



February 14, 2022

To Whom It May Concern:

Company Name: KIRIN HOLDINGS COMPANY, LIMITED  
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**Notice of Difference between Forecast and Consolidated Financial Results for the Fiscal Year Ended December 31, 2021 and Recording of Impairment Loss**

Kirin Holdings Company, Limited (President and CEO: Yoshinori Isozaki; hereafter, "Kirin") today announces that there is a difference between the earnings forecast announced on August 10, 2021 and the results for the fiscal year ended December 31, 2021 due to the record of an impairment loss on its Myanmar business in the fiscal year ended December 31, 2021.

**(1) DIFFERENCE BETWEEN THE EARNINGS FORECAST AND RESULTS**

Consolidated financial results for the fiscal year ended December 31, 2021

	Revenue	Normalized operating profit	Profit before tax	Profit	Profit attributable to owners of the Company	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Million yen	yen
Previous forecast (A)	1,870,000	170,000	158,000	112,500	86,500	103.77
Results (B)	1,821,570	165,430	99,617	68,424	59,790	71.73
Change (B-A)	-48,430	-4,570	-58,383	-44,076	-26,710	—
Change (%)	-2.6%	-2.7%	-37.0%	-39.2%	-30.9%	—
(Reference) Results of the fiscal year ended December 31, 2020	1,849,545	162,115	124,550	99,842	71,935	85.57

**(2) REASONS FOR THE DIFFERENCE**

At the meeting of the Board of Directors held on February 14, 2022, Kirin decided on a policy to withdraw from the business in Myanmar. Based on this policy, the Company recorded an impairment loss of 46.6 billion yen in other operating expenses in the consolidated financial results for the fiscal year ended December 31, 2021 for non-current assets of the business in Myanmar. The impact on Profit attributable to owners of the Company is 20.2 billion yen. In the second quarter of the fiscal year, Kirin also recorded an impairment loss on its business in Myanmar, bringing the cumulative amount of impairment losses recorded for the fiscal year ended December 31, 2021 for the business in Myanmar to 68.0 billion yen.

\*Regarding the decision on the withdrawal policy, please refer to the "Withdrawal from the Myanmar Business" announced today.

### (3) OTHERS

Kirin has committed to end the matter by the end of June, while the schedule of withdrawal from the business in Myanmar is yet to be determined at this moment. The above impairment loss was recorded from the non-current assets of the business in Myanmar, and the balance of the Myanmar business after impairment is approximately 12.0 billion yen after deducting liabilities and non-controlling interests. In the event that the remaining assets are not recoverable, a loss may be recognized from 2022 onwards. In addition, approximately 19.0 billion yen of Foreign currency translation differences on foreign operations arising from the business in Myanmar have been recorded in equity and will be reclassified to loss at the time of withdrawal from the business in Myanmar.

With regard to dividends, Kirin has set a target of achieving a consolidated payout ratio of 40% or more of Normalized EPS\*. Since the impairment loss of 46.6 billion yen was recorded as other operating expenses, there is no impact on Normalized EPS. Therefore there is no change in the dividend from the forecast (65.0 yen for the year including 32.5 yen interim dividend).

\* Normalized EPS = Normalized profit / Average number of shares outstanding during period

Normalized profit = Profit attributable to Owners of the Company ± Other operating  
income / expenses after taxes and other adjustments

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