

Center of Deliciousness, Foremost Reassurance.

Financial Results for Q3 2025



LIFEDRINK COMPANY

February 13, 2025



Executive Summary: Q3 FY2025

(FY2025)

Increased Production • Revenue & Profit

- Production volume increased by 13% due to the operation of the Gotemba factory, increased capacity of Nitto Beverage, and new M&A contributions.
- Sales increased by 18% (YoY) due to securing sales destinations and price revisions in response to the increased production volume.
- Despite increased fixed costs at the Gotemba factory, personnel and labor costs, and one-time expenses associated with M&A, these were offset by increased revenue, resulting in 5% increase in operating profit.

Initiatives Progress

“The evolution of Max production” is progressing.”The evolution of Max sales” has not been achieved.

- The Gotemba factory achieved full monthly production in the first half of the year after starting operations in April 2024, and has maintained stable production since then. In sales, there were delays in new transactions.
- PMI at Oita factory of O Beverage is progressing smoothly, with increased production due to increased operating hours, etc.
- The acquisition of the 2L water factory, for which a contract was signed in November 2024, was completed in January 2025.
- Following the water beverage line at Nitto Beverage, it has been decided to expand the beverage line at the Gotemba factory.

1. Q3 FY2025 Performance

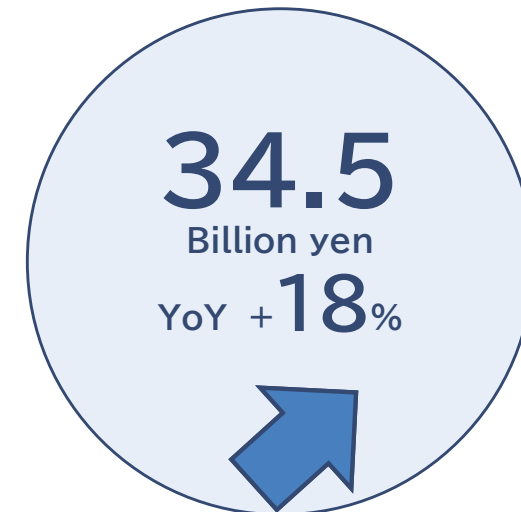
2.(Reference) Company Introduction

Highlights : Q3 FY2025

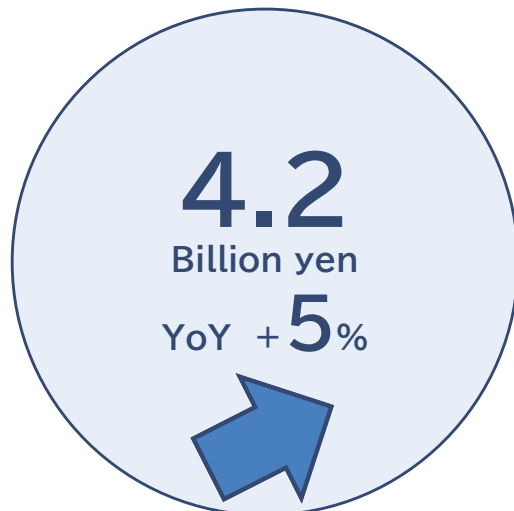
Production quantity*1



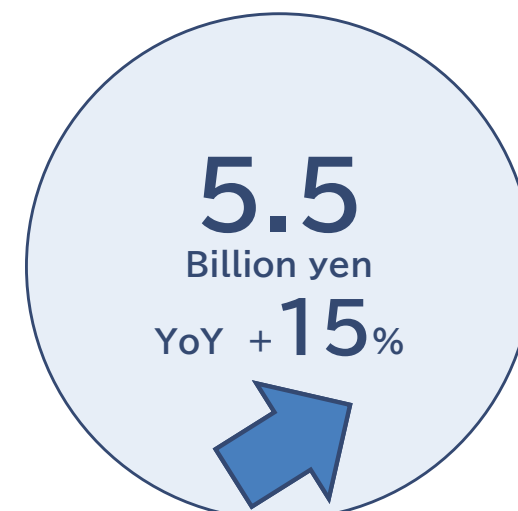
Revenue



Operating profit



EBITDA



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

4 *2: 1box = 12L is calculated

Financial Results : Q3 FY2025

Sales increased by 5.1 billion yen (+18% YoY) due to an increase in production volume*1 (+13%). Operating income increased by 182 million yen (+5%) due to an increase in sales that exceeded the increase in fixed costs associated with the operation of the Gotemba Factory.

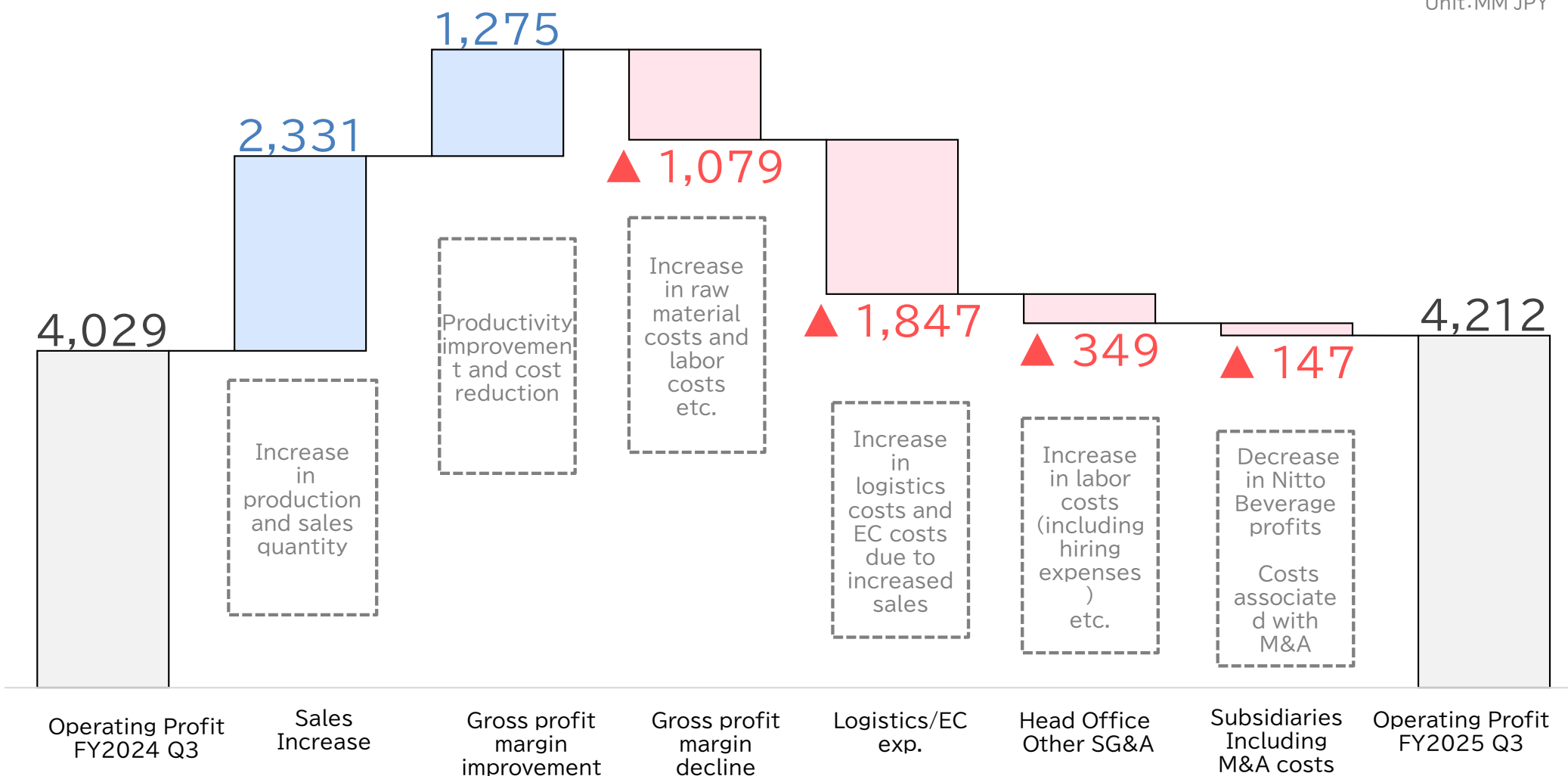
Unit:MM(JPY)	FY2024 Q3	FY2025 Q3	Variance (YoY)	YoY%
Revenue	29,378	34,545	+5,166	+18%
Operating profit %	4,029 (13.7%)	4,212 (12.2%)	+182 (▲1.5pt)	+5%
Profit % EPS*2	2,730 (9.3%) (52.55)	2,886 (8.4%) (55.25)	+156 (▲0.9pt) (+2.70円)	+6%
EBITDA %	4,863 (16.6%)	5,566 (16.1%)	+702 (▲0.4pt)	+15%

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

Analysis of Operating Profit: Q3 FY2025

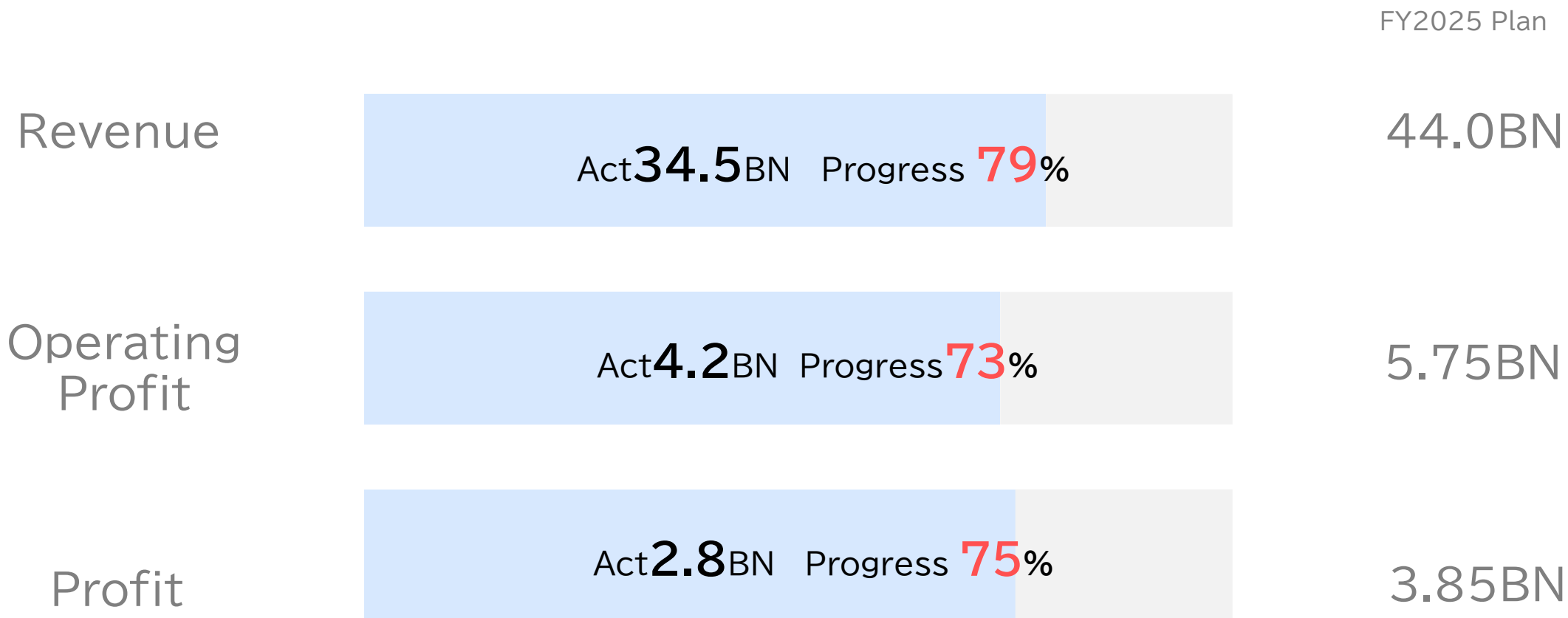
Operating income increased by 183million yen(YoY), as the increase in revenue covered fixed costs at the Gotemba factory, and increases in miscellaneous costs such as personnel and labor costs.

Unit:MM JPY



Performance Progress:Q3 FY2025

The progress rate against the full-year forecast is 79% for revenue and 73% for operating income.

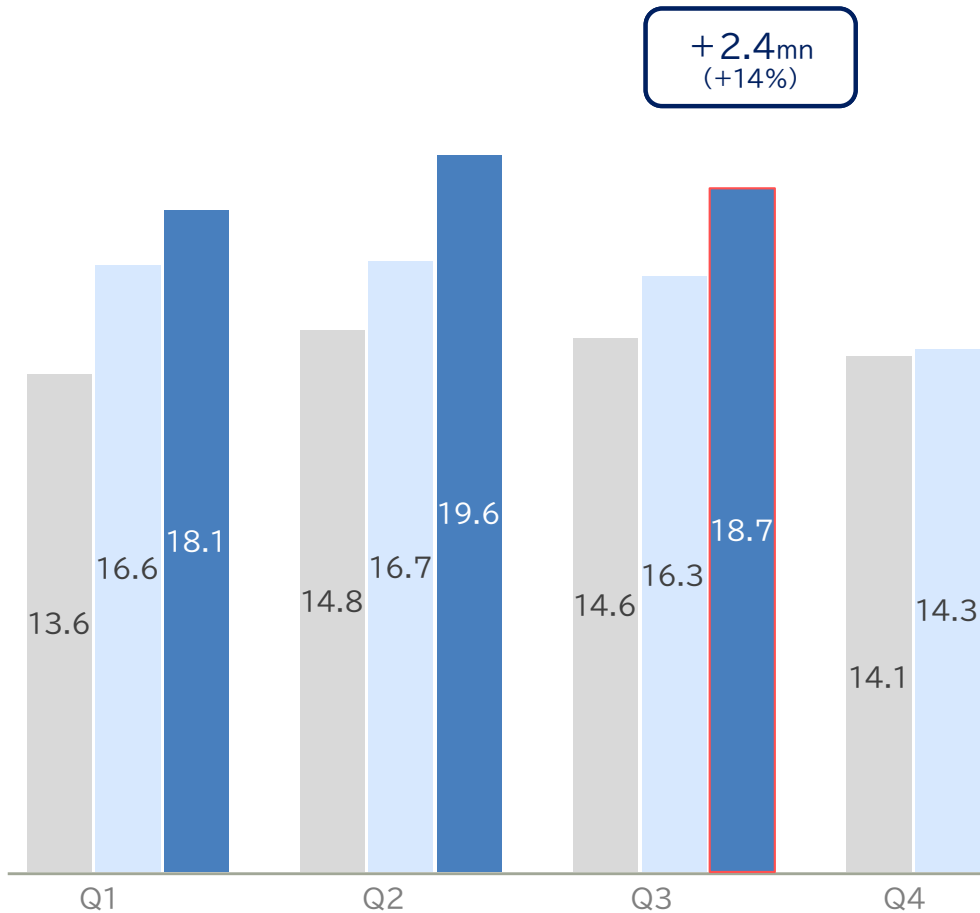


[Reference] Quarterly Performance Trends (1)

■ FY2023
■ FY2024
■ FY2025

Unit: million cases*1

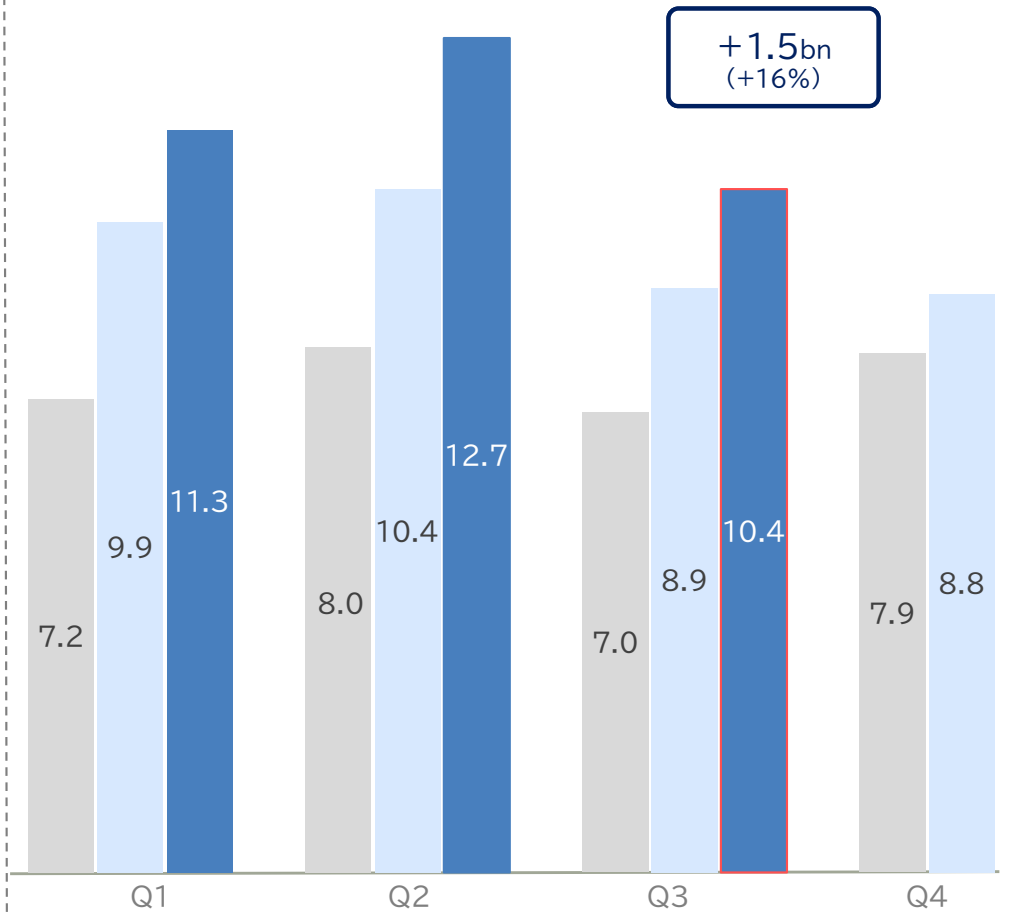
Production quantity



■ FY2023
■ FY2024
■ FY2025

Unit: bn JPY

Revenue

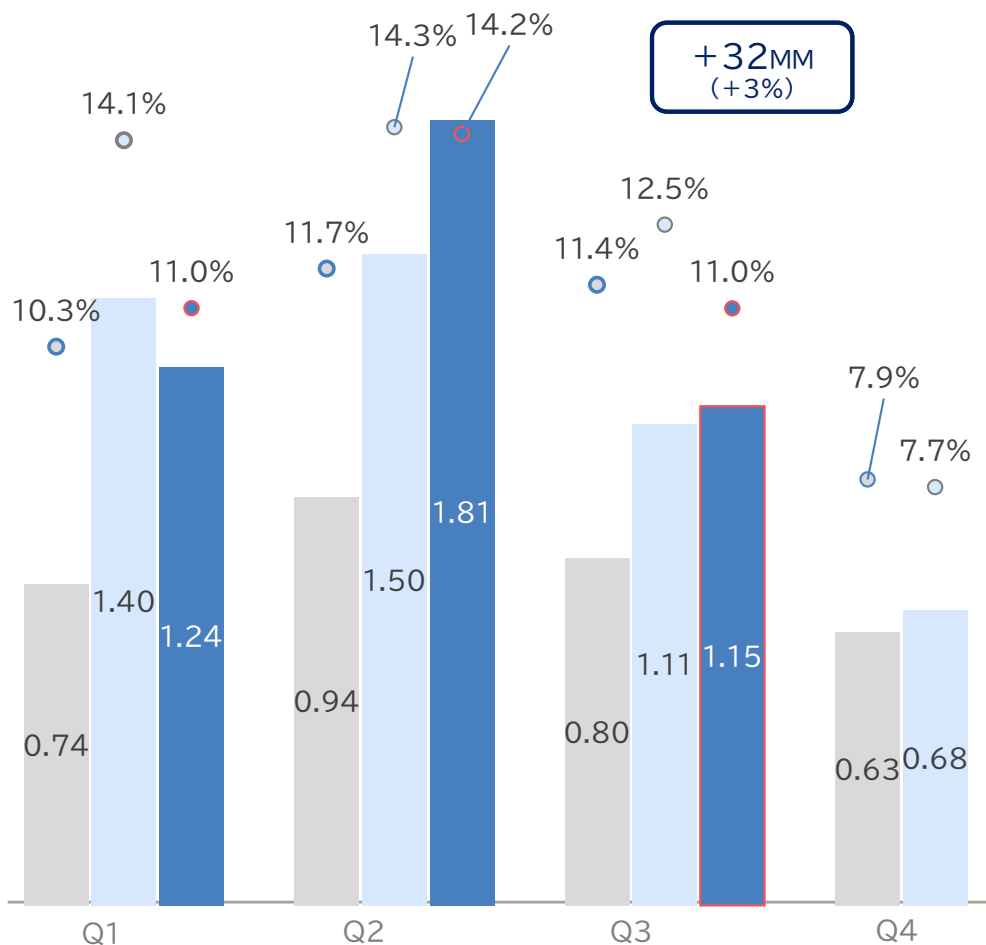


[Reference] Quarterly Performance Trends(2)

■ FY2023
■ FY2024
■ FY2025

Unit:bn JPY

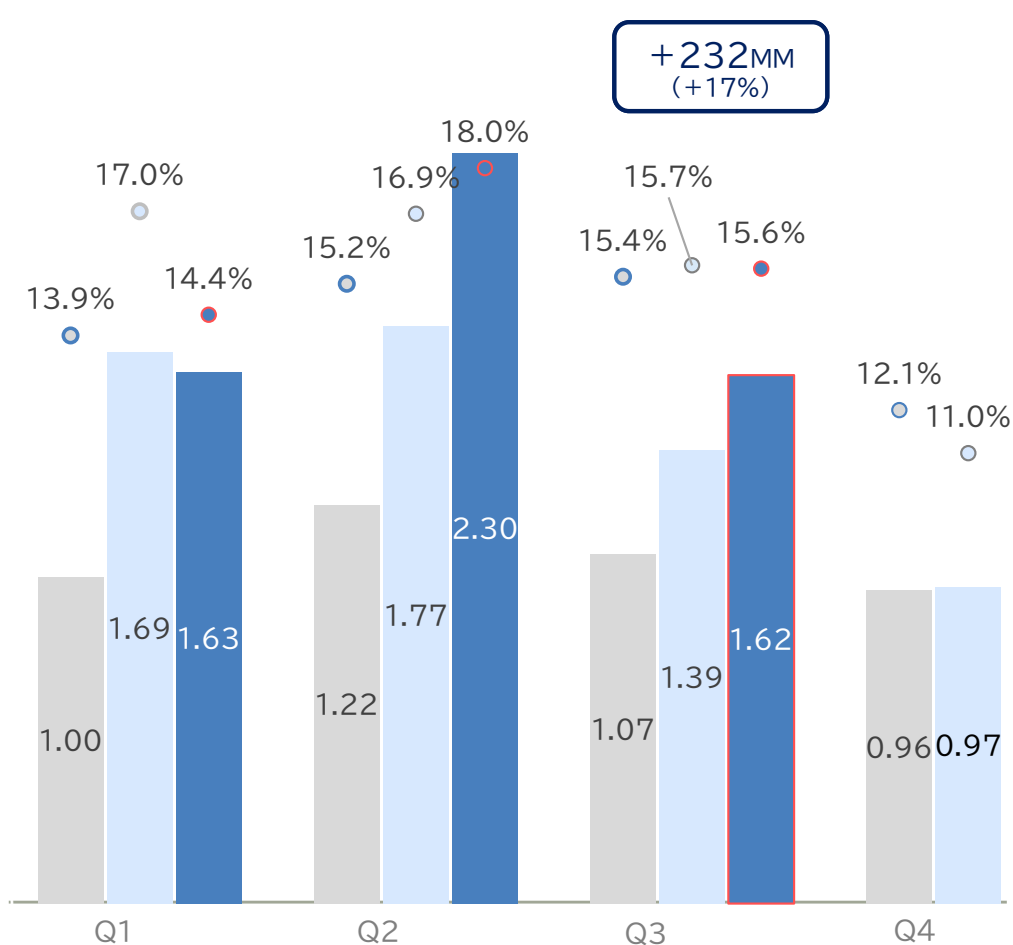
Operating profit/%



■ FY2023
■ FY2024
■ FY2025

Unit:bn JPY

EBITDA/EBITDA%



Balance Sheet: Q3 FY2025

Fixed assets increased by 0.9 billion yen due to the completion of capital investment at the Gotemba Factory, etc. The ratio of net interest-bearing debt to EBITDA improved by 0.2 points due to the growth of EBITDA.

Unit:MM [JPY]	FY2024		FY2025 Q3		
	Amount	%	Amount	%	Variance
Current assets	11,753	38%	13,118	40%	1,365
[Cash and deposits]	3,736	12%	3,714	11%	▲ 21
Non-current assets	18,893	62%	19,872	60%	979
Total assets	30,646	100%	32,991	100%	2,344
Current liabilities	7,645	25%	10,283	31%	2,637
Non-current liabilities	11,657	38%	8,783	27%	▲2,873
[Interest-bearing debt]	13,740	45%	13,812	42%	71
Total liabilities	19,303	63%	19,067	58%	▲ 235
Net assets	11,342	37%	13,923	42%	2,580
Total liabilities and net assets	30,646	100%	32,991	100%	2,344

【Reference】

[Net debt EBITDA ratio]*1

1.7x

-

1.5x

-

▲0.2pt

Growth Investment Results and Future Plans:Q3 FY2025

We have decided to expand the 500ml beverage line at Gotemba factory. In addition, the acquisition of the water production business was completed in January 2025.

Unit:bn JPY	FY2025		FY2026 from FY2026 onwards	Note
	Q3 results	Full-year forecast		
LDC				
Existing Factory	-	-	-	<ul style="list-style-type: none"> Completion of capacity enhancement and productivity improvement investments In the future, the focus will be on facility maintenance and renewal(Approx. 1 billion yen/year) and reducing logistics costs (warehouses, etc.)
Gotemba Factory	1.0	1.0	6.0	<ul style="list-style-type: none"> Payment for the construction of No.1 production line completed in Q1FY2025 Decided to expand the 500ml beverage line (investment Approx. 6 billion yen, production capacity 8 million cases per year. Target for operation in the second half of March 2027)
Nitto Beverage*2	0.2	0.8	2.4	<ul style="list-style-type: none"> Improvements to No. 2 production line (improving in-house production rate) to be implemented this fiscal year Decided to expand the water beverage line (investment Approx. 1.6 billion yen, production capacity 3 million cases per year. Target for operation in the first half of FY2027/3)
M&A *3 (acquisition of carbonated water/water production business)	0.6	1.6	0.8	<ul style="list-style-type: none"> Investment in improving the existing line at O Beverage Hita factory (increasing in-house production rate) is scheduled to be completed in Q1FY2026. The acquisition of the water production business was completed in January 2025 (production capacity is 5 million cases per year. See page 13)
Total	1.8	3.4	9.2	

11 *1:Accumulated growth investment amount from FY2021 onwards .*2: Also includes the amount of investment required to acquire the company or business.*3:Acquisition of carbonated water manufacturing bases and **LIFEDRINK COMPANY** water manufacturing bases, etc. Includes additional investment amount after acquisition

Q3 FY2025 Topics:EC initiatives

Changed the product name of "ZAO SODA" to "OZA SODA". In addition, "ZAO SODA" has received the first place in the Rakuten annual ranking for four consecutive years.

Name changed to OZA SODA

- In anticipation of future production at multiple locations, the EC exclusive product "ZAO SODA" was changed to "OZA SODA"
- Sales began under the new product name in late November.



Awards

Rakuten Annual Ranking 2024 *1
"LIFEDRINK Online Store Rakuten Market Store"
"Strong carbonated water ZAO SODA 500ml 48 bottles" *2
Water/Soft Drink Genre Award 1st Place



*1: Calculation period: August 17, 2023 to August 16, 2024 Aggregation method: Data such as sales, sales volume, number of handling stores, etc. in Rakuten Market, trend information The Rakuten Market Ranking Team created its own ranking based on the following. *2: Calculation period: FY2024 Aggregation method: Customer satisfaction, sales, etc.

Latest Topics: O Beverage Yamanakako Factory begins operations

Acquired a water production business on January 6, 2025, with the aim of expanding production volume. In addition, production began in the same month.

Overview of the acquired production base

Acquiring company	O Beverage Co., Ltd. (100% subsidiary)
Location	993-2 Yamanaka, Yamanakako Village, Minamitsuru District, Yamanashi Prefecture
Production item	2L bottled beverage products (mineral water)
Production capacity	Approximately 5 million cases
Total investment amount	Approximately 1.4 billion yen (Total of business transfer proceeds and capital investment amount)

PMI Policy

Started collaboration in production, procurement, and sales with the goal of contributing to profits in the fiscal year ending March 2026

Production

- Achieving efficiency through 2L specialization
- Increased uptime due to human resources recruitment (Aiming for full production as soon as possible)
- In-house production of PF process through capital investment (Scheduled to be realized during the fiscal year ending March 2026)

Others

- Reducing procurement prices through joint purchasing of raw materials
- Sales to our existing business partners
- Utilizing the Fuji Factory's logistics network

1. Q3FY2025 Performance

2.(Reference) Company Introduction

About us

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

Issuer	LIFEDRINK COMPANY, INC. (“LDC”)
President and CEO	Kuniaki Okano
Founded	1950 (Established:1972)
Head office	Osaka-shi, Osaka
Business	<ul style="list-style-type: none">• Drinks / Leaves Business<ul style="list-style-type: none">– Mineral water, tea, carbonated drinks, and tea leaf products
Offices & Plants	<ul style="list-style-type: none">• Head Office: Osaka, Branch Office: Tokyo• 10 plants (Beverage = Iwate, Zao (Yamagata), Tochigi, Fuji (Yamanashi), Gotemba(Shizuoka), Owase (Mie), Miyama (Kyoto), Yuasa (Wakayama), Minoh (Fukuoka), Others = Chiran (Kagoshima)• Consolidated subsidiary: Nitto Beverage(Toyama),O Beverage(Oita)
Number of Employees*1	672(155) as of December 2024
Other	<ul style="list-style-type: none">• Tokyo Stock Exchange Prime Market (Securities Code: 2585)

History

2015	<ul style="list-style-type: none"> Formed a capital and business alliance with Sunrise Capital, sub-advised by CLSA Capital Partners Japan
2016	<ul style="list-style-type: none"> Established the Fuji Meisui Ashikaga factory (Tochigi factory)
2017	<ul style="list-style-type: none"> Changed the company name to Life Drink Company <small>LIFEDRINK COMPANY</small>
2019	<ul style="list-style-type: none"> Sold Aquapia (ice business) Sold solar power business
2020	<ul style="list-style-type: none"> Opened an online store on Rakuten Ichiba and started selling ZAOSODA Liquidation of Hokusei Menpun (dried noodles and instant noodles)
2023	<ul style="list-style-type: none"> Sold source business

2021	<ul style="list-style-type: none"> Listed on the Second Section of the Tokyo Stock Exchange
2023	<ul style="list-style-type: none"> Acquired Nitto Beverage Listed on the "prime market" of the Tokyo Stock Exchange
2024	<ul style="list-style-type: none"> Established the Gotemba factory Established O Beverage and acquired the carbonated water manufacturing business Conclusion of business acquisition agreement for water production business

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

Asamiya

Foundation (1950)

Entering Soft Drink Business
Diversification of Business through M&A

Capital participation by Sunrise

Selection & Concentration (Return to being a beverage manufacturer)

Regrowth

2001	<ul style="list-style-type: none"> Acquired Seihou Beverage (Minoh factory)
2002	<ul style="list-style-type: none"> Acquired Miyama Meisui (Miyama factory)
2004	<ul style="list-style-type: none"> Acquired Iwate Soy Sauce (Iwate factory)(withdrew from soy sauce business in 2018) Acquired Daikokuya for rice crackers business(merged with Higashi Choco in 2009,liquidation completed in 2014) Established the Shizuoka factory for canned coffee business
2005	<ul style="list-style-type: none"> Acquired Aquapia for ice business
2006	<ul style="list-style-type: none"> Established Owase Meisui (Owase factory)

2008	<ul style="list-style-type: none"> Established Yuasa Meisui Corporation (Yuasa factory) Acquired Higashi chocolate business(withdrew from chocolate business in 2013,liquidation completed in 2017)
2010	<ul style="list-style-type: none"> Established Fuji Meisui Corporation (Fuji factory) Acquired Popeye Food Industries
2011	<ul style="list-style-type: none"> Acquired Hokusei Meipun for dried noodles and instant noodles business Acquired Fujiko for frozen noodles business
2012	<ul style="list-style-type: none"> Acquired Yamachu Unyu for transportation business
2013	<ul style="list-style-type: none"> Acquired Tohoku Beverage (Zao factory) for carbonated water business

Corporate Philosophy

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

**Center of Deliciousness,
Foremost Reassurance**

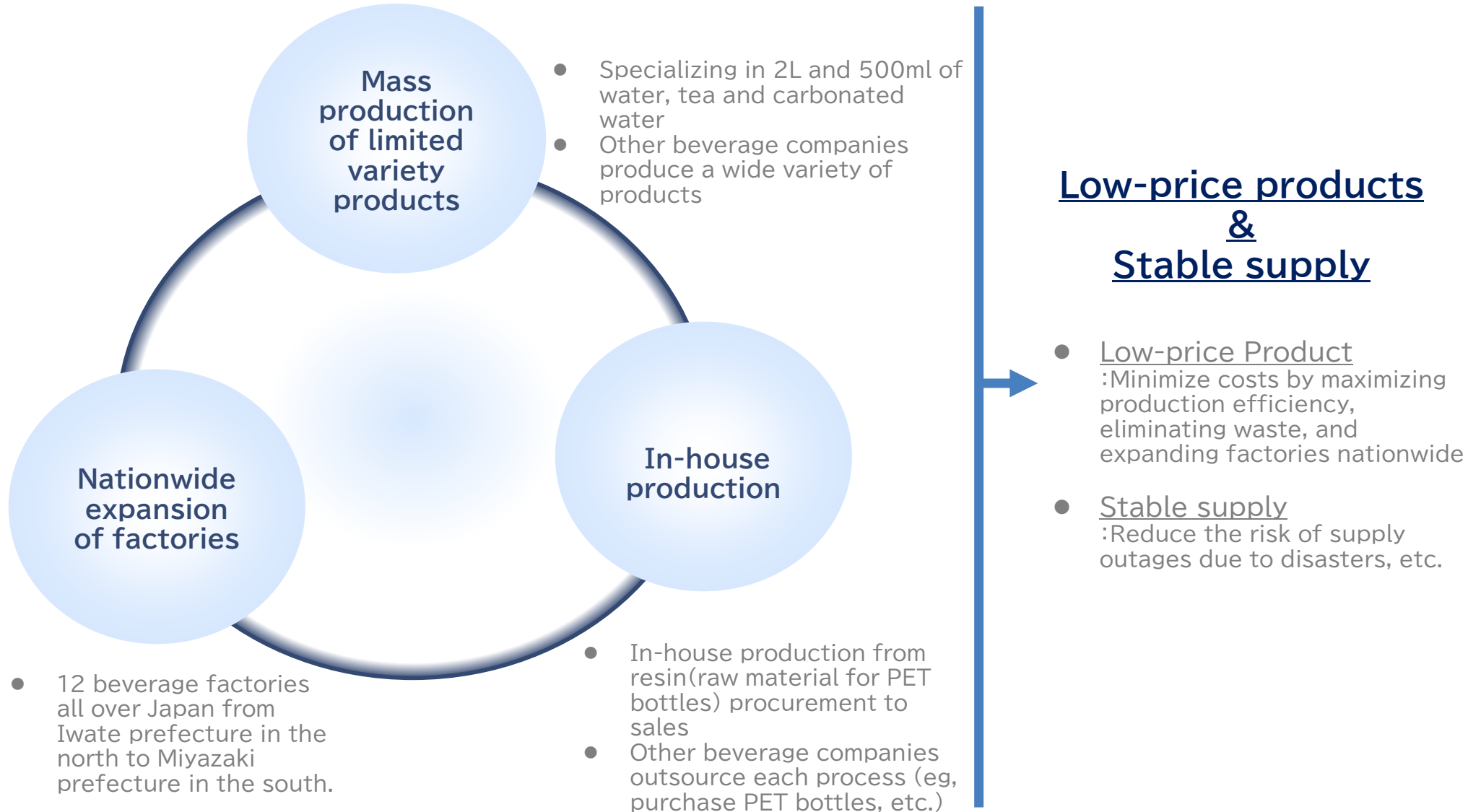
To “always” be close to our customers
from babies to the elderly,

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

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

Features and Strengths

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



Features and Strengths (Mass Production of limited variety products)

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

We aim to minimize waste in each process.



Natural mineral water
500ml/ 2L



Carbonated water OZA SODA
for EC 500ml



Green tea
500ml/ 2L

Oolong tea
500ml/ 2L



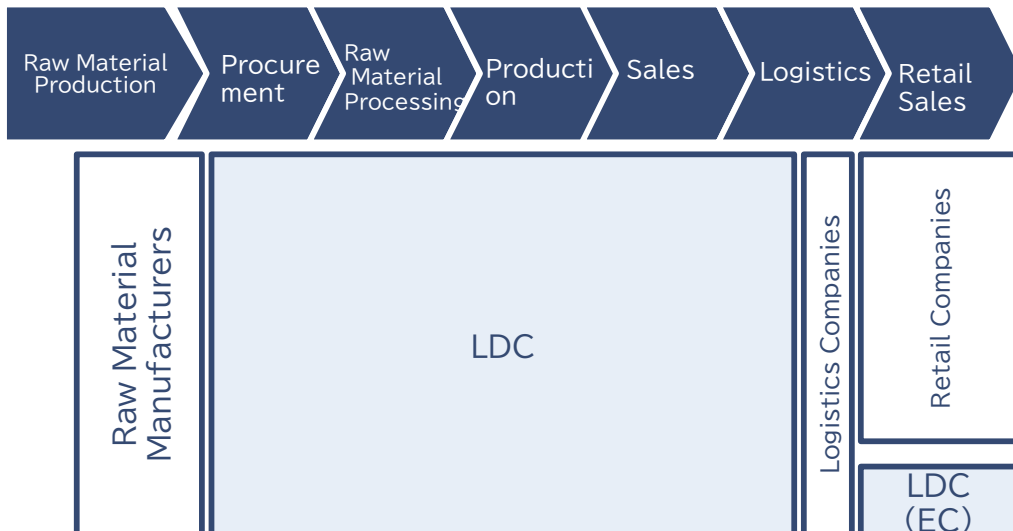
Natural mineral water
for EC 500ml/ 2L

Green tea
for EC 500ml

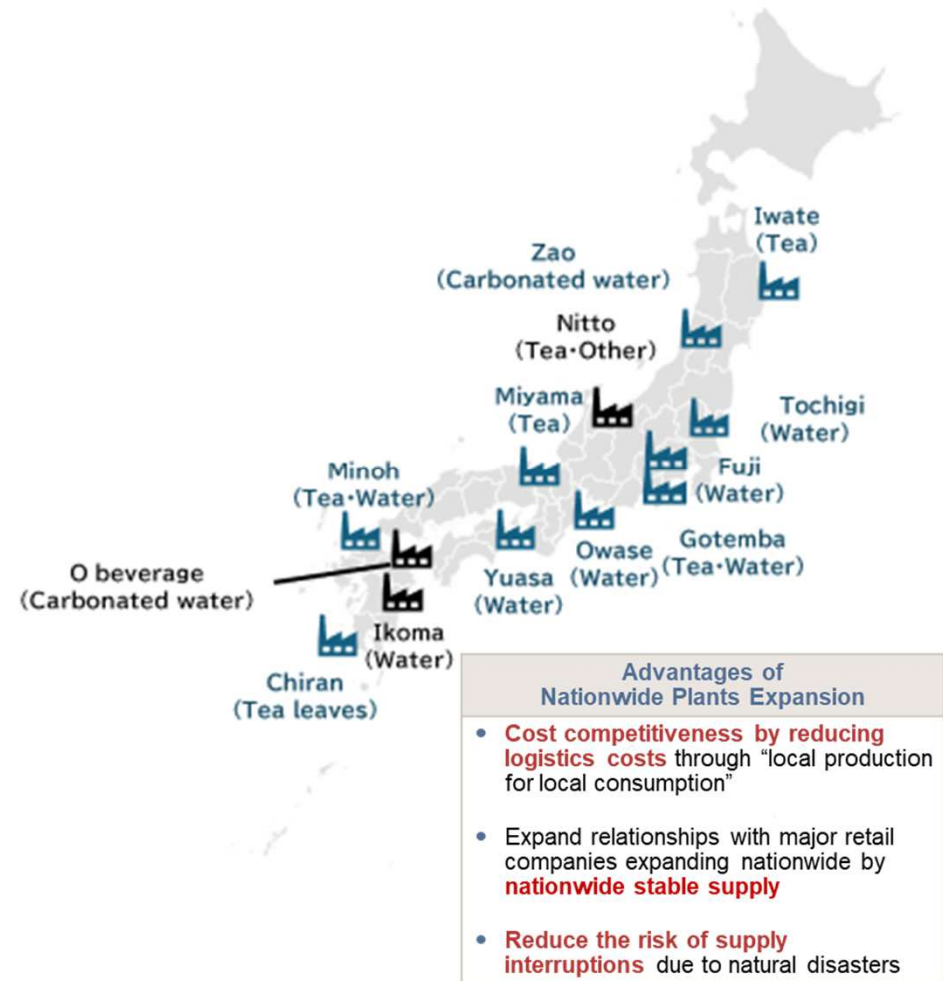
Features and Strengths (In-house/Nationwide Expansion of Factories)

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

In-house production from procurement to sales



Nationwide expansion of factories

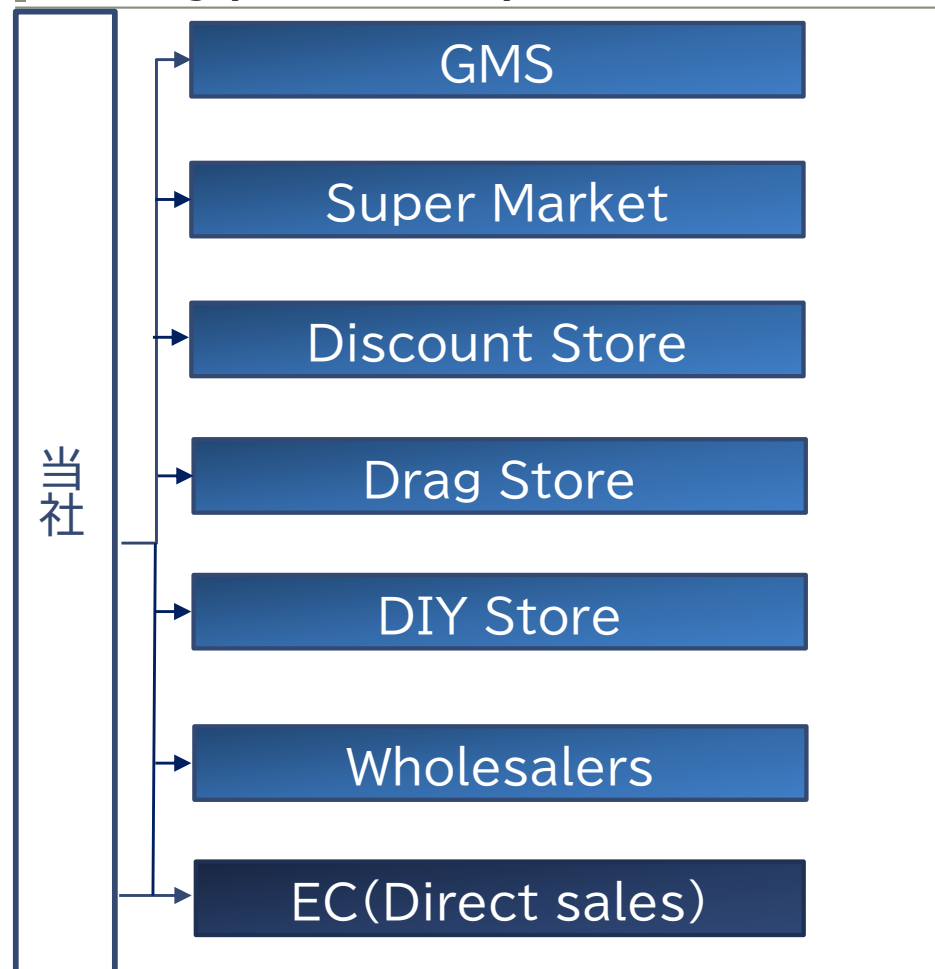


Sales Channels

We build relationships with major retailers in each channel.

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

Strong partnership with retailers



Expansion of direct channels through EC development

Main products

Strongly carbonated water 「OZA SODA」



Rakuten annual ranking 2021*1

1st overall



Store

- Own EC
- Rakuten
- Amazon
- Yahoo! shopping
- Qoo10
- auPAY
- d-shopping

LD Online Store
Rakuten Ichiba Store
「Rakuten Shop of the Year 2023*2」
- Drink genre -
Grand Prize



※1 This is a sales ranking for all products listed on the Rakuten marketplace during the aggregation period from September 25, 2020, to September 24, 2021.※2 The calculation period encompasses approximately 57,000 nationwide stores on Rakuten Ichiba (as of November 2023), evaluating user popularity votes and store sales to comprehensively select the annual best shops.

Initiatives for FY2025

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

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

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

Productivity

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

Challenge to EC/D2C model

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

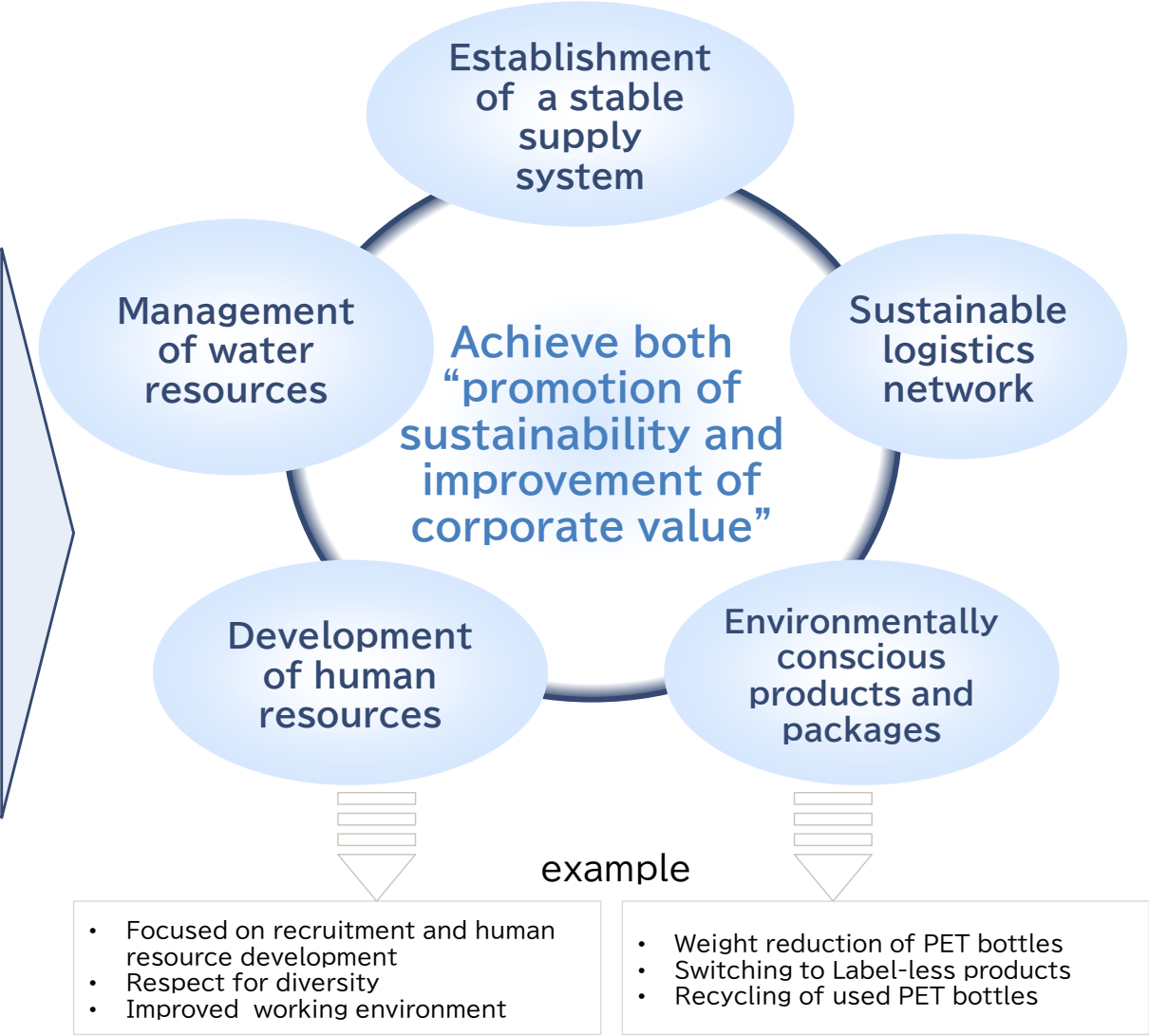
*1: Our beverage factory and Nitto Beverage

Sustainability Policy and Materiality

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

Sustainability Policy

Fulfill social responsibility by continuously supporting the infrastructure of consumer's daily lives by ensuring a consistent supply of high-quality, safe, and reliable beverages .



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