



February 14, 2023

To Whom It May Concern:

Company Name: KIRIN HOLDINGS COMPANY, LIMITED  
Name and Title of Representative: Yoshinori Isozaki, President & CEO  
Code Number: 2503  
Head Office:  
4-10-2, Nakano, Nakano-ku, Tokyo 164-0001, Japan  
Name and Title of Contact Person:  
Nobuhiko Hori  
General Manager of Corporate Communications Department  
Telephone Number: +81-3-6837-7015

### **Notice of Recording of Impairment Loss**

Kirin Holdings Company, Limited (Kirin Holdings) announced that it records an impairment loss for the fiscal year ending December 31, 2022, related to its consolidated subsidiary, KYOWA HAKKO BIO CO., LTD. (Kyowa Hakko Bio).

#### 1. Impairment Losses

Due to the deteriorating profitability of Kyowa Hakko Bio as a result of the impact of COVID-19 and the global rise in raw material and fuel prices caused by the emergence of geopolitical risks, Kirin Holdings records an impairment loss of approximately 43 billion yen on Kyowa Hakko Bio's non-current assets as "other operating expenses" in the consolidated Statement of Profit or Loss for the fiscal year ending December 31, 2022.

In addition, an extraordinary loss of approximately 81.9 billion yen is recorded in the non-consolidated Statement of Profit or Loss due to devaluation of shares of subsidiaries and affiliates with regard to the Kyowa Hakko Bio shares held by Kirin Holdings. This loss on devaluation of shares of subsidiaries and affiliates is recorded only in the non-consolidated financial results, and will not affect the consolidated financial results.

#### 2. Impact on Business Performance

The impact on consolidated business performance is reflected in the "Summary of Consolidated Financial Results for the Year Ended December 31, 2022 [under IFRS]" released today.

Since this impairment loss is recorded as "Other operating expenses," there will be no impact on the Normalized EPS\*, which is the basis for the dividend payout ratio.

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

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

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