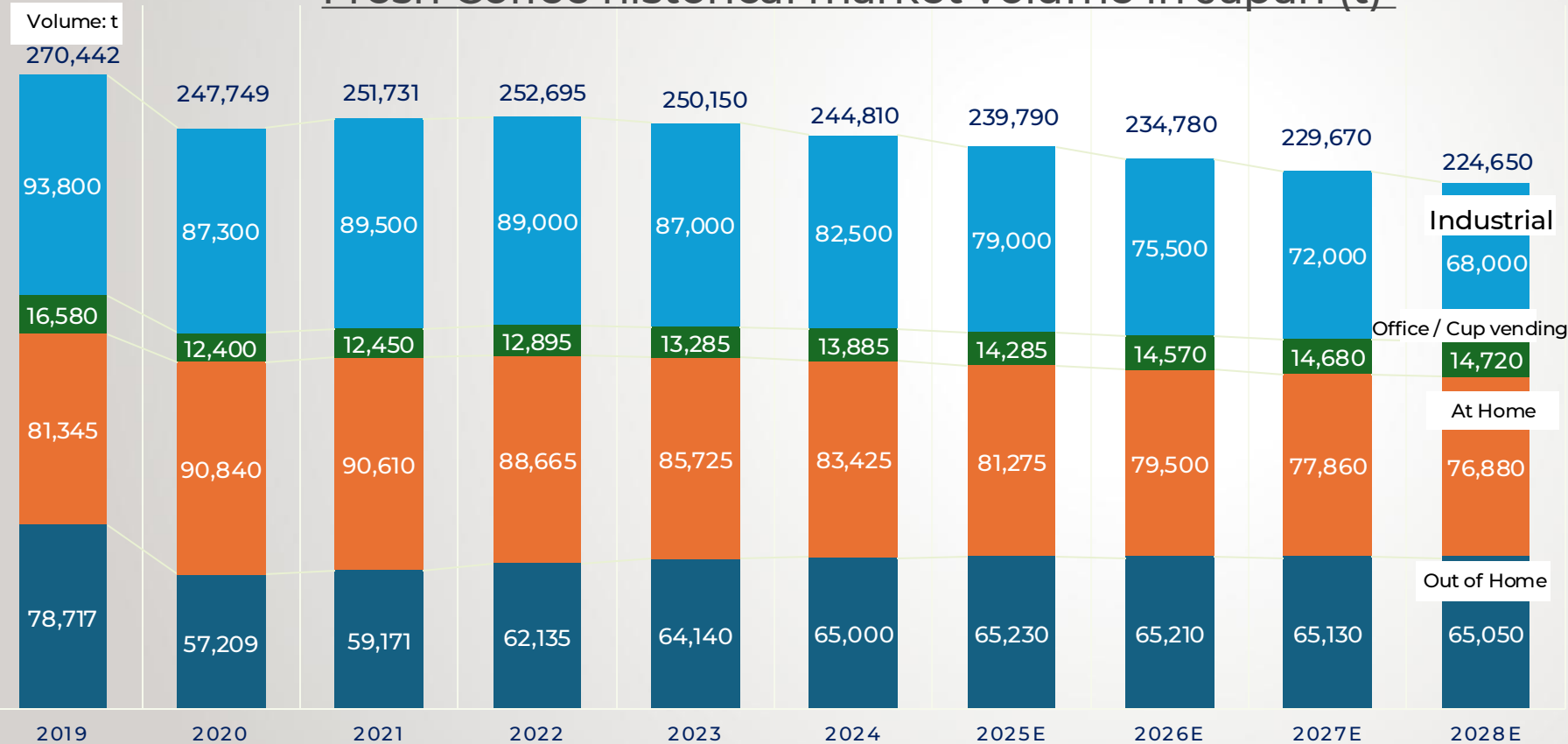


Japan: Overall Trend

Fresh Coffee historical market volume in Japan (t)



Source: Fujikeizai

Comments

- Aging population and overall population decline
- Inflation and coffee market increase (consumer price increase) strongly affects AH market decline
- OOH is still stable (inbound, less price sensitive vs. AH, etc.)
- Office and Cup vending is still stable (capsule, employee benefits, etc.)

Japan: Trend/Topics



- OOH trend
 - ✓ Premiumization (ex. Coffee full course for 50USD)
 - ✓ Return to tradition (Kissaten)
 - ✓ Evening cafe (non-alcoholic culture)
 - ✓ Concept cafe (Japanese “Wa” style, Animal, K-POP)
 - ✓ Hotels focusing on Sustainability more and more
- Key drivers: Inbound tourists, GEN Z, cultural leaders

Koffee Mameya Kakeru in Tokyo



Traditional Kissaten (Japanese-café)



Japan: Trend/Topics (continued)

10th coffee dinner & summit



- Other trend/Innovation topics
 - ✓ Hydrogen roasted coffee
 - The world's first mass production by UCC
 - CO2 free in roasting process / using green hydrogen
 - Wider range of roasting profile vs. gas roasting
 - ✓ Coffee for eating (UCC, Suntory)
 - ✓ Functional coffee in Fresh coffee, instant coffee (UCC, AGF)

