is exercised appropriately, the Board of Directors deems that details of remuneration, etc. for individual Directors (excluding Audit and Supervisory Committee Members) are consistent with remuneration policy based on the confirmation results of the Human Resources Committee, which entails the committee confirming whether or not details of remuneration, etc. for individual Directors (excluding Audit and Supervisory Committee Members) are consistent with remuneration policy.

(4) Outside Directors

1) Status of Material Concurrent Positions at Other Companies, etc. and the Company's Relationship with the Aforesaid Organizations

There are no special interests between the Company and the following entities at which the Outside Directors concurrently serve.

Classification	Name	Important Concurrent Positions
Outside Director	Maki Nakamura	Representative Director and President of Mamma Co., Ltd. Director and CHRO of SATUDORA HOLDINGS CO., LTD.
Outside Director (Audit and Supervisory Committee Member)	Mika Masuyama	President and Representative Partner of Masuyama & Company LLC. Outside Director of Konoike Transport Co., Ltd. Outside Director of Ushio Inc.
Outside Director (Audit and Supervisory Committee Member)	Mariko Mimura	Attorney of Nishimura & Asahi (Gaikokuho Kyodo Jigyo) (Of Counsel) Board Director (outside) of TOMY COMPANY, LTD.

2) Principal Activities during the Fiscal Year under Review

Classification	Name	Board of Directors Meeting Attendance	Audit and Supervisory Committee Meeting Attendance	Status of Statements and Duties Carried out in Relation to Roles an Outside Director is Expected to Perform
Outside Director	Maki Nakamura	12/13	—	She has been providing strategic advice and supervision in the Board of Directors through commentary drawing on her experience as a corporate executive in the retail industry and other sectors, and her insight related to the field of human resource development. In addition, she has been serving as a member of the Human Resources Committee and the Special Committee, enlisting her independent and objective standpoint.

Classification	Name	Board of Directors Meeting Attendance	Audit and Supervisory Committee Meeting Attendance	Status of Statements and Duties Carried out in Relation to Roles an Outside Director is Expected to Perform
Outside Director (Audit and Supervisory Committee Member)	Mika Masuyama	13/13	13/13	She has been providing advice and supervision in the Board of Directors as well as audits and supervision in the Audit and Supervisory Committee through commentary drawing on her experience and knowledge relating to corporate governance, human resource development and other areas. In addition, she has been serving as a member of the Human Resources Committee and the chair of the Special Committee, enlisting her independent and objective standpoint.
Outside Director (Audit and Supervisory Committee Member)	Mariko Mimura	13/13	13/13	She has been providing advice and supervision in the Board of Directors as well as audits and supervision in the Audit and Supervisory Committee through commentary drawing on her experience and knowledge as an attorney. In addition, she has been serving as a member of the Human Resources Committee and the Special Committee, enlisting her independent and objective standpoint.

Note: In addition to the number of attendances at meetings of the Board of Directors presented above, in accordance with the provisions of Article 370 of the Companies Act of Japan, and of Article 27 of the Company's Articles of Incorporation, there were four (4) written resolutions where it was deemed that a resolution of the Board of Directors had been made.

4. Status of Accounting Auditor

(1) Name: Deloitte Touche Tohmatsu LLC

(2) Amount of Accounting Auditor's Fees, etc.

	(Millions of yen)
Amount of fees, etc. for the fiscal year under review	182
Total amount of money and other financial benefits payable to Accounting Auditor by the Company and its subsidiaries	226

Notes:

1. The audit agreement between the Company and the Accounting Auditor does not distinguish between fees paid for the audit conducted in accordance with the Companies Act of Japan from fees paid for the audit conducted in accordance with the Financial Instruments and Exchange Act, and it is practically impossible to make such a distinction. Accordingly, the amount specified above is the aggregate amount of fees for these two types of audits.
2. Of the Company's significant subsidiaries, nine companies, including Suntory Beverage & Food Asia Pte. Ltd., are subject to audits of their financial statements by a certified public accountant or an audit corporation (including parties holding qualifications comparable to those of a certified public accountant or an audit corporation in a country besides Japan) other than the accounting auditor of the Company (provided, however, that such audits fall under the provisions of the Companies Act of Japan or the Financial Instruments and Exchange Act (or foreign laws comparable to the said Acts)).

(3) Reason for the Audit and Supervisory Committee Consenting to the Fees, etc. of the Accounting Auditor

With regard to the fees, etc. of the Accounting Auditor, the Company's Audit and Supervisory Committee has obtained the necessary materials and received reports from Directors, related internal departments and the Accounting Auditor, and has checked the Accounting Auditor's performance and fees hitherto. Then the Committee has made the requisite investigation into the appropriateness of the Accounting Auditor's action plans and the calculation basis for their estimated fees for the fiscal year under review. As a result of these deliberations, it has concluded that these are appropriate and it consents to the amount of the fees, etc. of the Accounting Auditor in accordance with Article 399, paragraph (1) of the Companies Act of Japan.

(4) Content of Non-audit Service

No items to report.

(5) Policy Regarding Decisions of Dismissal or Non-reappointment of Accounting Auditor

If the Company's Audit and Supervisory Committee deems that any circumstance stipulated in any item of Article 340, paragraph (1) of the Companies Act of Japan applies to the Accounting Auditor, the Accounting Auditor will be dismissed based on the unanimous approval of all Audit and Supervisory Committee Members. In such situations, an Audit and Supervisory Committee Member selected by the Committee shall report to the first General Meeting of Shareholders convened after the dismissal both the fact of the dismissal and the reasons for the dismissal.

The Company's Audit and Supervisory Committee shall, if it is recognized that on consideration of the Accounting Auditor's performance of their duties and the Company's audit system, etc. there is a need for a change in Accounting Auditor, decide on the content of a proposal to submit to the General Meeting of Shareholders regarding the dismissal or the non-reappointment of the Accounting Auditor.

5. Policy on Determining Dividends of Surplus, etc.

The Company believes its prioritization of strategic investments as well as capital expenditures for sustainable profit growth and improving corporate value will benefit its shareholders. In addition, the Company views an appropriate shareholder return as one of its core management principles. While giving due consideration to providing a stable return and maintaining robust internal reserves for the future, the Company intends to pursue a comprehensive shareholder return policy that also takes into account its business results and future funding needs.

Specifically, the Company aims to stably increase dividends on the basis of profit growth with a targeted consolidated payout ratio of 40% or more of profit for the year attributable to owners of the Company.

The Company maintains a basic policy of paying dividends of surplus twice annually in the form of an interim dividend and a year-end dividend.

The record date for interim dividends has been stipulated in the Articles of Incorporation as June 30 of each year.

The Company seeks the ability to more flexibly pay dividends from surplus and other such distributions, without requiring a resolution of an Ordinary General Meeting of Shareholders, in the event of unforeseen circumstances posing challenges for the holding of such a meeting. To such ends, the Company has put in place a system that makes it possible to seek resolution on dividends and other such distributions either at a General Meeting of Shareholders or at a meeting of the Board of Directors, upon having stipulated in its Articles of Incorporation wording such that, “The company may, by resolution of a meeting of the board of directors, determine the matters provided for in each item of Article 459, paragraph (1) of the Companies Act of Japan, including dividends from surplus, except as otherwise provided for in laws and regulations.”

Consolidated Financial Statements (IFRSs)

Consolidated Statement of Financial Position

(As at December 31, 2025)

(Unit: Millions of yen)

Assets		Liabilities and Equity	
Accounts	Amount	Accounts	Amount
Current assets	727,157	Current liabilities	574,205
Cash and cash equivalents	148,663	Bonds and borrowings	14,950
Trade and other receivables	401,239	Trade and other payables	503,547
Other financial assets	2,719	Other financial liabilities	26,064
Inventories	137,528	Accrued income taxes	16,957
Other current assets	35,892	Provisions	1,546
Assets held for sale	1,114	Other current liabilities	11,139
Non-current assets	1,490,858	Non-current liabilities	218,611
Property, plant and equipment	518,141	Bonds and borrowings	506
Right-of-use assets	67,570	Other financial liabilities	61,533
Goodwill	299,861	Post-employment benefit liabilities	16,155
Intangible assets	565,445	Provisions	11,191
Investments accounted for using the equity method	135	Deferred tax liabilities	120,624
Other financial assets	15,013	Other non-current liabilities	8,599
Deferred tax assets	17,486	Total liabilities	792,817
Other non-current assets	7,203	Equity attributable to owners of the Company	1,315,948
		Share capital	168,384
		Share premium	185,493
		Retained earnings	767,388
		Treasury shares	(1)
		Other components of equity	194,683
		Non-controlling interests	109,249
		Total equity	1,425,198
Total assets	2,218,015	Total liabilities and equity	2,218,015

Note: All amounts have been rounded down to the nearest million yen.

Consolidated Statement of Profit or Loss

(For the year ended December 31, 2025)

(Unit: Millions of yen)

Accounts	Amount
Revenue	1,715,438
Cost of sales	(1,073,452)
Gross profit	641,986
Selling, general and administrative expenses	(484,684)
Share of the profit or loss of investments accounted for using equity method	(53)
Other income	5,860
Other expenses	(14,369)
Operating income	148,739
Finance income	2,774
Finance costs	(4,528)
Profit before tax	146,985
Income tax expense	(36,867)
Profit for the year	110,118
Attributable to:	
Owners of the Company	88,723
Non-controlling interests	21,394
Profit for the year	110,118

Note: All amounts have been rounded down to the nearest million yen.

Non-consolidated Financial Statements (Japanese GAAP)

Non-consolidated Balance Sheet

(As at December 31, 2025)

(Unit: Millions of yen)

Assets		Liabilities	
Accounts	Amount	Accounts	Amount
Current assets	344,829	Current liabilities	212,718
Cash and deposits	100,050	Accounts payable - trade	69,823
Accounts receivable - trade	93,542	Electronically recorded obligations	13,415
Merchandise and finished goods	100	Short-term borrowings	14,906
Work in process	975	Accounts payable—other	13,173
Raw materials and supplies	18,302	Accrued expenses	17,098
Advance payments - trade	334	Accrued income taxes	6,416
Prepaid expenses	961	Deposits received	71,127
Short-term loans receivable	112,734	Provision for bonuses	2,873
Allowance for doubtful accounts	(14)	Other	3,883
Accounts receivable - other	13,581		
Other	4,261	Long-term liabilities	7,280
		Liability for employee retirement benefits	6,594
Non-current assets	580,621	Asset retirement obligations	381
Property, plant, and equipment	60,912	Other	305
Buildings	1,287		
Machinery and equipment	1,061		
Tools, furniture, and fixtures	28,374	Total liabilities	219,999
Land	28,781		
Construction in progress	376	Equity	
Other	1,030	Shareholders' equity	704,472
		Common stock	168,384
Intangible fixed assets	1,507	Capital surplus	213,425
Computer software	1,267	Legal capital surplus	145,884
Goodwill	208	Other capital surplus	67,541
Other	31	Retained earnings	322,664
		Other retained earnings	322,664
Investments and other assets	518,201	Reserve for advanced depreciation of non-current assets	983
Shares of subsidiaries and associates	498,051	General reserve	34,982
Long-term loans receivable from subsidiaries and associates	13,711	Retained earnings brought forward	286,697
Guarantee deposits	73	Treasury shares	(1)
Long-term prepaid expenses	47		
Prepaid pension cost	4,502	Valuation and translation adjustments	978
Deferred tax assets	1,778	Unrealized gain on available-for-sale securities	11
Other	35	Deferred gain on derivatives under hedge accounting	967
Total assets	925,450	Total equity	705,451
		Total liabilities and equity	925,450

Note: All amounts have been rounded down to the nearest million yen.

Non-consolidated Statement of Income

(For the year ended December 31, 2025)

(Unit: Millions of yen)

Accounts	Amount	
Net sales		444,032
Cost of sales		331,148
Gross profit		112,884
Selling, general and administrative expenses		84,116
Operating income		28,768
Non-operating income		
Interest income	4,126	
Dividends income	56,327	
Rental income from non-current assets	12,131	
Other	1,166	73,752
Non-operating expenses		
Interest expense	3,718	
Rental expenses on non-current assets	11,459	
Other	50	15,228
Ordinary income		87,292
Extraordinary income		
Gain on sale of non-current assets	40	40
Extraordinary loss		
Impairment loss	196	
Loss on disposal of non-current assets	16	
Loss on valuation of shares of subsidiaries and associates	33	
Provision for loss on business of subsidiaries and associates	250	
Other	16	512
Income before income taxes		86,820
Income taxes—current	9,525	
Income taxes—deferred	(738)	8,787
Net income		78,032

Note: All amounts have been rounded down to the nearest million yen.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

February 9, 2026

To the Board of Directors of
Suntory Beverage & Food Limited:

Deloitte Touche Tohmatsu LLC
Osaka office

Designated Engagement Partner,
Certified Public Accountant:
Shinichi Ishihara

Designated Engagement Partner,
Certified Public Accountant:
Ayato Hirano

Designated Engagement Partner,
Certified Public Accountant:
Yuichi Asai

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of Suntory Beverage & Food Limited and its consolidated subsidiaries (the "Group"), namely, the consolidated statement of financial position as of December 31, 2025, and the consolidated statement of profit or loss and consolidated statement of changes in equity for the fiscal year from January 1, 2025 to December 31, 2025, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025, and its consolidated financial performance for the year then ended in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting 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 the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting Standards.

The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

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

Our objectives are 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 issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or,

if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. The other information in "the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

February 9, 2026

To the Board of Directors of
Suntory Beverage & Food Limited:

Deloitte Touche Tohmatsu LLC
Osaka office

Designated Engagement Partner,
Certified Public Accountant:
Shinichi Ishihara

Designated Engagement Partner,
Certified Public Accountant:
Ayato Hirano

Designated Engagement Partner,
Certified Public Accountant:
Yuichi Asai

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the non-consolidated financial statements of Suntory Beverage & Food Limited (the "Company"), namely, the non-consolidated balance sheet as of December 31, 2025, and the non-consolidated statement of income and non-consolidated statement of changes in equity for the 17th fiscal year from January 1, 2025 to December 31, 2025, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the non-consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the non-consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit and Supervisory Committee for the Non-consolidated Financial Statements

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

In preparing the non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the non-consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated

financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. The other information in "the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

Audit Report by Audit and Supervisory Committee

AUDIT REPORT

The Audit and Supervisory Committee (the “Committee”) of Suntory Beverage & Food Limited (the “Company”) has audited the performance of the duties of Directors during the 17th business term which commenced on January 1, 2025 and ended on December 31, 2025. The Committee hereby reports the method and result thereof as follows.

1. Method and content of audit

Regarding the content of the resolution of the Board of Directors relating to matters stipulated in Article 399-13, paragraph (1), item (i)(b) and (c) of the Companies Act of Japan and the status of the system being developed pursuant to such resolutions (internal control system), the Committee periodically received reports from the Directors, employees and other personnel concerning the establishment and management of such system, sought explanations as necessary, and expressed opinions. In addition, the Committee carried out audits according to the following method:

- (i) The Committee worked in coordination with the respective company internal audit division and other divisions with jurisdiction over internal control to investigate the decision-making processes and the content of decisions at important meetings, etc.; the content of major approval-granting documents, and other important documents related to the execution of business, etc.; the status of the performance of the duties of Directors, principal employees and other personnel; and the status of company business operations and property. While carrying out this work, the Committee complied with the Audit and Supervisory Committee Audit Criteria established by the Committee and adhered to auditing principles and the duties allocated to them, etc. In addition, as for the subsidiaries of the Company, communication and exchange of information were sought with the directors and the audit and supervisory board members, etc. of such subsidiaries, and reports concerning the subsidiaries’ businesses were received from them, as necessary.

- (ii) The Committee also reviewed the details of the matters noted in Article 118 item (5)(a) of the Ordinance for Enforcement of the Companies Act of Japan as described in the Business Report, and the judgments in that item and the reasons therefor, based on the deliberations at the meetings of the Board of Directors and other meetings.
- (iii) In addition to monitoring and verifying whether the Accounting Auditor kept its independent position and whether it performed proper audit, the Committee received reports from the Accounting Auditor concerning the performance of its duties, and requested additional explanation as necessary. Moreover, a notice informing that a “system to ensure the proper performance of the duties” (as prescribed in items of Article 131 of the Regulations on Corporate Accounting) has been established pursuant to the “Quality Control Standards Concerning Audits” (Business Accounting Council), etc. was received from the Accounting Auditor, and explanation regarding such system were made as necessary.

Based on the above-mentioned method, inspection was conducted regarding the Business Report and the Supplementary Schedules thereto, the Non-consolidated Financial Statements (the Non-consolidated Balance Sheet, the Non-consolidated Statement of Income, the Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial Statements) and the Supplementary Schedules thereto and the Consolidated Financial Statements (the Consolidated Statement of Financial Position, the Consolidated Statement of Profit or Loss, the Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements), for the business term.

2. Result of audit

(1) Result of audit of Business Report, etc.

- (i) We confirm that the Business Report and the Supplementary Schedules thereto accurately indicate the condition of the Company in compliance with laws and regulations and the Articles of Incorporation of the Company.
- (ii) We have not detected any misconduct or material fact of violation of the relevant laws and regulations or the Articles of Incorporation of the Company, in connection with the performance of the duties of Directors.
- (iii) We confirm that the content of the resolution of the Meeting of the Board of

Directors concerning the internal control system is reasonable. Furthermore, we have not found anything that should be pointed out with respect to the content of the Business Report and the performance of the duties of Directors concerning the internal control system.

- (iv) Regarding the transactions with the parent company, etc. described in the Business Report, we have not found anything that should be pointed out with respect to the matters needing attention to avoid harming the interests of the Company in conducting such transactions, and the judgment of the Board of Directors as to whether such transactions would harm the interests of the Company and the reasons therefor.

(2) Result of audit of the Non-consolidated Financial Statements and the Supplementary Schedules thereto

We confirm that the audit method and result of Deloitte Touche Tohmatsu LLC, the Accounting Auditor, are reasonable.

(3) Result of audit of the Consolidated Financial Statements

We confirm that the audit method and result of Deloitte Touche Tohmatsu LLC, the Accounting Auditor, are reasonable.

February 12, 2026

Audit and Supervisory Committee of

Suntory Beverage & Food Limited

Full-time Audit and Supervisory Committee Member

Hideki Kanda (seal)

Audit and Supervisory Committee Member

Mika Masuyama (seal)

Audit and Supervisory Committee Member

Mariko Mimura (seal)

Note: Audit and Supervisory Committee Members Mika Masuyama and Mariko Mimura are outside directors provided in Article 2, item (xv), and Article 331, paragraph (6) of the Companies Act of Japan.

Informational Materials for the 17th Ordinary
General Meeting of Shareholders
(Items Subject to Measures for Electronic Provision
Excluded from Paper-Based Documents
Delivered upon Request)

Business Report

System to Ensure the Appropriateness of the Business
and the Operational Status of the System

Consolidated Financial Statements

Consolidated Statement of Changes in Equity
Notes to Consolidated Financial Statements

Non-consolidated Financial Statements

Non-consolidated Statement of Changes in Equity
Notes to Non-consolidated Financial Statements

Suntory Beverage & Food Limited

In accordance with the provisions of laws and regulations and Article 16 of the Company's Articles of Incorporation, the above items are excluded from the paper-based documents delivered to shareholders who have made a request for delivery of such documents.

Business Report

System to Ensure the Appropriateness of the Business and the Operational Status of the System

The Board of Directors of the Company has resolved as follows with regard to its basic policy on the construction of a system (internal control system) to ensure the appropriateness of the business in order to ensure that the Company and its subsidiaries (the “Group”) carry out their business operations properly for maintaining good relationships with each stakeholder and fulfill their social responsibilities as a corporation.

- (1) System for Ensuring That the Execution of Duties by Officers and Employees of the Group Conforms with Laws and Regulations and the Articles of Incorporation
 - (a) In accordance with the “Suntory Group Code of Business Ethics,” the Group shall conduct management that prioritizes compliance, and not only obey the law, but also demonstrate even higher ethical standards as we strive for best practices that meet or even exceed the expectations of all stakeholders the Group is involved with, such as our shareholders, consumers, customers, suppliers, business partners, communities, global society, natural environment, employees.
 - (b) In accordance with the Suntory Group Code of Business Ethics, and in line with laws and regulations and a high ethical viewpoint, the Group shall make the operation of fair and transparent activities as one of its basic policies, and it shall practice Compliance with Laws and Respect for Fair and Transparent Activities, Free and Fair Business Competition, Zero Tolerance for Corruption, Non-Involvement with Criminal Activities, Disclosure of Conflicts of Interest, Compliance with Import/Export Controls and Sanctions, and Records and Disclosures Related to Corporate Activities. The officers shall take the initiative in complying with laws and regulations and business ethics, and actively make efforts to maintain and improve the management based on compliance.
 - (c) In order to ensure that the execution of duties by officers and employees of the Group conforms with laws and regulations and the Articles of Incorporation, the Group shall establish and promote a compliance system for the entire Group, which shall encompass promoting education and training programs; establishing and operating systems for administrative divisions, an internal audit division, and whistleblowing reporting system; and providing support, advice and oversight for subsidiaries of the Company along with other initiatives.
 - (d) The Group shall establish Compliance hotlines within and outside the Company to allow officers and employees of the Group to directly report compliance-related problems. Upon working to obtain information, the divisions in charge of compliance shall investigate the details, discuss the issue with the relevant departments as necessary, take corrective measures, establish measures aimed at preventing recurrence, and have such measures implemented across the entire Group.

- (e) In order to maintain soundness for the appropriate execution of business operations within the Group, an internal audit division shall be established to perform internal audits pertaining to the status of compliance and the appropriateness of business operations of the Group. The internal audit division shall report results of such audits to the Audit and Supervisory Committee and the Representative Director, President & Chief Executive Officer, as necessary.
- (2) System for the Preservation and Management of Information of the Group
- (a) The Group shall, in accordance with laws and regulations and internal regulations, preserve and manage minutes of General Meetings of Shareholders, minutes of Board of Directors meetings, and other documents and materials related to important decision-making (including electronic or magnetic records, the same applies hereinafter) in order to ensure the transparency and objectivity of decision-making.
 - (b) The Group shall maintain the documents and other materials mentioned above in a condition that allows for them to be viewed, and decide the authority, scope, procedures, etc. concerning their viewing.
 - (c) The Group shall establish and promote an information security system that does not only protect and preserve information, including personal information, but also facilitates the increase of corporate value through the use of information.
- (3) Regulations and Other Systems for Managing Risk of Losses of the Group
- (a) The Board of Directors supervises the design and operation of the Group's risk management system. The Board of Directors establishes the Risk Management Committee, the Quality Assurance Committee, and the Sustainability Committee, and gives instructions after receiving reports from these committees.
 - (b) The Risk Management Committee takes on the role of promoting the risk management activities of the entire Group. The Committee identifies the Group's risks, designs countermeasures for these risks, and confirms the progress of responding to these risks.
 - (c) The Quality Assurance Committee is in charge of the role of promoting quality assurance activities of the entire Group. The Committee identifies issues pertaining to the Group in terms of quality assurance, designs countermeasures for these issues, and confirms the progress of responding to these quality assurance issues.
 - (d) The Sustainability Committee is in charge of the role of promoting sustainability management of the entire Group, and formulates and promotes sustainability strategies within the Group that contribute to sustainable development of society and business.

- (4) System for Ensuring the Efficiency of Execution of Duties by Officers and Employees of the Group
- (a) The Board of Directors determines the basic policies on management of the Group.
 - (b) The Board of Directors shall determine Company-wide goals to be shared by the officers and employees of the Group, and officers in charge shall specify efficient methods for achieving such goals, such as specific targets and appropriate allocation of authority aimed at achieving the Company-wide goals.
 - (c) Officers in charge shall confirm progress made in achieving goals and report the specific measures to achieve the goals at Board of Directors meetings.
 - (d) The Group shall allot the execution of business operations appropriately and strive to make decisions efficiently under the Responsibility and Authority Rules.
- (5) System for Reporting to the Company Matters Related to the Execution of Duties by Officers and Employees of the Company's Subsidiaries
- (a) The Board of Directors requires regular reports regarding the status of the Company's subsidiaries' business execution.
 - (b) Officers require reports regarding the status of the business execution of the Company's subsidiaries of which they are in charge, as needed.
 - (c) In order to promote the Group's management strategy, risk management and management based on compliance, the Company shall design and operate a system that requires consultations with and reports to the Company's relevant departments or approval from the Board of Directors for certain matters concerning management of the Company's subsidiaries.
 - (d) The internal audit division performs internal audits of the Company's subsidiaries, and reports the results to the Company's Representative Directors, officers in charge and Audit and Supervisory Committee as necessary.
- (6) System for Ensuring a Proper Relationship Between the Company and its Parent Company
- (a) The Company shall promote unified group management as a member of the Suntory Group and utilize the brands, human capital, intellectual property and other group business resources while maintaining independence of management, which is necessary as a listed company, making its own decisions regarding major business resources that act as the source of the Company's corporate value, holding and securing such business resources, and working for the Company's sustainable growth while placing due consideration on shareholder conflict of interest.
 - (b) The Company shall establish the Special Committee and make decisions at meetings of the Board of Directors regarding significant transactions, activities, etc. carried out with the Suntory Group (excluding the Group) after deliberations and reports from the Special Committee, and design and operate

a system in order to ensure fairness, transparency and objectivity regarding transactions, activities, etc. with the Suntory Group (excluding the Group).

- (7) Matters Regarding Officers and Employees Who Assist in the Duties of the Audit and Supervisory Committee of the Company, Matters Regarding the Independence of Such Officers and Employees from Other 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 Officers and Employees
 - (a) The internal audit division shall assist with the Audit and Supervisory Committee's duties. Matters such as those involving transfer and evaluation of internal audit division officers and employees shall be performed in a manner respectful of views provided by the Audit and Supervisory Committee, and in a manner that ensures independence from the Directors (excluding Directors serving on the Audit and Supervisory Committee).
 - (b) In assisting with the duties of the Audit and Supervisory Committee, officers and employees of the internal audit division shall comply with the instructions and orders from the Audit and Supervisory Committee exclusively.
- (8) System for Reporting to the Audit and Supervisory Committee of the Company by Officers and Employees of the Group or Other Persons Who Receive Reports from Such Officers and Employees and Other Systems for Reporting to the Audit and Supervisory Committee
 - (a) The Audit and Supervisory Committee shall investigate the status of company business operations and property for audits, and the officers and employees of the Group shall respond promptly and accurately if required by the Audit and Supervisory Committee.
 - (b) Upon discovery of any incident that could cause the Group substantial damage, such as acts in violation of laws and regulations, the officers and employees of the Group shall immediately report the matter to the Audit and Supervisory Committee.
 - (c) The internal audit division shall regularly report internal audit results and the status of other activities in the Group to the Audit and Supervisory Committee.
 - (d) The division in charge of compliance shall regularly report the status of whistleblowing in the Group to the Audit and Supervisory Committee.
- (9) System to Ensure That a Person Who Has Reported to the Company's Audit and Supervisory Committee Are Not Treated Adversely Based on the Fact Such a Report Has Been Made by the Person

Officers and employees of the Group may report directly to the Audit and Supervisory Committee, and the Company shall design and operate a system in which officers and employees of the Group are not treated adversely based on the fact such a report has been made.

- (10) Policies Regarding Procedures for Advance Payment or Reimbursement of Expenses Arising in Conjunction with the Execution of Duties by Audit and Supervisory Committee Members of the Company (Limited to Those Expenses Incurred in Relation to Execution of Audit and Supervisory Committee Duties) and Other Policies for Processing Expenses and Obligations Arising with Respect to Execution of Such Duties, and Other Systems for Ensuring That the Audit and Supervisory Committee Effectively Performs Audits
- (a) If the Audit and Supervisory Committee, in conjunction with the execution of its duties, asks the Company for advance payment, etc. of expenses under Article 399-2, paragraph (4) of the Companies Act of Japan, the Company shall promptly process such expenses or obligations, unless they are not necessary for the Audit and Supervisory Committee Members to execute their duties.
 - (b) If the Audit and Supervisory Committee requests independent use of an external expert for the purpose of executing duties of the Audit and Supervisory Committee Members, the Company shall then bear those expenses, unless they are not necessary for the Audit and Supervisory Committee Members to execute their duties.
 - (c) The Audit and Supervisory Committee makes efforts to carry out effective audits by communicating, collaborating and exchanging opinions and information with the Company's officers, the internal audit division and the Accounting Auditor, and officers and internal audit divisions of the Company's subsidiaries.

In the fiscal year under review, the major operational status of the above-mentioned systems for ensuring the appropriateness of the business is as follows.

(1) Status of Initiatives Related to Improving Efficiency in Execution of Businesses

- The Company has, through a resolution of the Board of Directors, delegated the execution of certain important duties to Directors in order to enable efficient decision-making.
- The Board of Directors held 13 board meetings and actively discussed not only various management issues, including the management policy, growth strategies, investment strategies, corporate governance and sustainability, but also core-business related key issues and the execution of business.
- At these meetings, the Board of Directors was provided with reports on the Group's monthly business performance, and accordingly verified and discussed matters such as progress made in achieving the Group's business objectives, its management challenges, along with measures in that regard.

(2) Operational Status of the Risk Management System

- The Risk Management Committee regularly held meetings where the committee addressed a wide range of risks encompassing everything from medium- to long-term themes regarding risks incurred by the Group including those associated with quality and sustainability, and extending to risks related to recent changes in the external environment. This has involved identifying and assessing such risks, formulating measures for addressing such risks, and checking on progress made with respect to taking action in that regard.
- The Quality Assurance Committee regularly held meetings where they identified quality risks pertaining to the Group, promoted the prevention of quality issues and their recurrence, and also monitored activities for reducing quality risks and the results of those activities.
- The Sustainability Committee regularly held meetings where they checked activity plans and progress on sustainability themes, including those surrounding water, greenhouse gases, and plastics. The details of its considerations for opportunities and risks relating to sustainability in a way that is consistent with TNFD/TCFD recommendations were also disclosed.
- The details of the activities of the Risk Management Committee, the Quality Assurance Committee and the Sustainability Committee have been reported at the Board of Directors meetings.

- To ensure information security, the Group has implemented measures for the security, backup and disaster recovery of information systems, and developed various sets of internal rules governing the proper preservation and management of information. The Group has also been preparing for increasingly serious cyber attacks, including holding regular information management education and awareness activities regarding cyber attacks at each Group company and taking measures geared toward discouraging unsuitable means of information management and preventing leakages of confidential information. In addition, the Risk Management Committee discussed countermeasures and checked on progress made with respect to taking action in that regard.

(3) Status of Initiatives Related to Compliance

- With the goal of proactive prevention and early discovery of infringements of laws and regulations and dishonest practices, channels for whistleblowing are provided by way of the division in charge of compliance, external channels such as law firms and providers of services to receive whistleblower disclosures, and the Audit and Supervisory Committee. In addition, the Group has established the Business Partner Compliance Hotline to address concerns from freelancers and other such business partners. The Group employees and business partners in both Japan and overseas have been made aware of the existence of these channels through their publication on the Group's intranet and the Company's website.
- In response to reports and requests for advice, the divisions in charge of channels for whistleblowing have taken responsibility for investigating the situation and, if necessary, taking corrective action and drawing up measures to prevent a recurrence.
- Training aimed at fostering a harassment-free workplace was conducted against a backdrop of increasingly complex harassment concerns.
- An attitude survey was conducted among employees in Japan and abroad with the aim of nurturing a wholesome workplace culture as the basis for upholding compliance, the results of which were reported to the Board of Directors.

(4) Operational Status of the Audit and Supervisory Committee

- The Audit and Supervisory Committee deliberates on the matters to be discussed at the Board of Directors meetings beforehand and if the Committee deems it is necessary to express an opinion as the Audit and Supervisory Committee at the Board of Directors meeting, the Committee

expresses such opinion. Moreover, if an individual Audit and Supervisory Committee Member deems it necessary to express an opinion at the Board of Directors meeting from their respective specialist perspectives, such individual expresses such opinion.

- The Audit and Supervisory Committee, led by the full-time Audit and Supervisory Committee Member, conducted audits in cooperation with the internal audit division. Pursuant to the audit plan, the Audit and Supervisory Committee carried out audits on the effectiveness of on-site governance structures, risk management, and internal control systems, from the position of understanding of activities on site, and provided opinions based on the audit results directly to the Representative Director, President & Chief Executive Officer, each of the officers in charge, and management teams of each region, thereby contributing to improving management quality.
- The Group Audit Committee, whose membership consists of Audit and Supervisory Committee Members and personnel such as officers in charge of the Corporate Strategy Division, meets regularly. The Committee accordingly receives reports on the status of internal control and internal audit activities from management teams of each region and engages in discussions as necessary, thereby contributing to improving management quality.
- The full-time Audit and Supervisory Committee Member has been attending important meetings such as the Risk Management Committee and other such bodies, through which he/she has been able to understand the details of business execution by Directors, Executive Officers and others, in addition to which he/she has shared, in a timely and appropriate manner, the process and content of decision-making with other Audit and Supervisory Committee Members.

(5) Operational Status of Internal Audits

- Each of the internal audit divisions of the Company and the Group companies has conducted audits of their own company on the basis of the annual audit plan.
- The internal audit division of the Company provides regular reports on the action plan and its progress to the Board of Directors, and strengthens cooperation with the Board of Directors by providing reports directly to the Directors on the results of the internal audit.

(6) Transactions with the Parent Company, etc.

- The Company has established the permanent Special Committee as a system to safeguard the interests of general shareholders.
- To ensure fairness, transparency and objectivity regarding transactions, activities, etc. with the Suntory Group (excluding the Group), the Special Committee verifies the necessity and reasonableness, the appropriateness of the terms and conditions, etc., and the fairness of transactions equal to or exceeding a certain amount with the Suntory Group (excluding the Group), including Suntory Holdings Limited, and transactions, activities, etc. related to the business resources forming the source of Company's corporate value, such as brands, human resources, key assets and information (hereinafter collectively referred to as "Important Transactions, Activities, etc."), and reports to the Board of Directors.
- The members of the Special Committee must be persons who have independence from the Suntory Group to ensure the committee's independence and objectivity, and currently it is composed of three Independent Outside Directors.
- Transactions, activities, etc. with the Suntory Group (excluding the Group) are, in accordance with internal regulations, examined beforehand by the departments conducting the transactions, activities, etc. and by the Company's legal affairs division and finance & accounting division to confirm the necessity and reasonableness of transactions, activities, etc., the appropriateness of their terms and conditions, etc., and the fairness, taking into consideration the perspective of independence from Suntory Holdings Limited. Furthermore, the Board of Directors makes a decision on Important Transactions, Activities, etc. after sufficient deliberation has been made on the necessity and reasonableness of the Important Transactions, Activities, etc., the appropriateness of their terms and conditions, etc., and the fairness through the process of the prior deliberation and report by the Special Committee.
- In addition to prior deliberation, in accordance with internal regulations, the legal affairs division, finance & accounting division, and internal audit division conduct a check on details of the transactions, activities, etc. and the Audit and Supervisory Committee conducts an audit afterwards to confirm whether those were based on the contents of the deliberation. For Important Transactions, Activities, etc., the status is reported to the Special Committee and the Board of Directors, and they confirm the results of the transactions, activities, etc.
- In 2025, the Special Committee held five meetings to deliberate Important Transactions, Activities, etc., including the brand licenses, the payment of

royalties and the delegation of functional duties, as a result of which it was able to confirm the necessity and reasonableness, the appropriateness of the terms and conditions, etc., and the fairness of the Important Transactions, Activities, etc., and submitted reports to the Board of Directors. The Board of Directors has also approved the said Important Transactions, Activities, etc. based on the report by the Special Committee.

Consolidated Financial Statements (IFRSs)

Consolidated Statement of Changes in Equity

(For the year ended December 31, 2025)

(Unit: Millions of yen)

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Retained earnings	Treasury shares	Other components of equity	Total		
Balance at January 1, 2025	168,384	185,311	716,919	(1)	138,973	1,209,587	105,690	1,315,278
Profit for the year			88,723			88,723	21,394	110,118
Other comprehensive income					56,080	56,080	955	57,035
Total comprehensive income for the year	–	–	88,723	–	56,080	144,804	22,350	167,154
Purchase of treasury shares				(0)		(0)		(0)
Dividends			(38,624)			(38,624)	(18,567)	(57,192)
Transactions with non-controlling interests		181				181	(223)	(41)
Reclassification to retained earnings			369		(369)	–		–
Total transactions with owners of the Company	–	181	(38,255)	(0)	(369)	(38,443)	(18,790)	(57,234)
Balance at December 31, 2025	168,384	185,493	767,388	(1)	194,683	1,315,948	109,249	1,425,198

Note: All amounts have been rounded down to the nearest million yen.

Notes to Consolidated Financial Statements

BASIS OF PREPARING CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparing consolidated financial statements
Suntory Beverage & Food Limited and its consolidated subsidiaries (the “Group”) prepared its consolidated financial statements in accordance with International Financial Reporting Standards (hereinafter “IFRS Accounting Standards”), pursuant to the provisions of Article 120, paragraph (1) of the Regulations on Corporate Accounting. Disclosure requirements under IFRS Accounting Standards are partially omitted pursuant to the provisions of second sentence of the said paragraph.
2. Scope of consolidation
The number of subsidiaries was 62. The major subsidiaries are Suntory Foods Limited, Suntory Beverage Solution Limited, Japan Beverage Holdings Inc., Suntory Products Limited, Suntory Beverage & Food Asia Pte. Ltd., Suntory Beverage & Food International (Thailand) Co., Ltd., SUNTORY BEVERAGE & FOOD NEW ZEALAND LIMITED, SUNTORY BEVERAGE & FOOD AUSTRALIA PTY LTD, Orangina Schweppes Holding B.V., Lucozade Ribena Suntory Limited and Pepsi Bottling Ventures LLC.
3. Application of equity method
The number of associates and joint ventures accounted for using the equity method was 8.
4. Accounting policies
 - (1) Basis of consolidation
The Group’s consolidated financial statements with the fiscal closing date at December 31 are composed of accounts of Suntory Beverage & Food Limited (the “Company”) and its subsidiaries together with the Group’s interest in associates and joint ventures.
A subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group’s subsidiaries are included in the scope of consolidation, which begins when it obtains control over a subsidiary and ceases when it loses control of the subsidiary. Disposal of the Group’s ownership interests in a subsidiary that does not result in the Group losing control over the subsidiaries is accounted for as an equity transaction. Any difference between the amount of an adjustment to the non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity and is attributed to owners of the Company. Non-controlling interests of the subsidiaries are identified separately from ownership interests attributable to the Group. Comprehensive income of subsidiaries is attributed to owners of the Company and non-controlling interests, even when comprehensive income attributed to non-controlling interests results in a negative balance.
An associate is an entity over which the Group has significant influence on the financial and operating policy of the entity, but does not have control or joint control. Investments in an associate are initially recognized at cost upon the acquisition and are subsequently accounted for using the equity method. Investments in an associate include goodwill recognized upon the acquisition, net of accumulated impairment losses.
A joint venture is an entity jointly controlled by two or more parties including the Group under the contractually agreed sharing of control of an arrangement over economic activities of the joint venture, which exists only when decisions for strategic financial and operating decisions related to relevant activities require unanimous consent of the parties sharing control. A joint venture of the Group is accounted for using the equity method.
 - (2) Business combination
A business combination is accounted for using the acquisition method. The acquisition cost is measured as the sum of the acquisition-date fair values of the assets transferred, liabilities assumed and the equity financial instruments issued by the Company in exchange for control of the acquiree. Excess of the acquisition cost over the Group’s share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill in the consolidated statement of financial position. Conversely, any excess of the Group’s share of the net fair value of the identifiable assets and liabilities of the investee over the acquisition cost is immediately recognized in profit or loss. The Group accounts for the acquisition of additional non-controlling interests as an equity transaction, and accordingly, it does not recognize goodwill attributable to such transactions.
Identifiable assets acquired and the liabilities assumed are recognized at their fair value as at the acquisition date, except for the following:
 - Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements;
 - Assets or disposal groups that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.Transaction costs that are directly attributable to a business combination, such as agent, legal, and due diligence fees are expensed as incurred.

(3) Foreign currencies

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). In preparing the financial statements of each entity, a transaction denominated in a currency other than the entity’s functional currency is translated into its functional currency using the exchange rate that approximates the exchange rate prevailing at the date of the transaction. The consolidated financial statements are presented in Japanese yen, which is the Company’s functional currency. Amounts presented in the consolidated financial statements are rounded down to the nearest million yen.

Assets and liabilities of the Group’s foreign operations are translated into Japanese yen using exchange rates prevailing at the reporting date. In principle, income and expense items of the Group’s foreign operations are translated into Japanese yen at the average exchange rates for the reporting period. Any exchange difference arising from translation of the financial statements of the Group’s foreign operations is recognized in other comprehensive income. Any exchange difference arising from translation of the Group’s foreign operation disposed is recognized in profit or loss for the reporting period in which that foreign operation is disposed of.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated using the exchange rates prevailing at the reporting date. Any exchange difference arising from translation or settlement of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss. However, exchange differences arising from translation or settlement of equity instruments measured at fair value through other comprehensive income (“FVTOCI”) and cash flow hedges are recognized in other comprehensive income.

(4) Financial instruments

1) Financial assets

(i) Initial recognition and measurement

The Group initially recognizes trade and other receivables on the day when they are incurred, and it initially recognizes other financial assets at the transaction date when the Group becomes a party to the contract for the financial assets. Financial assets are classified into the following specific categories; financial assets measured at fair value through profit or loss (“FVTPL”) or FVTOCI and financial assets measured at amortized cost. The classification is determined at the time of initial recognition.

All financial assets are measured at fair value, however, the financial assets that are not classified as measured at FVTPL are measured at the sum of the fair value and transaction costs. Financial assets are classified as measured at amortized cost if both of the following conditions are met.

- The financial assets are held within a business model whose objective is to hold the asset in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets other than those measured at amortized cost are classified as financial assets measured at fair value. For financial assets measured at fair value other than equity instruments held for trading that should be measured at FVTPL, each equity instrument is designated as measured at FVTPL or FVTOCI. Such designation is continuously applied. There is no debt instrument measured at FVTOCI.

(ii) Subsequent measurement

Subsequent to initial recognition, financial assets measured at amortized cost are measured at amortized cost, using the effective interest method. Financial assets measured at fair value are remeasured at fair value. Any gain or loss on financial assets measured at fair value is recognized in profit or loss. However, changes in the fair value of equity instruments designated as measured at FVTOCI are recognized in other comprehensive income and the changes are reclassified to retained earnings when equity instruments are derecognized and when there is a significant decline in their fair value. Dividends from such financial assets are recognized as part of finance income in profit or loss for the year.

(iii) Impairment

For impairment of financial assets measured at amortized cost, the Group recognizes a loss allowance against expected credit losses on such financial assets. At each reporting date, financial assets are assessed whether there has been a significant increase in credit risk of the financial asset since initial recognition.

If the credit risk on financial assets has not increased significantly since initial recognition, a loss allowance is measured at an amount equal to 12 months of expected credit losses. In contrast, if the credit risk on financial assets has increased significantly since initial recognition, a loss allowance is measured at an amount equal to the lifetime expected credit losses. However, a loss allowance for trade and other receivables is always measured at an amount equal to the lifetime expected credit losses. Expected credit losses on financial assets are assessed based on objective evidence which reflects changes in credit information, and past due information of receivables. An impairment loss is recognized in profit or loss. If any event resulting in a decrease of impairment losses occurs after the recognition of impairment losses, gain on reversal of impairment is recognized through profit or loss.

(iv) Derecognition

The Group derecognizes financial assets when the contractual rights to the cash flows from the assets expire, or when the Group substantially transfers all the risks and rewards of ownership of the assets to another party. In cases where the Group neither transfers nor retains substantially all the risks and rewards of ownership but continues to control the transferred assets, the Group continues to recognize the financial assets to the extent of its continuing involvement in the financial assets.

- 2) Financial liabilities
 - (i) Initial recognition and measurement

Financial liabilities are classified into either subsequently measured at FVTPL or at amortized cost. The classifications are determined at the time of initial recognition. All of the financial liabilities are initially measured at fair value and any directly attributable transaction costs are further deducted from the fair value of financial liabilities measured at amortized cost. There are no financial liabilities measured at FVTPL, except for derivative liabilities.
 - (ii) Subsequent measurement

Financial liabilities measured at FVTPL include those held for trading purposes and those designated as measured at FVTPL upon initial recognition. Such financial liabilities measured at FVTPL are subsequently measured at fair value, with changes recognized in profit or loss for the reporting period. Financial liabilities measured at amortized cost are subsequently measured at amortized cost using the effective interest method. A gain or loss on financial liabilities no longer amortized using the effective interest method and derecognized is recognized as part of finance costs in profit or loss for the reporting period.
 - (iii) Derecognition

Financial liabilities are derecognized when they are extinguished, i.e., when the obligations specified in the contract are discharged, cancelled or expired.
- 3) Presentation of financial assets and liabilities

Financial assets and liabilities are presented in their net amount in the consolidated statement of financial position only when the Group has a legally enforceable right to offset the financial asset and liability balances and it intends either to settle on a net basis or to realize financial assets and settle financial liabilities simultaneously.
- 4) Derivatives and hedge accounting

The Group utilizes derivatives, such as forward exchange contracts and interest rate swap contracts, to hedge foreign exchange and interest rate risks, respectively. Derivatives are initially measured at fair value upon execution of a contract and are subsequently remeasured at fair value.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it applies hedge accounting and its risk management objective and strategy for undertaking the hedge. That documentation includes identification of a specific hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will test the effectiveness of changes in fair value of the hedging instrument in offsetting the exposure to fair value or cash flow changes of the hedged item attributable to the hedged risks. These hedges are presumed to be very effective in offsetting fair value or cash flow changes. Further, continuing assessments are made as to whether the hedges are very effective over all the reporting periods of such designation.

If the hedging relationship no longer meets the hedge effectiveness requirements in terms of hedge ratios due to a change in an economic relationship between the hedged item and the hedging instrument, despite that the risk management objective remains unchanged, the hedge ratio is adjusted to meet the hedge effectiveness requirements again. If the hedging relationship no longer meets the hedge effectiveness requirement in spite of the hedge ratio adjustment, hedge accounting is discontinued for the portion of the hedge relationship that no longer meets the requirement.

The hedges that meet the hedge accounting criteria are classified and are accounted for under IFRS 9 as follows.

 - (i) Fair value hedges

Changes in the fair value of the hedging instrument are recognized in profit or loss. However, changes in fair value of a hedged item that is an equity instrument designated as measured at FVTOCI are recognized in other comprehensive income. For changes in fair value of the hedged item attributable to the risk being hedged, such changes are adjusted with the carrying amount of the hedged item and are recognized in profit or loss. However, changes in fair value of an equity instrument with an election to present such changes in other comprehensive income are recognized in other comprehensive income.
 - (ii) Cash flow hedges

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized in other comprehensive income. The portion of the gain or loss on the hedging instrument that is hedge ineffective is immediately recognized in profit or loss. The amount of the hedging instrument recognized in other comprehensive income is reclassified to profit or loss at the point a hedged future transaction affects profit or loss. If the hedged item gives rise to the recognition of a non-financial asset or liability, the amount recognized in other comprehensive income is removed to adjust the original carrying amount of the non-financial asset or liability.

If hedged future cash flows are no longer expected to arise, the cumulative gains and losses previously recognized in equity through other comprehensive income are reclassified to profit or loss. If hedged future cash flows are still expected to arise, the cumulative gains and losses previously recognized in equity through other comprehensive income remain in equity until such future cash flows arise.
- (5) Inventories

Inventories are stated at the lower of cost or net realizable value. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the costs necessary to make the sale. The cost of inventories is principally determined using a weighted-average basis, comprising all costs of purchase and conversion and other costs incurred in bringing the inventories to their present location and condition.
- (6) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment comprises any costs directly attributable to the acquisition of the item, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and borrowing costs that should be capitalized. Depreciation on an item of property, plant and equipment, other than land and

construction in progress, are recognized on a straight-line basis over its estimated useful life. The ranges of estimated useful lives by major asset items are as follows:

- Buildings and structures: 2–50 years
- Machinery and vehicles: 2–25 years
- Tools, fixtures and equipment: 2–20 years

The estimated useful lives, residual values and depreciation methods are reviewed at each reporting date. Any change is treated as a change in accounting estimate and is accounted for prospectively.

(7) Intangible assets

Intangible assets are measured at cost at initial recognition. Upon initial recognition, intangible assets, exclusive of intangible assets with indefinite useful lives, are amortized on a straight-line basis over its estimated useful life, and is stated at its carrying amount, i.e., at cost less accumulated amortization and any accumulated impairment losses.

The estimated useful lives of principal intangible assets with definite useful lives are as follows:

- Trademarks: 5–20 years
- Computer software: 2–10 years

The estimated useful lives, residual values and amortization methods are reviewed at the end of each reporting period. Any change is treated as a change in accounting estimates and is accounted for prospectively. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment each reporting period, or whenever there is any indication of impairment.

Goodwill is measured as at the acquisition date as the excess of the aggregate of the consideration transferred, the value of any non-controlling interests and the fair value of any previously held equity interest in the subsidiary acquired over the fair value of the identifiable net assets (net of identifiable assets acquired and the liabilities assumed) acquired. Goodwill is not amortized, but is tested for impairment each reporting period, or whenever there is any indication of impairment.

(8) Leases

At the commencement date of a lease, the right-of-use assets are measured at cost and the lease liabilities are measured at the present value of the lease payments that are not paid at the commencement date. If ownership of the underlying asset is transferred to the Group by the end of the lease term, or if the cost of the right-of-use asset reflects the exercise of a purchase option, the right-of-use assets are depreciated on a straight-line basis over their useful lives. Otherwise, right-of-use assets are depreciated on a straight-line basis over either shorter of their useful lives or the lease terms. Lease payments are allocated to finance costs and the repayment of the lease liabilities, using the effective interest rate method, and finance costs are recognized in the consolidated statement of profit or loss.

The lease term is determined after adjustment for periods covered by an extension option that the Group is reasonably certain to exercise and a termination option that the Group is reasonably certain not to exercise in the non-cancellable period under the lease contract. In the measurement of the present value, the interest rate implicit in the lease or the incremental borrowing rate is used.

For short-term leases for which the lease term ends within 12 months and leases in which the underlying asset is of low value, total lease payments are recognized as an expense on either a straight-line basis over the lease term or another systematic basis.

(9) Impairment of non-financial assets

The carrying amount of a non-financial asset of the Group, exclusive of inventories and deferred tax assets, is assessed at each reporting date to test whether there is any indication that the asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. Further, the recoverable amount is estimated annually at the same time every year for goodwill and intangible assets with indefinite useful lives and intangible assets that are not yet available for use.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In determining the value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate (or rates) that reflect(s) current market assessments of the time value of money and the risks specific to the asset. Non-financial assets not tested for impairment on an individual basis are grouped into the smallest cash-generating unit that generates cash inflows from the continuing use of the asset, which are largely independent of those from other assets or asset groups. In performing impairment testing on goodwill, an entity groups cash-generating units to which goodwill is allocated to enable performing impairment testing in a manner that reflects the smallest unit to which it relates. Goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash generating units, that are expected to benefit from the synergies of the combination. Corporate assets of the Group do not generate independent cash inflows. If there is any indication that a corporate asset may be impaired, the recoverable amount of the cash-generating unit to which the corporate asset belongs is determined.

Impairment loss is recognized in profit or loss when the carrying amount of an asset or cash generating unit is greater than its recoverable amount. An impairment loss recognized for a cash-generating unit is first allocated to reduce the carrying amount of any goodwill allocated to the unit, and then, to the other assets of the cash-generating unit pro rata on the basis of the carrying amount of each asset in the cash-generating unit.

Impairment losses recognized for goodwill are not reversed subsequently. Impairment losses recognized for other assets are assessed at each reporting date whether there is any indication that they may no longer exist or may have decreased. If there is a change in the estimates used to determine the recoverable amount of an asset, an entity reviews the recoverable amount of the asset and reverses an impairment loss for the asset. An impairment loss is reversed to the extent of the carrying amount that would have been determined, net of any amortization or depreciation, had no impairment loss been recognized for the asset in prior years.

(10) Post-employment benefit plans

The Company and certain subsidiaries established post-employment benefit plans for its employees: defined benefit and defined contribution plans. The present value of defined benefit obligations, related current service cost and, where applicable, past service cost are determined using the projected unit credit method. The discount rate is determined by reference to market yields at each reporting date on high quality corporate bonds corresponding to a discount period that is defined based on the period to the date of expected future benefit payment. Net defined benefit liability (asset) is determined as the present value of defined benefit obligation less the fair value of plan assets (including adjustments for the asset ceiling for defined benefit plans and minimum funding requirements, if necessary). Remeasurement of post-employment benefit plans is recognized collectively in other comprehensive income for the period in which they are incurred. The past service cost is accounted for as profit or loss for the period in which it is incurred.

Expenses related to defined contribution retirement benefits are recognized when related services are rendered.

(11) Provisions

Provisions are recognized only when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of estimated future cash outflows discounted using a pre-tax rate (or rates) that reflect(s) current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provisions due to the passage of time is recognized as finance costs.

(12) Revenue

The Group is engaged in the sale of soft drinks and foods. As customers usually obtain control of the goods and the Group's performance obligation is satisfied at the time when the goods are delivered to wholesalers etc. who are customers, the Group recognizes revenue at the time of delivery of goods. Revenue is measured at the amount of consideration promised under the contracts with customers after deduction of trade discounts, rebates, taxes collected on behalf of third parties such as consumption taxes or value added tax, sales incentives, and returned goods. Interest income and expense is recognized by using the effective interest method.

(13) Government grant

The Group measures and recognizes grant revenue at its fair value when there is reasonable assurance that an entity will comply with the conditions attached to them and will receive the grants. The grants received to compensate costs incurred are recognized as revenue in the period in which such costs are incurred. The grants related to the acquisition of an asset are deducted from the carrying amount of the asset.

(14) Corporate income tax

Corporate income tax is comprised of current and deferred tax. Current and deferred tax are recognized through profit and loss, except for those that arise from a business combination or are recognized in other comprehensive income or directly in equity.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities. The amount of current tax is determined based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period in each tax jurisdiction where the Group owns the business activities and earns taxable profit (or loss).

Deferred tax is recognized for the temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their value for tax purposes as at the reporting date as well as the carryforward of unused tax losses and unused tax credits. Deferred tax assets and liabilities are not recognized for the following temporary differences:

- Temporary differences arising from the initial recognition of goodwill;
- Temporary differences arising on initial recognition of an asset or liability arising in a transaction other than business combinations and transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition, and affects neither accounting profit nor taxable profit;
- Deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangement, to the extent it is probable that the temporary difference will not reverse in the foreseeable future; and
- Taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangement, to the extent the Group is able to control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax liability is principally recognized for all taxable temporary differences and a deferred tax asset is recognized for all deductible temporary differences to the extent it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed each period and is reduced to the extent it is probable that the sufficient taxable profit will not be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are also reviewed each period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that are expected to be applied in the period when the asset is realized or liability is settled, based on statutory tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are netted when the entity has a legally enforceable right to offset current tax assets and liabilities, and the deferred tax balances relate to the same taxation authority.

An asset or liability is recognized for uncertain tax positions at the estimated amount expected to arise from the uncertain tax position if it is probable that the position will result in a payment (or redemption) of taxes.

In accordance with IAS 12, the Group adopts a temporary exception to the recognition and information disclosure requirements about deferred tax assets and liabilities related to the International Tax Reform - Pillar Two Model Rules.

(15) Earnings per share

Basic earnings per share is calculated by the profit or loss for the year attributable to ordinary shareholders of the Company divided by the weighted-average number of ordinary shares issued.

(16) Assets held for sale

The Group classifies an asset or asset group that will be recovered principally through a sales transaction rather than through continuing use as assets held for sale, only when its sale must be highly probable within one year, the asset or asset group is available for immediate sale in its present condition and the appropriate level of management of the Group is committed to a plan to sell the asset or asset group. The assets held for sale are not depreciated or amortized, and are measured at the lower of its carrying amount and the fair value less costs to sell.

SIGNIFICANT ACCOUNTING ESTIMATES

Valuation of goodwill and intangible assets with indefinite useful lives

- (1) Amounts recorded in the consolidated financial statements at the end of the fiscal year under review

Goodwill	¥299,861 million
Intangible assets with indefinite useful lives	¥508,557 million

- (2) Information on details of significant accounting estimates relating to the identified items

The Company estimates recoverable amounts for impairment testing on goodwill and intangible assets with indefinite useful lives. For details, please refer to “BASIS OF PREPARING CONSOLIDATED FINANCIAL STATEMENTS, 4. Accounting policies, (9) Impairment of non-financial assets.”

The Company calculates these recoverable amounts utilizing the discounted present value of estimated future cash flows based on the business plan and the long-term growth rate for the periods beyond the term of the business plan. The business plan used for impairment testing is formulated based on not only the growth rate of the beverage market, consumer trends, and estimates of the impact from higher raw material costs, but also estimates of the effects of sales strategies, such as focused activities for core brands, price revisions, and portfolio expansions, and estimates of the effects of cost management. Moreover, the growth rate is determined by taking into consideration the long-term average growth rate in the markets or countries to which these cash-generating units and groups of cash-generating units belong. If they differ from the actual results, it may impact the business performance and other indicators.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

1. Provisions netted off against assets

Trade and other receivables	¥1,171 million
Other financial assets	¥54 million

2. Accumulated depreciation of property, plant and equipment (including accumulated impairment losses) ¥672,670 million

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

1. Total number of issued shares as at December 31, 2025: Ordinary shares 309,000,000 shares

2. Cash dividends from surplus paid during the fiscal year under review

Resolution	Class of shares	Total amount of dividends	Dividends per share	Record date	Effective date
At Ordinary General Meeting of Shareholders held on March 26, 2025	Ordinary shares	¥20,084 million	¥65.00	December 31, 2024	March 27, 2025
At Meeting of the Board of Directors held on August 7, 2025	Ordinary shares	¥18,539 million	¥60.00	June 30, 2025	September 4, 2025

3. Approval of dividend payment for which the record date is in the fiscal year under review, and the effective date is in the following fiscal year

Resolution [Proposed]	Class of shares	Total amount of dividends	Dividends per share	Record date	Effective date
Scheduled to be resolved at Ordinary General Meeting of Shareholders held on March 25, 2026	Ordinary shares	¥18,539 million	¥60.00	December 31, 2025	March 26, 2026

FINANCIAL INSTRUMENTS

1. Conditions of financial instruments

The Group is exposed to financial risks, e.g., credit risk, liquidity risk, foreign exchange risk, interest rate risk and market price fluctuation risk in the course of its business activities. The Group performs risk management to mitigate such financial risks.

The Group utilizes derivative transactions to avoid foreign exchange or interest rate risks and has a policy in place not to engage in speculative transactions. The finance department monitors performance and balances of derivative transactions based on the Group's risk management policies and reports derivative transaction records as necessary to the head of the finance function.

(1) Credit risk management

Credit risk is the risk that the counterparty to financial assets held by the Group will default on a contractual obligation, resulting in a financial loss to the Group. In addition, the Group is also exposed to credit risk of financial institutions that are counterparties to derivative transactions to hedge foreign exchange risk and interest rate risk of the Group, and deposit of excess funds. However, the impact on credit risks is immaterial because the Group conducts transactions only with highly credible financial institutions.

The Group sets credit limits for each business counterparty based on internal guidelines for credit management by business and country or region, while managing overdue debtors and outstanding balances. The Group's receivables are from many customers spanning a wide range of countries and regions. The Group does not have any excessively concentrated credit risk for a single counterparty or the group to which such counterparty belongs.

(2) Liquidity risk management

Liquidity risk is the risk that the Group will be unable to make a repayment on the due date in meeting the obligation to repay financial liabilities that become due.

The Group diversifies the means of financing to prevent or mitigate its liquidity risks, considering the market environment and balancing short-term and long-term financing, such as utilizing indirect financing through bank borrowings and direct financing through issuance of bonds and commercial papers. Temporary excess funds are invested in highly secure financial assets, such as short-term deposits.

The Group develops its financing plans based on its annual business plan and manages its liquidity risks by continuously monitoring the actual performance of financing against the plan. In addition, the Group has secured credit lines available at any time from financial institutions, and periodically reports the status of liquidity in hand and interest-bearing liabilities including these credit lines to the Company's President and Board of Directors.

(3) Foreign exchange risk management

The Group operates business activities globally and is exposed to foreign exchange risks due to fluctuations in market rates associated with purchase of raw materials, packaging materials and others, trading such as import and export of merchandise, finance and investments contracted in foreign currencies in the course of business activities.

The Group avoids or mitigates risks due to foreign exchange fluctuations on cash flows in non-functional currencies using forward exchange contracts, currency options and other means, after taking into account offset of foreign currency assets and liabilities and unrecognized firm commitments, and future forecast transactions that can be predicted reasonably. Therefore, the exposure to foreign exchange risk is limited and the impact on the Group is limited.

(4) Interest rate risk management

The Group finances its operating and investing activities through bonds payable and borrowings. Floating-rate borrowings are exposed to risks of changes in future cash flows, while fixed-rate borrowings are exposed to risks of changes in their fair values. To mitigate future interest rate risk, fix interest expenses and reduce changes in fair value, the Group positions interest rate swaps, interest-rate currency swaps and interest rate options (interest-rate caps and swaptions) as hedging instruments.

As a result, the Group's exposure to interest rate risk is limited and the impact of interest rate risk on profit before tax in the consolidated statement of profit or loss is limited.

(5) Market price fluctuation risk management

The Group uses commodity swap transactions in order to mitigate fluctuation risks of raw material prices.

The Group is exposed to risks of changes in market prices arising on equity financial instruments (shares), and the Group manages such risks by periodically monitoring market quotes and financial conditions of issuers (business counterparties).

The impact of market price fluctuation risks on the consolidated financial statements as at the end of the fiscal year under review is immaterial.

2. Fair values of financial instruments

(1) Carrying amount and fair value

Carrying amounts and fair values of financial instruments as at the end of the fiscal year under review are as follows. Financial instruments of which the carrying amount reasonably approximates the fair value and insignificant financial instruments are not included in the table below.

(Unit: Millions of yen)

	Carrying amounts	Fair value
Borrowings	15,456	15,345

(2) Fair value measurement methods

1) Major financial instruments measured at amortized cost

The fair value measurement methods for major financial instruments measured at amortized cost are as follows.

(i) Cash and cash equivalents, trade and other receivables and trade and other payables

The carrying amounts approximate their fair value due to their short-term maturity.

(ii) Bonds and borrowings

Fair values of bonds and borrowings are classified according to certain periods of time and determined based on present value of debts discounted using interest rate that reflects the period up to the maturity and the credit risk.

Carrying amounts and the fair value hierarchy of major financial instruments measured at amortized cost are as follows.

(Unit: Millions of yen)

	Carrying amounts	Level 1	Level 2	Level 3	Total
Liabilities:					
Financial liabilities measured at amortized cost					
Borrowings	15,456	–	15,345	–	15,345

2) Major financial instruments measured at fair value

The fair value measurement methods for major financial instruments measured at fair value are as follows.

(i) Derivative assets and liabilities

The fair values of derivative financial instruments – e.g., forward exchange contracts, currency options, interest rate swaps, interest-rate currency swaps, interest rate options – are determined based on the prices presented by financial institutions that are our business counterparties. Specifically, for example, the fair value of a forward exchange contract is measured at fair value based on quoted prices of forward foreign exchange markets, etc. The fair value of an interest rate swap is determined based on present value of future cash flows discounted using interest rate swap rate as at the reporting date and the period up to the maturity.

(ii) Shares

The fair values of listed shares are measured as the quoted prices available at the reporting date. Unlisted shares are principally measured using the valuation model primarily based on net assets (a method to determine corporate values based on net assets of issuing companies).

The fair value hierarchy of financial instruments measured at fair value is as follows.

	(Unit: Millions of yen)			
	Level 1	Level 2	Level 3	Total
Assets:				
Financial assets designated as hedging instruments				
Derivative assets	–	2,044	–	2,044
Financial assets measured at fair value through profit or loss				
Derivative assets	–	11	–	11
Others	2,701	76	1	2,778
Financial assets measured at fair value through other comprehensive income				
Shares	5,774	–	1,938	7,712
Others	–	–	0	0
Liabilities:				
Financial liabilities designated as hedging instruments				
Derivative liabilities	–	3,632	–	3,632
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	–	97	–	97

Changes in financial instruments classified as level 3 are as follows.

	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through other comprehensive income
	Millions of yen	Millions of yen
December 31, 2024	1	1,876
Total gains and losses	–	62
Other comprehensive income	–	62
Other	–	(0)
December 31, 2025	1	1,938

REVENUE RECOGNITION

1. Disaggregation of revenue

Disaggregation of revenue by product and by area is as follows.

	(Unit: Millions of yen)				
	Japan	Asia Pacific	Europe	Americas	Total
Beverages	735,188	351,018	390,202	195,990	1,672,399
Health supplements	–	43,038	–	–	43,038
Total	735,188	394,057	390,202	195,990	1,715,438

2. Information that provides the basis for understanding revenue

Information that provides the basis for understanding revenue is as stated in “BASIS OF PREPARING CONSOLIDATED FINANCIAL STATEMENTS, 4. Accounting policies, (12) Revenue.”

PER SHARE INFORMATION

- Equity attributable to owners of the Company per share ¥4,258.74
- Basic earnings per share ¥287.13

There was no diluted share issued.

SIGNIFICANT SUBSEQUENT EVENTS

No items to report.

(Note) All amounts have been rounded down to the nearest million yen.

Non-consolidated Financial Statements (Japanese GAAP)

Non-consolidated Statement of Changes in Equity

(For the year ended December 31, 2025)

(Unit: Millions of yen)

	Shareholders' equity							
	Common stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings			Total retained earnings
					Reserve for advanced depreciation of non-current assets	General reserve	Retained earnings brought forward	
Balance at January 1, 2025	168,384	145,884	67,541	213,425	984	34,982	247,288	283,256
Changes of items in the year								
Cash dividends							(38,624)	(38,624)
Net income							78,032	78,032
Purchase of treasury shares								
Reversal of reserve for advanced depreciation of non-current assets					(1)		1	–
Net changes of items other than shareholders' equity								
Net changes in the year	–	–	–	–	(1)	–	39,408	39,407
Balance at December 31, 2025	168,384	145,884	67,541	213,425	983	34,982	286,697	322,664

	Shareholders' equity		Valuation and translation adjustments			Total equity
	Treasury shares	Total shareholders' equity	Unrealized gain on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Total valuation and translation adjustments	
Balance at January 1, 2025	(1)	665,064	13	1,797	1,811	666,875
Changes of items in the year						
Cash dividends		(38,624)				(38,624)
Net income		78,032				78,032
Purchase of treasury shares	(0)	(0)				(0)
Reversal of reserve for advanced depreciation of non-current assets		–				–
Net changes of items other than shareholders' equity		–	(2)	(829)	(832)	(832)
Net changes in the year	(0)	39,407	(2)	(829)	(832)	38,575
Balance at December 31, 2025	(1)	704,472	11	967	978	705,451

Note: All amounts have been rounded down to the nearest million yen.

Notes to Non-consolidated Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis and methods of valuation of assets
 - (1) Securities

Shares of subsidiaries and associates: Stated at cost determined by the moving-average method.

Available-for-sale securities:

Securities other than shares that do not have market prices:

Stated at fair value.

(Unrealized gains and losses, net of applicable income taxes, are reported in a separate component of equity. The cost of securities sold is determined based on the moving-average method.)

Shares that do not have market prices:

Stated at cost determined by the moving-average method.
 - (2) Derivatives: Stated at fair value.
 - (3) Inventories: Stated at cost determined by the periodic average method.

(The value stated in the non-consolidated balance sheet is determined according to write-downs based on the decreased profitability of assets.)
2. Depreciation and amortization of non-current assets
 - (1) Property, plant, and equipment

Property, plant, and equipment are depreciated by the straight-line method. Useful lives of principal property, plant, and equipment are as follows.

Buildings:	5–50 years
Machinery and equipment:	2–17 years
Tools, furniture and fixtures:	2–20 years
 - (2) Intangible fixed assets

Intangible fixed assets are amortized by the straight-line method. Goodwill is equally amortized over 20 years. Software for internal use is amortized by the straight-line method over the internally estimated useful lives (within 5 years).
3. Basis for provision of reserves
 - (1) Allowance for doubtful accounts

To make allowances for the non-payment of receivables, for general receivables the historical default rate is used, and receivables designated as potentially irrecoverable is determined using actual default rates on an individual claim basis, and an allowance is made for the amount deemed irrecoverable.
 - (2) Provision for bonuses

To cover the payments of bonuses, Suntory Beverage & Food Limited (the “Company”) sets aside provision for bonuses based on the projected amount for such payments.
 - (3) Liability for employee retirement benefits (Prepaid pension cost)

The Company sets aside liability for employee retirement benefits to prepare for expenditures of employees’ retirement benefits based on the estimated amount of retirement benefit obligation and pension assets at the end of the fiscal year under review. Since the total amount of pension assets for the pension plan exceeded the amount calculated by deducting unrecognized actuarial differences from retirement benefit obligation as at the end of the fiscal year under review, the excess amount has been recorded in prepaid pension cost (investments and other assets).

 - (a) Methods of attributing estimated retirement benefits to accounting periods

When calculating retirement benefit obligations, the benefit formula basis is used to attribute estimated retirement benefits to the period through the end of the fiscal year under review.
 - (b) Amortization of actuarial differences and prior service cost

Prior service cost is amortized by the straight-line method over the period (15 years), which is shorter than the average remaining service life of employees as incurred, and unrecognized actuarial differences are amortized by the straight-line method over the period (15 years) which is shorter than the average remaining service life of employees as incurred from the year following that in which they arise.
4. Basis for revenue and cost recognition

The Company is engaged in the sale of soft drinks and foods. As customers usually obtain control of the goods and the Company’s performance obligation is satisfied at the time when the goods are delivered to wholesalers etc. who are customers, the Company recognizes revenue at the time of delivery of goods. Revenue is measured at the amount of consideration promised under the contracts with customers after deduction of trade discounts, rebates, taxes collected on behalf of third parties such as consumption taxes or value added tax, sales incentives, and returned goods. Interest income and expense is recognized by using the effective interest method.
5. Other significant matters forming the basis of preparing non-consolidated financial statements
 - (1) Method of hedge accounting

Mainly accounted for with deferred hedge accounting. Items that satisfy the requirements for an accounting method in which monetary receivables and liabilities denominated in foreign currencies are translated at a predetermined rate to hedge against exchange rate fluctuation risk are accounted for under this method. Those that satisfy the requirements for exceptional treatment for interest rate swaps are accounted for under the said exceptional treatment.

- (2) Accounting treatment for retirement benefits
The accounting treatment method for unrecognized actuarial differences and the unrecognized past service costs related to retirement benefits is different from the treatment method for these items in the consolidated financial statements.

SIGNIFICANT ACCOUNTING ESTIMATES

1. Valuation of shares of subsidiaries and associates that do not have market prices
- (1) Amount recorded in the non-consolidated financial statements at the end of the fiscal year under review
Shares of subsidiaries and associates that do not have market prices: ¥498,051 million.
The major shares of subsidiaries and associates are shares of Japan Beverage Holdings Inc., Orangina Schweppes Holdings B.V. and Lucozade Ribena Suntory Limited, and the carrying amount recorded in the non-consolidated balance sheet for these shares is ¥315,707 million.
- (2) Information on details of significant accounting estimates relating to the identified items
In valuing shares of subsidiaries and associates, the Company has a policy to recognize impairment losses when the substantial value of shares has declined significantly due to deterioration in the financial position of the company concerned, unless recoverability is substantiated by sufficient evidence.
For shares acquired reflecting their excess earning power, the Company considers whether the excess earning power is impaired or not by comparing the business plan at the time of stock acquisition, which was used for the basis of calculating the acquisition price, with the actual results up to the fiscal year under review as well as the future business plan prepared during the fiscal year under review.

The business plan includes not only the growth rate of the beverage market, consumer trends, and estimates of higher raw material costs, but also the effects of sales strategies, such as focused activities for core brands and price revisions, and estimates of the effects of cost management, and therefore the actual results in 2026 onwards may differ from the business plan. If this is the case, it may impact the business performance and other indicators.

2. Recoverability of loans receivable from subsidiaries and associates
- (1) Amounts recorded in the non-consolidated financial statements at the end of the fiscal year under review
- | | | |
|--|------------------|--------|
| Short-term loans receivable: | ¥112,734 million | (Note) |
| Long-term loans receivable from subsidiaries and associates: | ¥13,711 million | (Note) |
| Allowance for doubtful accounts related to Short-term loans receivable | ¥14 million | |
- Note: Please refer to “Related Party Transactions” for major components.
- (2) Information on details of significant accounting estimates relating to the identified items
For the valuation of loans receivable from subsidiaries and associates, the Company considers the recoverability of each loan receivable based on the debtor’s business plan and repayment plan. In cases where there is a possibility that part of the loans cannot be repaid according to the specified conditions even when considering past operating results and the feasibility of the future business plan, the Company records an allowance for a doubtful account for the expected non-collectible amount.

The debtor’s business plan is subject to risks and other factors arising from changes in the business environment, and therefore, the actual results in 2026 onwards may differ from the business plan. If this is the case, it may impact the business performance and other indicators.

NON-CONSOLIDATED BALANCE SHEET

1. Accumulated depreciation of property, plant, and equipment ¥128,924 million
2. Guarantee obligation
The Company extends guarantee for obligations for affiliated companies as shown below.

Suntory PepsiCo Vietnam Beverage Co., Ltd.	¥ 167 million
Suntory PepsiCo Beverage (Thailand) Co., Ltd.	¥ 99 million
Total	¥ 266 million
3. Monetary receivables and payables from/to affiliated companies (except for those presented separately)

Short-term monetary receivables	¥ 213,874 million
Short-term monetary payables	¥ 153,819 million
Long-term monetary payables	¥ 3 million

NON-CONSOLIDATED STATEMENT OF INCOME

Transactions with affiliated companies

Volume of operating transactions

Net sales	¥ 438,428 million
Cost of sales	¥ 53,458 million
Selling, general and administrative expenses	¥ 35,713 million

Volume of non-operating transactions

Non-operating income	¥ 71,156 million
Non-operating expenses	¥ 1,813 million

NON-CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Number of treasury shares as at December 31, 2025:

Ordinary shares	340 shares
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TAX EFFECT ACCOUNTING

1. Major components of deferred tax assets

Temporary differences for investments in subsidiaries	¥ 21,420 million
Accounts payable—other	¥ 574 million
Liability for employee retirement benefits	¥ 2,078 million
Provision for bonuses	¥ 852 million
Depreciation	¥ 198 million
Accrued enterprise tax	¥ 335 million
Asset retirement obligations	¥ 120 million
Other	¥ 121 million
Subtotal	¥ 25,700 million
Valuation allowance	¥ (21,503) million
Total deferred tax assets	¥ 4,196 million

2. Major components of deferred tax liabilities

Prepaid pension cost	¥ (1,419) million
Reserve for advanced depreciation of non-current assets	¥ (446) million
Removal costs related to asset retirement obligations	¥ (120) million
Deferred gain on derivatives under hedge accounting	¥ (426) million
Other	¥ (5) million
Total deferred tax liabilities	¥ (2,418) million
Net deferred tax assets	¥ 1,778 million

REVENUE RECOGNITION

Information that provides the basis for understanding revenue is omitted as the same information is provided in “SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, 4. Basis for revenue and cost recognition.”

PER SHARE INFORMATION

1. Equity per share ¥ 2,283.02
2. Net income per share ¥ 252.53

RELATED PARTY TRANSACTIONS

Attribute	Name of company	Percentage of voting rights owned or owning	Relationship	Content of transaction	Transaction amount (Millions of yen)	Account title	Balance as at December 31, 2025 (Millions of yen)
Parent company	Suntory Holdings Limited	Directly owned 59.4%	-Contract work of indirect operations -Interlocking of officers	Advance payment for raw materials (Note 1)	—	Accounts payable - trade	67,238
Subsidiary	Suntory Foods Limited	Directly owning 100%	-Sales of products of the Company -Money lending and borrowing -Interlocking of officers	Sales of products of the Company (Note 2)	439,664	Accounts receivable - trade	92,640
				Money lending and borrowing (Note 3)	17,943	Short-term loans receivable	17,943
				Proceeds from interest (Note 3)	37	—	—
				Interest paid (Note 3)	6	—	—
Subsidiary	Suntory Beverage Solution Limited	Directly owning 75% Indirectly owning 25%	- Rental of sales equipment -Money lending and borrowing -Interlocking of officers	Receipt of sales equipment fees (Note 4)	11,505	Other current assets	1,296
				Money lending and borrowing (Note 3)	13,752	Short-term loans receivable	13,752
				Proceeds from interest (Note 3)	36	—	—
				Interest paid (Note 3)	1	—	—
Subsidiary	Japan Beverage Holdings Inc.	Directly owning 93.7%	-Money lending and borrowing	Money lending and borrowing (Note 3)	15,491	Deposits received	15,491
				Interest paid (Note 3)	99	—	—
Subsidiary	Suntory Products Limited	Directly owning 100%	-Outsourcing of manufacturing operations -Money lending and borrowing -Interlocking of officers	Payment of processing fee (Note 2)	53,423	Accounts payable - other	4,214
				Money lending and borrowing (Note 3)	36,604	Short-term loans receivable	36,604
				Proceeds from interest (Note 3)	264	—	—
Subsidiary	Suntory Beverage & Food Asia Pte. Ltd.	Directly owning 100%	-Interlocking of officers	Dividends received (Note 5)	15,568	—	—
Subsidiary	SUNTORY BEVERAGE & FOOD AUSTRALIA PTY LTD	Directly owning 100%	-Money lending and borrowing -Interlocking of officers	Money lending and borrowing (Note 3)	14,653	Short-term loans receivable	14,277
						Deposits received	376
				Proceeds from interest (Note 3)	328	Other current assets	90
				Interest paid (Note 3)	106	Other current liabilities	1
Subsidiary	Orangina Schweppes Holding B.V.	Directly owning 100%	-Money lending and borrowing -Interlocking of officers	Money lending and borrowing (Note 3)	26,994	Short-term loans receivable	16,723
						Deposits received	10,271
				Proceeds from interest (Note 3)	610	Other current assets	8
				Interest paid (Note 3)	74	Other current liabilities	34
				Dividends received (Note 5)	17,193	—	—

Attribute	Name of company	Percentage of voting rights owned or owning	Relationship	Content of transaction	Transaction amount (Millions of yen)	Account title	Balance as at December 31, 2025 (Millions of yen)
Subsidiary	Lucozade Ribena Suntory Limited	Directly owning 100%	-Money lending and borrowing -Interlocking of officers	Money lending and borrowing (Note 3)	16,426	Short-term loans receivable	2,019
						Long-term loans receivable from subsidiaries and associates	13,711
						Deposits received	695
				Proceeds from interest (Note 3)	926	Other current assets	44
				Interest paid (Note 3)	173	Other current liabilities	35
				Capital reduction with compensation (Note 6)	13,571	—	—
Subsidiary	Suntory International Corp.	Directly owning 100%	-Money lending and borrowing	Money lending and borrowing (Note 3)	21,423	Deposits received	21,423
				Interest paid (Note 3)	905	Other current liabilities	186
				Dividends received (Note 5)	11,789	—	—

Terms and conditions of transactions and method of deciding terms and conditions of transactions

Notes:

1. This advance payment was implemented by Suntory Holdings Limited to external business partners, etc. As the transactions were not direct transactions with the parent company, the disclosure of the transaction amount is omitted.
2. Price and other terms and conditions of transactions are decided upon negotiations with each of the counterparties considering the actual market prices.
3. Money lending and borrowing are carried out based on the group company loan system, etc. Applicable interest rates are decided considering the market interest rates. Transaction amounts of money lending and borrowing indicate the net balance as at December 31, 2025.
4. Terms and conditions on rental of sales equipment are determined considering factors such as the related costs at the Company.
5. Dividends are decided upon mutual consultation between the two parties based on the amount obtained by deducting necessary investment and other amounts from the net income of the subsidiary.
6. Capital reduction with compensation represents capital reduction made by the subsidiary.

SIGNIFICANT SUBSEQUENT EVENTS

No items to report.

(Note) All amounts have been rounded down to the nearest million yen.