

KIRIN HOLDINGS COMPANY, LIMITED

SUMMARY OF CONSOLIDATED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2023 (UNDER IFRS) (UNAUDITED)

August 8, 2023

(English Translation)

Fiscal year ending December 31, 2023

KIRIN HOLDINGS COMPANY, LIMITEDNAKANO CENTRAL PARK SOUTH, 10-2, Nakano 4-chome, Nakano-ku, Tokyo, Japan (URL <https://www.kirinholdings.com/en/>)

Code No.:	2503
Shares Listed:	Tokyo, Nagoya, Sapporo and Fukuoka
Representative:	Mr. Yoshinori Isozaki, President and CEO
For further information, please contact:	Mr. Nobuhiko Hori, General Manager of Corporate Communications Department Telephone: +81-3-6837-7015 from overseas
Submission date of quarterly securities report scheduled:	August 9, 2023
Commencement date of dividend distribution scheduled:	September 5, 2023
Preparation of supplementary documents to the financial results:	Yes
Holding of financial results presentation (for institutional investors and analysts):	Yes

1. Consolidated business results and financial position for the first six months of the current fiscal year (January 1, 2023 - June 30, 2023)

[Unit: Japanese yen (¥)]

(1) Results of operations (cumulative): (Amounts are rounded to the nearest ¥1 million)
(Percentage change compares current results with those of the same period of the previous year)

	Revenue (¥ millions)	Percentage change (%)	Normalized operating profit (¥ millions)	Percentage change (%)	Profit before tax (¥ millions)	Percentage change (%)
Six months ended						
June 30, 2023	970,232	5.8	75,171	4.3	57,074	(40.1)
June 30, 2022	917,048	6.1	72,080	0.2	95,247	68.6

	Profit (¥ millions)	Percentage change (%)	Profit attributable to owners of the Company (¥ millions)	Percentage change (%)	Total comprehensive income (¥ millions)	Percentage change (%)
Six months ended						
June 30, 2023	41,799	(48.4)	31,990	(42.2)	134,652	(20.4)
June 30, 2022	81,039	115.8	55,350	133.1	169,065	126.1

	Basic earnings per share (¥)	Diluted earnings per share (¥)
Six months ended		
June 30, 2023	39.50	39.49
June 30, 2022	66.60	66.59

Reference: Operating profit	Six months ended June 30, 2023	¥36,922 million	(51.5%)
	Six months ended June 30, 2022	¥76,137 million	82.0%

* Normalized operating profit is a profit indicator for measuring recurring performance which is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

(2) Financial position:

	Total assets	Total equity	Equity attributable to owners of the Company	Equity ratio attributable to owners of the Company
	(¥ millions)	(¥ millions)	(¥ millions)	(%)
As of				
June 30, 2023	2,597,576	1,332,258	1,059,426	40.8
December 31, 2022	2,542,263	1,253,203	980,022	38.5

2. Dividends

	Annual dividends				
	First quarter (¥)	Second quarter (¥)	Third quarter (¥)	Year-end (¥)	Total (¥)
Fiscal year ended December 31, 2022	—	32.50	—	36.50	69.00
Fiscal year ending December 31, 2023	—	34.50			
Fiscal year ending December 31, 2023 (Forecast)			—	34.50	69.00

Note: Revision of the forecast from recently announced figures: None

3. Forecast consolidated business results for the current fiscal year (January 1, 2023 - December 31, 2023)

(Percentage change compares forecast results with actual results of the previous year)

	Revenue (¥ millions)	Percentage change (%)	Normalized operating profit (¥ millions)	Percentage change (%)	Profit before tax (¥ millions)	Percentage change (%)
Fiscal year ending December 31, 2023	2,115,000	6.3	192,000	0.4	196,000	2.4

	Profit (¥ millions)	Percentage change (%)	Profit attributable to owners of the Company (¥ millions)	Percentage change (%)	Basic earnings per share (¥)
Fiscal year ending December 31, 2023	148,500	3.3	113,000	1.8	139.54

Note: Revision of the forecast from recently announced figures: None

Reference: Operating profit Fiscal year ending December 31, 2023 ¥169,000 million 45.7%

* Notes

(1) Changes in significant subsidiaries for the six months ended June 30, 2023: None
(Changes in specified subsidiaries accompanying change in scope of consolidation)

Newly included: —

Excluded: —

(2) Changes in accounting policies and changes in accounting estimates

i. Changes in accounting policies required by IFRS: Yes
ii. Changes in accounting policies due to other reasons: None
iii. Changes in accounting estimates: None

Note: For details, please see "NOTES TO CONDENSED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS (CHANGES IN ACCOUNTING POLICIES)" on page 10.

(3) Number of shares outstanding (ordinary shares)

i. Number of shares outstanding at the end of the period (including treasury shares)

As of June 30, 2023	914,000,000 shares
As of December 31, 2022	914,000,000 shares

ii. Number of treasury shares at the end of the period

As of June 30, 2023	104,121,539 shares
As of December 31, 2022	104,171,578 shares

iii. Average number of shares during the period (cumulative from the beginning of the fiscal year)

For the six months ended June 30, 2023	809,834,061 shares
For the six months ended June 30, 2022	831,023,498 shares

Note: Number of treasury shares at the end of the period includes shares held in the BIP (Board Incentive Plan) Trust (1,911,065 shares at June 30, 2023 and 1,965,900 shares at December 31, 2022).

These shares are excluded in calculation of the average number of shares during the period.

* The summary of quarterly consolidated financial results is not subject to a quarterly review by certified public accountants or an audit corporation.

* Information about proper usage of forecast business results, and other special instructions

(1) The statements concerning future performance that are presented in this document are based on judgments using information available to Kirin Holdings and the Kirin Group as of the release date of this material. Certain risks and uncertainties could cause the results of Kirin Holdings and the Kirin Group to differ materially from any projections presented herein. These risks and uncertainties include, but are not limited to, the economic circumstances surrounding the Company's businesses, market trends, and exchange rates.

(2) The Company will post the Supplementary Documents to the Financial Results today, Tuesday, August 8, and will post the presentation materials from the financial results presentation to be held on Wednesday, August 9, the presentation content (video) and the main Q&A at the meeting as soon as possible on the Company's website.

(URL of the Company's website)

<https://www.kirinholdings.com/en/investors/>

ATTACHED MATERIALS

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1. CONDENSED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

(1) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(¥ millions)

	At December 31, 2022	At June 30, 2023
Assets		
Non-current assets		
Property, plant and equipment	560,642	583,138
Goodwill	289,526	307,477
Intangible assets	200,900	201,338
Equity-accounted investees	361,764	361,964
Other financial assets	103,380	103,833
Other non-current assets	27,700	28,303
Deferred tax assets	111,330	117,264
Total non-current assets	1,655,242	1,703,318
Current assets		
Inventories	290,171	333,036
Trade and other receivables	409,168	356,892
Other financial assets	8,376	21,291
Other current assets	41,128	38,855
Cash and cash equivalents	88,060	139,988
(Sub-total)	836,903	890,062
Assets held for sale	50,117	4,196
Total current assets	887,021	894,258
Total assets	2,542,263	2,597,576

(¥ millions)

	At December 31, 2022	At June 30, 2023
Equity		
Share capital	102,046	102,046
Share premium	25,519	20,923
Retained earnings	1,063,823	1,069,042
Treasury shares	(251,788)	(251,665)
Reserves	40,423	119,081
Equity attributable to owners of the Company	980,022	1,059,426
Non-controlling interests	273,181	272,832
Total equity	1,253,203	1,332,258
Liabilities		
Non-current liabilities		
Bonds and borrowings	408,662	409,265
Other financial liabilities	129,662	82,972
Defined benefit liability	58,084	59,195
Provisions	3,292	4,277
Liabilities from application of equity method	15,529	13,525
Other non-current liabilities	27,572	24,459
Deferred tax liabilities	13,564	13,982
Total non-current liabilities	656,365	607,676
Current liabilities		
Bonds and borrowings	114,459	175,354
Trade and other payables	265,185	259,107
Other financial liabilities	59,824	57,799
Current tax liabilities	4,611	14,777
Provisions	2,970	3,120
Other current liabilities	177,530	147,484
(Sub-total)	624,579	657,642
Liabilities directly associated with assets held for sale	8,116	—
Total current liabilities	632,695	657,642
Total liabilities	1,289,060	1,265,317
Total equity and liabilities	2,542,263	2,597,576

**(2) CONDENSED QUARTERLY CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND
 COMPREHENSIVE INCOME
 CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF PROFIT OR LOSS
 SIX MONTHS ENDED JUNE 30, 2023**

(¥ millions)

	Six months ended June 30, 2022	Six months ended June 30, 2023
Revenue	917,048	970,232
Cost of sales	501,601	535,393
Gross profit	415,448	434,838
Selling, general and administrative expenses	343,368	359,667
Normalized operating profit	72,080	75,171
Other operating income	25,805	4,190
Other operating expenses	21,747	42,439
Operating profit	76,137	36,922
Finance income	9,261	5,767
Finance costs	2,620	2,842
Share of profit of equity-accounted investees	12,470	17,228
Profit before tax	95,247	57,074
Income tax expense	14,208	15,275
Profit	81,039	41,799
Profit attributable to:		
Owners of the Company	55,350	31,990
Non-controlling interests	25,689	9,808
Profit	81,039	41,799
Earnings per share (¥)		
Basic earnings per share	66.60	39.50
Diluted earnings per share	66.59	39.49

CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2023

(¥ millions)

	Six months ended June 30, 2022	Six months ended June 30, 2023
Profit	81,039	41,799
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in equity instruments measured at fair value through other comprehensive income	106	5,298
Share of other comprehensive income of equity-accounted investees	665	(1,474)
Items that are or may be reclassified to profit or loss		
Foreign currency translation differences on foreign operations	85,729	84,495
Cash flow hedges	(9,612)	7,577
Share of other comprehensive income of equity-accounted investees	11,137	(3,043)
Total other comprehensive income	88,026	92,853
Comprehensive income	169,065	134,652
Comprehensive income attributable to:		
Owners of the Company	139,301	113,443
Non-controlling interests	29,764	21,209
Comprehensive income	169,065	134,652

(3) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
SIX MONTHS ENDED JUNE 30, 2022

(¥ millions)

	Equity attributable to owners of the Company					
	Share capital	Share premium	Retained earnings	Treasury shares	Reserves	
					Net change in equity instruments measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at January 1, 2022	102,046	25,104	998,177	(201,801)	17,978	—
Profit	—	—	55,350	—	—	—
Other comprehensive income	—	—	—	—	318	665
Comprehensive income	—	—	55,350	—	318	665
Dividends from surplus	—	—	(27,092)	—	—	—
Acquisition of treasury shares	—	—	—	(25,000)	—	—
Disposal of treasury shares	—	(0)	—	1	—	—
Share-based payments	—	75	(1)	30	—	—
Changes in the ownership interest in a subsidiary without a loss of control	—	95	—	—	—	—
Transfer from reserves to retained earnings	—	—	1,777	—	(1,111)	(665)
Other	—	—	—	—	—	—
Total transactions with owners of the Company	—	170	(25,316)	(24,968)	(1,111)	(665)
Balance at June 30, 2022	102,046	25,274	1,028,211	(226,770)	17,184	—

	Equity attributable to owners of the Company				Non-controlling interests	Total equity
	Reserves			Total		
	Foreign currency translation differences on foreign operations	Cash flow hedges	Total			
Balance at January 1, 2022	(47,935)	610	(29,347)	894,179	253,811	1,147,990
Profit	—	—	—	55,350	25,689	81,039
Other comprehensive income	92,587	(9,619)	83,951	83,951	4,075	88,026
Comprehensive income	92,587	(9,619)	83,951	139,301	29,764	169,065
Dividends from surplus	—	—	—	(27,092)	(5,716)	(32,807)
Acquisition of treasury shares	—	—	—	(25,000)	—	(25,000)
Disposal of treasury shares	—	—	—	1	—	1
Share-based payments	—	—	—	104	(180)	(76)
Changes in the ownership interest in a subsidiary without a loss of control	—	—	—	95	367	461
Transfer from reserves to retained earnings	—	—	(1,777)	—	—	—
Other	—	—	—	—	110	110
Total transactions with owners of the Company	—	—	(1,777)	(51,892)	(5,419)	(57,311)
Balance at June 30, 2022	44,652	(9,008)	52,827	981,588	278,156	1,259,744

SIX MONTHS ENDED JUNE 30, 2023

(¥ millions)

	Equity attributable to owners of the Company					
	Share capital	Share premium	Retained earnings	Treasury shares	Reserves	
					Net change in equity instruments measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at January 1, 2023	102,046	25,519	1,063,823	(251,788)	16,826	—
Profit	—	—	31,990	—	—	—
Other comprehensive income	—	—	—	—	5,097	(1,474)
Comprehensive income	—	—	31,990	—	5,097	(1,474)
Dividends from surplus	—	—	(29,559)	—	—	—
Acquisition of treasury shares	—	—	—	(10)	—	—
Disposal of treasury shares	—	(0)	—	0	—	—
Change in scope of consolidation	—	—	—	—	—	—
Share-based payments	—	34	(7)	132	—	—
Changes in the ownership interest in a subsidiary without a loss of control	—	(4,630)	—	—	—	—
Transfer from reserves to retained earnings	—	—	2,794	—	(4,268)	1,474
Other	—	—	—	—	—	—
Total transactions with owners of the Company	—	(4,596)	(26,771)	122	(4,268)	1,474
Balance at June 30, 2023	102,046	20,923	1,069,042	(251,665)	17,654	—

	Equity attributable to owners of the Company				Non-controlling interests	Total equity
	Reserves			Total		
	Foreign currency translation differences on foreign operations	Cash flow hedges	Total			
Balance at January 1, 2023	24,585	(988)	40,423	980,022	273,181	1,253,203
Profit	—	—	—	31,990	9,808	41,799
Other comprehensive income	70,268	7,562	81,452	81,452	11,401	92,853
Comprehensive income	70,268	7,562	81,452	113,443	21,209	134,652
Dividends from surplus	—	—	—	(29,559)	(6,752)	(36,311)
Acquisition of treasury shares	—	—	—	(10)	—	(10)
Disposal of treasury shares	—	—	—	0	—	0
Change in scope of consolidation	—	—	—	—	(19,796)	(19,796)
Share-based payments	—	—	—	159	(108)	51
Changes in the ownership interest in a subsidiary without a loss of control	—	—	—	(4,630)	5,099	469
Transfer from reserves to retained earnings	—	—	(2,794)	—	—	—
Other	—	—	—	—	—	—
Total transactions with owners of the Company	—	—	(2,794)	(34,039)	(21,557)	(55,596)
Balance at June 30, 2023	94,852	6,574	119,081	1,059,426	272,832	1,332,258

(4) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CASH FLOWS

(¥ millions)

	Six months ended June 30, 2022	Six months ended June 30, 2023
Cash flows from operating activities		
Profit before tax	95,247	57,074
Depreciation and amortization	42,345	40,661
Impairment losses	2,392	9,959
Gain on reversal of impairment losses	(18,383)	—
Interest and dividends received	(1,621)	(1,725)
Share of profit of equity-accounted investees	(12,470)	(17,228)
Interest paid	2,221	2,606
Gain on sale of property, plant and equipment and intangible assets	(3,376)	(1,177)
Loss on disposal and sale of property, plant and equipment and intangible assets	979	488
Gain on sale of shares of subsidiaries	—	(23)
Loss on sale of shares of subsidiaries	—	19,358
(Increase) decrease in trade receivables	59,894	60,207
(Increase) decrease in inventories	(27,207)	(32,456)
Increase (decrease) in trade payables	3,744	(14,299)
Increase (decrease) in liquor taxes payable	(28,065)	(20,032)
Increase (decrease) in deposits received	(7,527)	(4,766)
Other	(43,084)	(40,892)
Sub-total	65,090	57,755
Interest and dividends received	11,496	13,650
Interest paid	(2,153)	(2,792)
Income taxes paid	(27,651)	(9,687)
Cash flows from (used in) operating activities	46,783	58,926

(¥ millions)

	Six months ended June 30, 2022	Six months ended June 30, 2023
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(37,376)	(59,097)
Proceeds from sale of property, plant and equipment and intangible assets	3,873	1,421
Acquisition of investments	(779)	(654)
Proceeds from sale of investments	4,271	6,393
Acquisition of shares of subsidiaries, net of cash acquired	(46,183)	—
Payment for sale of shares of subsidiaries, net of cash disposed of	—	(5,006)
Proceeds from sale of shares of subsidiaries, net of cash disposed of	—	245
Acquisition of equity-accounted investees	—	(18)
Proceeds from sale of equity-accounted investees	—	42
Other	(2,344)	697
Cash flows from (used in) investing activities	(78,539)	(55,978)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(6,166)	(179)
Increase (decrease) in commercial paper	56,991	72,000
Proceeds from long-term borrowings	21,300	50,272
Repayment of long-term borrowings	(21,801)	(31,678)
Proceeds from issuance of bonds	20,000	—
Payment for redemption of bonds	—	(30,000)
Repayment of lease liabilities	(9,621)	(8,552)
Payment for acquisition of treasury shares	(25,013)	(12)
Payment for acquisition of treasury shares by a consolidated subsidiary	(4)	(6)
Dividends paid	(27,092)	(29,559)
Dividends paid to non-controlling interests	(5,716)	(6,713)
Other	21	3
Cash flows from (used in) financing activities	2,901	15,577
Effect of exchange rate changes on cash and cash equivalents	20,061	7,920
Net increase (decrease) in cash and cash equivalents	(8,794)	26,444
Cash and cash equivalents at beginning of period	149,488	88,060
Net increase (decrease) in cash and cash equivalents resulting from transfers to assets held for sale	—	25,484
Cash and cash equivalents at end of period	140,693	139,988

**(5) NOTES TO CONDENSED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS
(GOING CONCERN ASSUMPTION)**

There are no matters to report under this item.

(CHANGES IN ACCOUNTING POLICIES)

(Amendments to IAS 12 Income Taxes)

The Company has adopted the 'International Tax Reform — Pillar Two Model Rules (Amendments to IAS 12)' published on May 23, 2023, from the six months ended June 30, 2023. The Company applies the exception stipulated in the amended IAS 12 and does not recognize or disclose information about deferred tax assets and liabilities related to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules.

**Supplementary Documents to
the Consolidated Financial Statements
for the Six Months Ended June 30, 2023**

1. Summary of Consolidated Statement of Financial Position
2. Summary of Consolidated Statement of Profit or Loss, Indices, etc.
3. Revenue Details
4. Profit Details
5. Summary of Consolidated Statement of Cash Flows

**KIRIN HOLDINGS COMPANY, LIMITED
August 8, 2023**

1. SUMMARY OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(¥ billions)

	As of June 30, 2023, Actual	As of December 31, 2022, Actual	Increase (decrease)	Description of changes
Non-current assets	1,703.3	1,655.2	48.1	
Property, plant and equipment	583.1	560.6	22.5	
Goodwill	307.5	289.5	18.0	
Intangible assets	201.3	200.9	0.4	
Equity-accounted investees	362.0	361.8	0.2	
Other	249.4	242.4	7.0	
Current assets	894.3	887.0	7.2	
Inventories	333.0	290.2	42.9	
Trade and other receivables	356.9	409.2	(52.3)	Decrease due to the year-end of previous year being a bank holiday, etc.
Cash and cash equivalents	140.0	88.1	51.9	
Other	64.3	99.6	(35.3)	
Total assets	2,597.6	2,542.3	55.3	
Equity	1,332.3	1,253.2	79.1	
Equity attributable to owners of the Company	1,059.4	980.0	79.4	Increase in foreign currency translation differences arising from depreciation of yen, etc.
Non-controlling interests	272.8	273.2	(0.3)	
Non-current liabilities	607.7	656.4	(48.7)	
Bonds and borrowings	409.3	408.7	0.6	
Other	198.4	247.7	(49.3)	
Current liabilities	657.6	632.7	24.9	
Bonds and borrowings	175.4	114.5	60.9	Increase in commercial paper, etc.
Trade and other payables	259.1	265.2	(6.1)	
Other	223.2	253.1	(29.9)	
Total liabilities	1,265.3	1,289.1	(23.7)	
Total equity and liabilities	2,597.6	2,542.3	55.3	

2. SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT OR LOSS, INDICES, etc.

(1) Condensed Statement of Profit or Loss, Indices, etc.

(¥ billions)

	Six months ended June 30, 2023, Actual	Six months ended June 30, 2022, Actual	Increase (decrease)	
Revenue	970.2	917.0	53.2	5.8%
Gross profit	434.8	415.4	19.4	4.7%
Selling, general and administrative expenses	359.7	343.4	16.3	4.7%
Normalized operating profit	75.2	72.1	3.1	4.3%
Other operating income	4.2	25.8	(21.6)	(83.8%)
Other operating expenses	42.4	21.7	20.7	95.1%
Operating profit	36.9	76.1	(39.2)	(51.5%)
Finance income	5.8	9.3	(3.5)	(37.7%)
Finance costs	2.8	2.6	0.2	8.5%
Share of profit of equity-accounted investees	17.2	12.5	4.8	38.2%
Profit before tax	57.1	95.2	(38.2)	(40.1%)
Income tax expense	15.3	14.2	1.1	7.5%
Profit	41.8	81.0	(39.2)	(48.4%)
Owners of the Company	32.0	55.4	(23.4)	(42.2%)
Non-controlling interests	9.8	25.7	(15.9)	(61.8%)
Normalized EPS	¥73	¥64	¥9	14.1%
Revenue (excluding liquor tax)	840.1	785.9	54.2	6.9%
Normalized operating profit ratio (excluding liquor tax)	8.9%	9.2%		
Normalized EBITDA	118.1	114.2	3.9	3.4%
Gross Debt Equity Ratio	0.55	0.64		

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

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

Normalized EBITDA = Normalized operating profit + Depreciation and amortization* + Dividends received from equity-accounted investees

* Depreciation and amortization exclude those from right-of-use assets.

(2) Exchange Rate for the Consolidation of Profit or Loss of the Major Overseas Companies

(¥)

	Six months ended June 30, 2023, Actual	Six months ended June 30, 2022, Actual
Lion (AUD)	91.56	88.88
Coke Northeast (USD)	136.54	124.52

(3) Period for the Consolidation of Profit or Loss of the Major Overseas Company

	Six months ended June 30, 2023, Actual	Six months ended June 30, 2022, Actual
San Miguel Brewery	From October 2022 to March 2023	From October 2021 to March 2022

3. REVENUE DETAILS

(1) Revenue Details

(¥ billions)

	Six months ended June 30, 2023, Actual	Six months ended June 30, 2022, Actual	Increase (decrease)	
Revenue	970.2	917.0	53.2	5.8%
Japan Beer and Spirits	318.0	303.4	14.5	4.8%
Kirin Brewery	300.5	290.3	10.2	3.5%
Other and elimination	17.5	13.1	4.4	33.3%
Japan Non-alcoholic Beverages	115.4	113.5	1.8	1.6%
Kirin Beverage	116.8	114.7	2.1	1.8%
Elimination	(1.4)	(1.1)	(0.3)	—
Oceania Adult Beverages	125.5	116.3	9.2	7.9%
Lion	125.6	116.3	9.3	8.0%
Elimination	(0.1)	(0.0)	(0.0)	—
Pharmaceuticals	199.0	185.0	14.0	7.6%
Kyowa Kirin	199.2	185.3	13.9	7.5%
Elimination	(0.2)	(0.2)	0.0	—
Other	212.4	198.7	13.6	6.9%
Mercian	30.5	28.2	2.3	8.2%
Coke Northeast	120.6	95.9	24.7	25.8%
Kyowa Hakko Bio	26.2	25.4	0.8	3.3%
Other and elimination	35.0	49.3	(14.3)	(28.9%)

(Reference) Revenue excluding liquor tax

(¥ billions)

	Six months ended June 30, 2023, Actual	Six months ended June 30, 2022, Actual
Kirin Brewery	181.6	169.8

(2) Sales Volume Details of Major Business Companies

a. Kirin Brewery

	Six months ended June 30, 2023		Six months ended June 30, 2022	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Sales volume	Thousand KL		Thousand KL	
Total beer products	679	(4.6%)	712	(3.8%)
RTD	194	(5.8%)	205	(5.7%)
Non-alcohol beverages	19	(9.5%)	21	(12.2%)
Sales volume by main brands	Thousand KL		Thousand KL	
<i>KIRIN ICHIBAN</i> brand family total	164	5.8%	155	1.4%
<i>SPRING VALLEY</i> brand total	10	17.6%	9	(2.5%)
<i>Kirin Tanrei Green Label</i>	70	(7.9%)	77	(8.3%)
<i>Honkirin</i>	91	(14.4%)	107	(6.2%)
<i>Kirin Hyoketsu</i> brand total	128	3.2%	124	2.0%

The sales volume above excludes exports and liquor tax exempts.

b. Kirin Beverage Group

	Six months ended June 30, 2023		Six months ended June 30, 2022	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Domain	10,000 cases		10,000 cases	
Food & Beverage domain	7,483	(12.5%)	8,552	(1.8%)
Health science domain	1,143	12.1%	1,019	4.9%
Lactococcus lactis strain Plasma	405	33.3%	304	38.0%
Total	8,626	(9.9%)	9,571	(1.1%)
Container Type	10,000 cases		10,000 cases	
Can	1,072	(4.8%)	1,126	(4.9%)
Large-sized PET bottles (2L, 1.5L, etc.)	2,140	(28.2%)	2,981	(5.0%)
Small-sized PET bottles (500ml, 280ml, etc.)	4,521	(0.8%)	4,557	2.1%
Other	893	(1.4%)	906	1.6%
Total	8,626	(9.9%)	9,571	(1.1%)

	Six months ended June 30, 2023		Six months ended June 30, 2022	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Brands	10,000 cases		10,000 cases	
<i>Kirin Gogo-no-Kocha</i>	2,293	(1.3%)	2,324	—
<i>Kirin Nama-cha</i>	1,185	(9.5%)	1,310	—

4. PROFIT DETAILS

(1) Normalized Operating Profit Details

(¥ billions)

	Six months ended June 30, 2023, Actual	Six months ended June 30, 2022, Actual	Increase (decrease)	
Normalized operating profit	75.2	72.1	3.1	4.3%
Japan Beer and Spirits	32.7	22.0	10.6	48.4%
Kirin Brewery	30.3	20.1	10.1	50.4%
Others	2.4	1.9	0.5	26.5%
Japan Non-alcoholic Beverages	5.5	6.8	(1.3)	(19.4%)
Kirin Beverage	5.5	6.8	(1.3)	(19.4%)
Oceania Adult Beverages	7.9	11.2	(3.3)	(29.3%)
Lion	7.9	11.2	(3.3)	(29.3%)
Pharmaceuticals	36.1	37.6	(1.5)	(3.9%)
Kyowa Kirin	36.1	37.6	(1.5)	(3.9%)
Other	16.8	19.9	(3.0)	(15.2%)
Mercian	(0.5)	(0.3)	(0.1)	—
Coke Northeast	16.7	10.9	5.8	53.4%
Kyowa Hakko Bio	(3.0)	(1.0)	(2.1)	—
Others	3.6	10.3	(6.6)	(64.8%)
Corporate expenses and inter-segment eliminations	(23.9)	(25.4)	1.5	—

Each normalized operating profit in each segment is calculated by adding back management fees paid to the Company to normalized operating profit.

(2) Normalized Operating Profit Breakdown of Major Business Companies

(¥ billions)

Company name	Major factors	Increase (decrease)	Description
Kirin Brewery	Increase in marginal profit of alcohol beverages, etc.	14.5	Total beer products (3.6) Sales decrease in total beer products (33) thousand KL Total products other than beer products (0.4) Sales decrease in RTD (12) thousand KL Sales decrease in non-alcohol beverages (2) thousand KL, etc. Impact of price revision and difference of change in composite of products, etc. 18.5
	Increase in raw material cost of alcohol beverages	(7.5)	Increase in market prices, etc.
	Decrease in selling expenses	4.6	Decrease in advertising 2.3 and decrease in sales promotion 2.3 (Total 33.0→28.4)
	Increase in other expenses	(1.5)	Increase in electricity and fuel prices, etc.
Total		10.1	
Kirin Beverage	Increase in marginal profit of soft drink beverages	4.5	Decrease in sales volume (9.46) million cases (4.2) Difference of change in products mix and composition ratio of containers, etc. 8.7
	Increase in raw material cost, etc.	(5.7)	Increase in raw material cost (1.9), increase in material cost (2.8), and increase in processing cost (1.0)
	Increase in selling expenses	(0.4)	Decrease in sales promotion 0.3 and increase in advertising (0.7) (Total 11.7→12.1)
	Decrease in other expenses	0.3	
Total		(1.3)	

(3) Other Operating Income and Other Operating Expenses

(¥ billions)

	Six months ended June 30, 2023, Actual	Six months ended June 30, 2022, Actual	Increase (decrease)
Other operating income	4.2	25.8	(21.6)
Gain on sale of property, plant and equipment and intangible assets	1.2	3.4	(2.2)
Gain on sale of shares of subsidiaries	0.0	—	0.0
Gain on reversal of impairment losses	—	18.4	(18.4)
Other	3.0	4.0	(1.1)
Other operating expenses	42.4	21.7	20.7
Impairment losses	10.0	2.4	7.6
Business restructuring expenses	2.3	0.3	2.0
Software development expenses	0.2	5.5	(5.4)
Loss on disposal and sale of property, plant and equipment and intangible assets	0.6	1.4	(0.7)
Loss on sale of shares of subsidiaries	19.4	—	19.4
Other	10.0	12.1	(2.1)

(4) Finance Income, Finance Costs, Share of Profit of Equity-accounted Investees, etc.

(¥ billions)

	Six months ended June 30, 2023, Actual	Six months ended June 30, 2022, Actual	Increase (decrease)
Finance income	5.8	9.3	(3.5)
Interest income	1.2	1.3	(0.0)
Dividend income	0.5	0.3	0.1
Foreign exchange gains (net)	3.5	7.1	(3.6)
Other	0.5	0.5	(0.0)
Finance costs	2.8	2.6	0.2
Interest paid	2.6	2.2	0.4
Other	0.2	0.4	(0.2)
Share of profit of equity-accounted investees	17.2	12.5	4.8
San Miguel Brewery	14.9	12.3	2.5
Other	2.4	0.2	2.2

5. SUMMARY OF CONSOLIDATED STATEMENT OF CASH FLOWS

(1) Summary of Statement of Cash Flows

(¥ billions)

	Six months ended June 30, 2023, Actual	Six months ended June 30, 2022, Actual	Increase (decrease)
Cash flows from operating activities	58.9	46.8	12.1
Profit before tax	57.1	95.2	(38.2)
Depreciation and amortization	40.7	42.3	(1.7)
Other	(38.8)	(90.8)	52.0
Cash flows from investing activities	(56.0)	(78.5)	22.6
Acquisition of property, plant and equipment and intangible assets	(59.1)	(37.4)	(21.7)
Other	3.1	(41.2)	44.3
Cash flows from financing activities	15.6	2.9	12.7
Increase (decrease) in interest-bearing liabilities	60.4	70.3	(9.9)
Dividends paid	(36.3)	(32.8)	(3.5)
Other	(8.6)	(34.6)	26.1
Exchange rate changes	7.9	20.1	(12.1)
Net increase (decrease) in cash and cash equivalents	26.4	(8.8)	35.2
Net increase (decrease) in cash and cash equivalents resulting from transfers to assets held for sale	25.5	—	25.5

(2) Information by Segment

As of June 30, 2023, Actual

(¥ billions)

	Japan Beer and Spirits	Japan Non-alcoholic Beverages	Oceania Adult Beverages	Pharmaceuticals	Others	Adjustment	Total
Depreciation and amortization	6.4	3.0	5.8	7.9	5.4	2.8	31.4
Acquisition of property, plant and equipment and intangible assets	6.4	8.6	5.4	15.8	17.9	5.0	59.1
Normalized EBITDA	39.1	8.6	13.7	44.1	33.8	(21.0)	118.1

Depreciation and amortization exclude those from right-of-use assets.

As of June 30, 2022, Actual

(¥ billions)

	Japan Beer and Spirits	Japan Non-alcoholic Beverages	Oceania Adult Beverages	Pharmaceuticals	Others	Adjustment	Total
Depreciation and amortization	6.1	3.0	5.7	7.6	7.5	2.7	32.6
Acquisition of property, plant and equipment and intangible assets	8.1	4.1	3.3	8.3	12.7	0.8	37.4
Normalized EBITDA	28.1	9.8	16.9	45.2	36.9	(22.6)	114.2

Depreciation and amortization exclude those from right-of-use assets.

**Supplementary Documents to
the Financial Forecast
for the Fiscal Year Ending December 31, 2023**

1. Summary of Consolidated Statements of Profit or Loss, Indices, etc.
2. Revenue Details
3. Profit Details
4. Information by Segment

**KIRIN HOLDINGS COMPANY, LIMITED
August 8, 2023**

1. SUMMARY OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS, INDICES, etc.

(1) Condensed Statement of Profit or Loss, Indices, etc.

(¥ billions)

	Fiscal year ending December 31, 2023, Revised forecast	Fiscal year ended December 31, 2022, Actual	Increase (decrease)		Fiscal year ending December 31, 2023, Initial forecast	Increase (decrease)
Revenue	2,115.0	1,989.5	125.5	6.3%	2,115.0	—
Normalized operating profit	192.0	191.2	0.8	0.4%	192.0	—
Other operating income	19.4	29.5	(10.0)	(34.0%)	19.4	—
Other operating expenses	42.4	104.6	(62.2)	(59.4%)	42.4	—
Operating profit	169.0	116.0	53.0	45.7%	169.0	—
Finance income	4.2	11.0	(6.8)	(62.2%)	4.2	—
Finance costs	5.8	6.5	(0.7)	(10.1%)	5.8	—
Share of profit of equity-accounted investees	28.7	22.8	5.9	25.9%	28.7	—
Gain on sale of equity-accounted investees	—	48.1	(48.1)	—	—	—
Profit before tax	196.0	191.4	4.6	2.4%	196.0	—
Income tax expense	47.5	47.6	(0.1)	(0.2%)	47.5	—
Profit	148.5	143.8	4.7	3.3%	148.5	—
Owners of the Company	113.0	111.0	2.0	1.8%	113.0	—
Non-controlling interests	35.5	32.8	2.7	8.3%	35.5	—
ROIC	8.5%	8.5%			8.5%	
Normalized EPS	¥171	¥171	—	—	¥171	—
Revenue (excluding liquor tax)	1,834.0	1,705.0	129.0	7.6%	1,824.0	10.0
Normalized operating profit ratio (excluding liquor tax)	10.5%	11.2%			10.5%	
ROE	11.2%	11.8%			11.2%	
Normalized EBITDA	281.6	277.7	3.9	1.4%	286.7	(5.1)
Gross Debt Equity Ratio	0.50	0.53			0.50	

(Reference) Indices excluding the impact of fluctuation in exchange *

	Fiscal year ending December 31, 2023, Revised forecast
Normalized operating profit	184.7
ROIC	8.3%
Normalized EPS	¥165

* Converted foreign currency amounts of the revised forecast at the exchange rate of the initial forecast released on February 14

ROIC = Profit after tax before interest / (Average total interest-bearing liabilities at beginning and end of the period + Average total equity at beginning and end of the period)

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

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

Normalized EBITDA = Normalized operating profit + Depreciation and amortization* + Dividends received from equity-accounted investees

* Depreciation and amortization exclude those from right-of-use assets.

(2) Exchange Rate for the Consolidation of Profit or Loss of the Major Overseas Companies

(¥)

	Fiscal year ending December 31, 2023, Revised forecast	Fiscal year ended December 31, 2022, Actual	Fiscal year ending December 31, 2023, Initial forecast
Lion (AUD)	93.00	91.18	90.00
Coke Northeast (USD)	137.00	132.08	130.00

(3) Period for the Consolidation of Profit or Loss of the Major Overseas Company

	Fiscal year ending December 31, 2023, Revised forecast	Fiscal year ended December 31, 2022, Actual
San Miguel Brewery	From October 2022 to September 2023	From October 2021 to September 2022

2. REVENUE DETAILS

(1) Revenue Details

(¥ billions)

	Fiscal year ending December 31, 2023, Revised forecast	Fiscal year ended December 31, 2022, Actual	Increase (decrease)		Fiscal year ending December 31, 2023, Initial forecast	Increase (decrease)
Revenue	2,115.0	1,989.5	125.5	6.3%	2,115.0	—
Japan Beer and Spirits	687.8	663.5	24.2	3.7%	709.3	(21.5)
Kirin Brewery	650.2	635.1	15.1	2.4%	675.3	(25.1)
Other and elimination	37.5	28.4	9.1	32.0%	34.0	3.5
Japan Non-alcoholic Beverages	267.4	243.3	24.1	9.9%	271.7	(4.3)
Kirin Beverage	270.1	245.8	24.4	9.9%	274.1	(4.0)
Elimination	(2.8)	(2.5)	(0.3)	—	(2.5)	(0.3)
Oceania Adult Beverages	282.6	255.9	26.7	10.5%	284.3	(1.6)
Lion	282.7	256.0	26.7	10.4%	284.3	(1.6)
Elimination	(0.0)	(0.1)	0.1	—	(0.0)	—
Pharmaceuticals	425.2	397.9	27.4	6.9%	425.2	—
Kyowa Kirin	426.0	398.4	27.6	6.9%	426.0	—
Elimination	(0.8)	(0.5)	(0.3)	—	(0.8)	—
Other	452.0	428.9	23.1	5.4%	424.6	27.4
Mercian	65.0	60.5	4.5	7.4%	65.5	(0.5)
Coke Northeast	243.9	216.2	27.7	12.8%	218.4	25.5
Kyowa Hakko Bio	55.2	51.1	4.2	8.2%	62.8	(7.6)
Other and elimination	87.9	101.2	(13.3)	(13.1%)	77.9	10.1

(Reference) Revenue excluding liquor tax

(¥ billions)

	Fiscal year ending December 31, 2023 Revised forecast	Fiscal year ended December 31, 2022 Actual	Fiscal year ending December 31, 2023 Initial forecast
Kirin Brewery	393.7	373.0	407.5

(2) Sales Volume Details of Major Business Companies

a. Kirin Brewery

	Fiscal year ending December 31, 2023		Fiscal year ended December 31, 2022	
	Revised forecast	Increase (decrease)	Actual	Increase (decrease)
Sales volume	Thousand KL		Thousand KL	
Total beer products	1,452	(5.2%)	1,532	(2.5%)
RTD	422	(2.9%)	435	(3.3%)
Non-alcohol beverages	41	(10.8%)	46	(6.9%)
Sales volume by main brands	Thousand KL		Thousand KL	
<i>KIRIN ICHIBAN</i> brand family total	364	3.5%	351	5.1%
<i>SPRING VALLEY</i> brand total	29	36.5%	21	15.5%
<i>Kirin Tanrei Green Label</i>	147	(7.0%)	158	(7.4%)
<i>Honkirin</i>	192	(10.6%)	215	(7.0%)
<i>Kirin Hyoketsu</i> brand total	273	0.8%	270	6.1%

The sales volume above excludes exports and liquor tax exempts.

b. Kirin Beverage Group

	Fiscal year ending December 31, 2023		Fiscal year ending December 31, 2022	
	Revised forecast	Increase (decrease)	Actual	Increase (decrease)
Domain	10,000 cases		10,000 cases	
Food & Beverage domain	16,959	(6.8%)	18,194	(2.9%)
Health science domain	2,691	28.2%	2,099	3.1%
Lactococcus lactis strain Plasma	1,132	71.6%	660	26.2%
Total	19,651	(3.2%)	20,293	(2.3%)
Container Type	10,000 cases		10,000 cases	
Can	2,185	(5.8%)	2,319	(4.2%)
Large-sized PET bottles (2L, 1.5L, etc.)	4,865	(21.3%)	6,182	(8.1%)
Small-sized PET bottles (500ml, 280ml, etc.)	10,932	10.4%	9,905	1.8%
Other	1,668	(11.6%)	1,887	(0.8%)
Total	19,651	(3.2%)	20,293	(2.3%)

	Fiscal year ending December 31, 2023		Fiscal year ending December 31, 2022	
	Revised forecast	Increase (decrease)	Actual	Increase (decrease)
Brands	10,000 cases		10,000 cases	
<i>Kirin Gogo-no-Kocha</i>	5,507	10.3%	4,995	—
<i>Kirin Nama-cha</i>	2,835	0.1%	2,832	—

3. PROFIT DETAILS

(1) Normalized Operating Profit Details

	Fiscal year ending December 31, 2023, Revised forecast	Fiscal year ended December 31, 2022, Actual	Increase (decrease)		Fiscal year ending December 31, 2023, Initial forecast	
						Increase (decrease)
Normalized operating profit	192.0	191.2	0.8	0.4%	192.0	—
Japan Beer and Spirits	79.2	74.7	4.5	6.1%	78.3	0.9
Kirin Brewery	75.0	71.5	3.5	4.8%	75.0	—
Others	4.2	3.1	1.1	34.2%	3.3	0.9
Japan Non-alcoholic Beverages	19.0	18.8	0.2	1.1%	19.0	—
Kirin Beverage	19.0	18.8	0.2	1.1%	19.0	—
Oceania Adult Beverages	32.1	31.5	0.5	1.7%	35.1	(3.0)
Lion	32.1	31.5	0.5	1.7%	35.1	(3.0)
Pharmaceuticals	85.0	82.5	2.5	3.1%	85.0	—
Kyowa Kirin	85.0	82.5	2.5	3.1%	85.0	—
Other	32.7	37.5	(4.8)	(12.9%)	30.1	2.6
Mercian	0.8	(0.6)	1.4	—	0.8	—
Coke Northeast	32.2	26.3	5.9	22.4%	26.7	5.5
Kyowa Hakko Bio	(6.0)	(3.9)	(2.1)	—	(4.0)	(2.0)
Others	5.7	15.7	(10.0)	(63.6%)	6.6	(0.9)
Corporate expenses and inter-segment eliminations	(56.0)	(53.8)	(2.1)	—	(55.5)	(0.5)

(¥ billions)

(2) Normalized Operating Profit Breakdown of Major Business Companies

(¥ billions)

Company name	Major factors	Increase (decrease)	Description
Kirin Brewery	Increase in marginal profit of alcohol beverages, etc.	25.3	Sales decrease in beer (6.6) ((80) thousand KL) Total other than beer products (0.7) Sales decrease in RTD (13) thousand KL Sales decrease in non-alcohol beverages (5) thousand KL, etc. Impact of price revision and difference of change in composite of products, etc. 32.5
	Increase in raw material cost of alcohol beverages	(13.6)	Increase in market prices, etc.
	Increase in selling expenses	(4.0)	Increase in sales promotion and advertising (4.0) (Total 57.6→61.5)
	Increase in other expenses	(4.2)	Increase in expenditures, etc.
Total		3.5	
Kirin Beverage	Increase in marginal profit of soft drink beverages	18.3	Decrease in sales volume 6.42 million cases, (2.8) Difference of change in products mix and composition ratio of containers, etc. 21.1
	Increase in raw material cost, etc.	(12.1)	Increase in raw material cost (3.4), increase in material cost (5.8), and increase in processing cost (2.8)
	Increase in selling expenses	(4.8)	Increase in sales promotion (2.0) and increase in advertising (2.8) (Total 23.0→27.8)
	Increase in other expenses	(1.2)	
Total		0.2	

4. INFORMATION BY SEGMENT

Fiscal year ending December 31, 2023, Revised forecast

(¥ billions)

	Japan Beer and Spirits	Japan Non-alcoholic Beverages	Oceania Adult Beverages	Pharmaceuticals	Others	Adjustment	Total
Depreciation and amortization	13.5	6.5	11.7	16.6	12.4	6.1	66.8
Acquisition of property, plant and equipment and intangible assets	16.5	12.6	14.8	46.7	41.4	8.5	140.5
Normalized EBITDA	92.7	25.5	43.7	101.6	67.9	(49.9)	281.6

Depreciation and amortization exclude those from right-of-use assets.

Fiscal year ended December 31, 2022, Actual

(¥ billions)

	Japan Beer and Spirits	Japan Non-alcoholic Beverages	Oceania Adult Beverages	Pharmaceuticals	Others	Adjustment	Total
Depreciation and amortization	13.1	6.3	11.9	14.5	14.8	5.7	66.3
Acquisition of property, plant and equipment and intangible assets	16.9	6.4	11.5	28.5	26.7	8.5	98.5
Normalized EBITDA	87.7	25.0	43.4	97.0	72.6	(48.1)	277.7

Depreciation and amortization exclude those from right-of-use assets.