

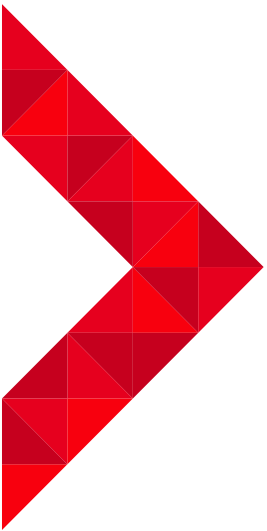


KIRIN

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Kirin Group Financial Results for Q2 FY2024

August 6, 2024

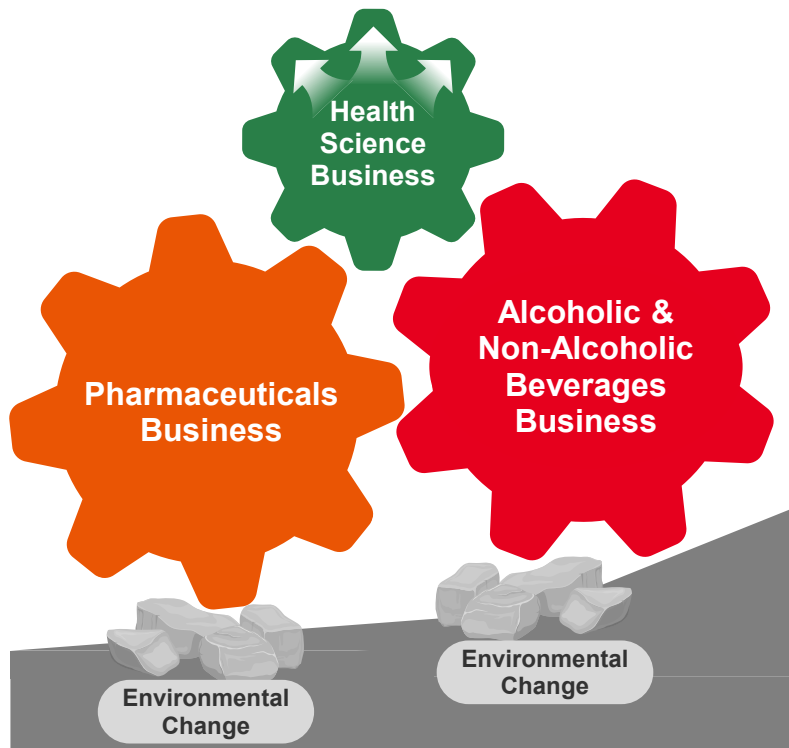


Enhancing Corporate Value

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Achieve to enhance corporate value by building an optimal business portfolio with consideration for future changes in the business environment



➤ Solidifying the foundation of core businesses is of utmost importance



**Alcoholic
Beverages
Business
update**

- Strong brands with momentum are growing in each area of Japan, Australia, and the US



**Pharmaceuticals
Business
update**

- Strong performance of global strategic products
- Steady steps are taken to expand the development pipeline

➤ Establish competitive advantage in businesses that will also be growth drivers for the next-generation



**Health Science
Business
update**

- Acquire brands and sales channels to establish a business foundation in APAC

Many of the businesses acquired through M&A have achieved steady growth within the Group

Businesses that make up the current business portfolio

EPS composition of operating companies acquired through M&A

Approx. 40%



Significantly improved profitability through territory expansion and improved efficiency by making necessary investments in the bottler business

2016	2023
NOP 4.1 bn yen NOP margin 10%	33.9 bn yen 14%



Successfully developed several global strategic products from in-house R&D and grew them into core businesses of the Group

2016	2023
NOP 51.5 bn yen NOP margin 15%	96.0 bn yen 22%



LION

Despite external factors such as the transfer of the ABI brands and changes in the market before and after COVID-19, brand enhancement and structural reforms are in progress to increase business value

2016	2023
NOP 52.8 bn yen NOP margin 15%	32.4 bn yen 12%



SAN MIGUEL
BREWERY INC.
A subsidiary of San Miguel Corporation

Contributed to the Group's EPS growth with a high growth rate in a monopolistic market

2016	2023
Profit of equity-accounted investees approx. 19.0 bn yen	Approx. 30.0 bn yen



Achieved premiumization and grew into a highly profitable business, driven by the expansion of the bourbon market in the US

2016	2023
NOP 1.2 bn yen NOP margin 17%	9.0 bn yen 39%

Kyowa Hakko Bio is making it a top priority to provide direction as soon as possible.

For M&As after 2020, we acquired operating companies such as the US craft beer businesses and Blackmores that are expected to continue to grow

1970s

1980s

1990s

2000s

2010s

2020s

Strengthen governance structure

Although the acquired the dairy business in Australia and the beer business in Brazil did not perform as initially envisioned and were withdrawn, knowledge for M&A and overseas business was accumulated

Conducted a shareholder return (share buybacks) by growing the beverage business in China through a Joint Venture with a local company and selling the shares at a price significantly higher than the acquisition price

2011	2022
Acquisition price: approx. 33.0 bn yen	Sale price: approx. 120.0 bn yen

The Myanmar business achieved higher-than-expected growth until its withdrawal due to political changes

2016年	Before the political change (2020)
NOP 8.9 bn yen NOP margin 39%	13.8 bn yen 43%

Sold Businesses

Progress of Share Acquisition Procedures

Under the following conditions

なにげない感動をずっと。

FANCL

Proceeding with the TOB process

- **TOB price: 2,800 yen**
- **Other conditions remain unchanged**

- We have comprehensively considered the status of applications at this point, as well as the prospects for future applications.
- Provide an opportunity so that FANCL shareholders would continue to consider by changing the TOB price.
- It was decided that the price will not be changed at all in the future and this is the last extension of the term at the board meeting on 8/6.

15 business day extension

TOB deadline
(No re-extension)

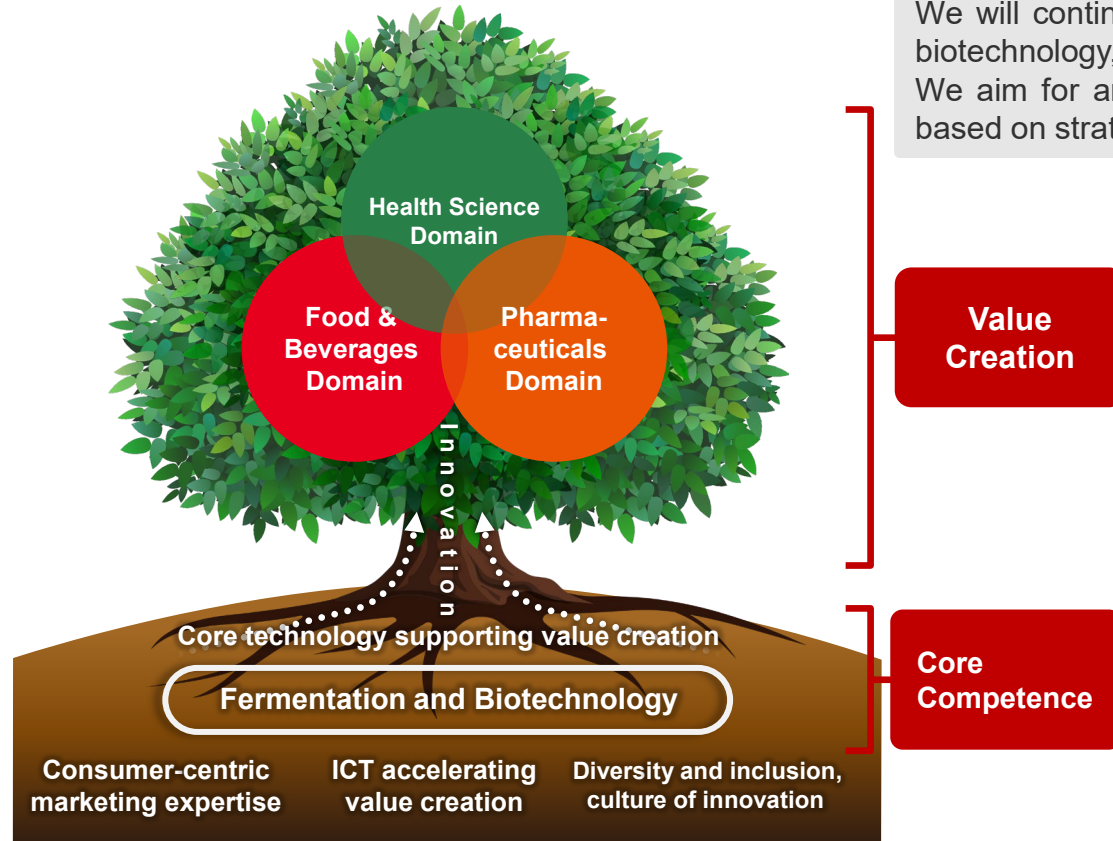
TOB Period

August
28

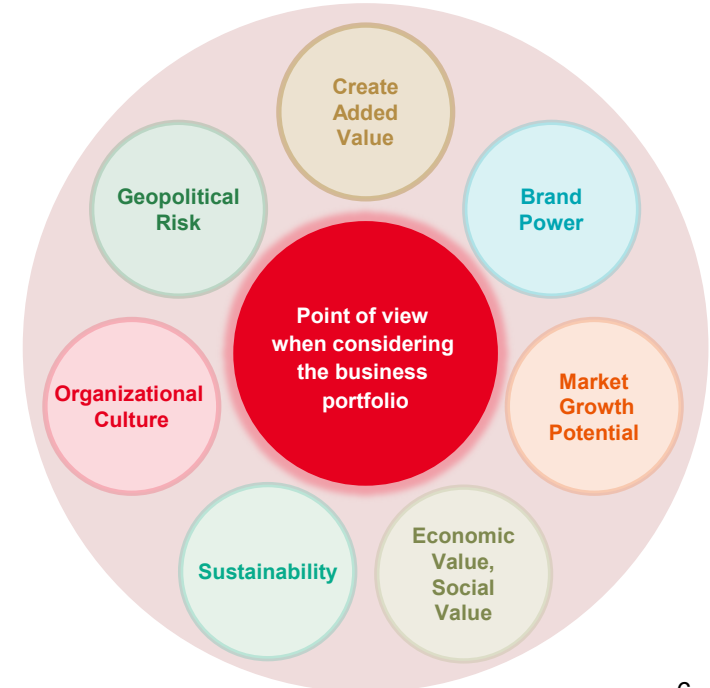
Perspective on this case

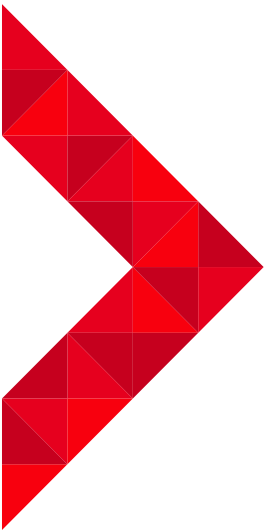
- The success of this TOB is an important step toward realizing the Group's vision drawn up in 2019.
- Kirin is the best owner for FANCL and this TOB will contribute to the enhancement of corporate value of the two companies.
- However, from the perspective of the interests of Kirin Holdings shareholders, if the TOB is not complete at this price, we consider other business portfolio options.

Continue to constantly review our business portfolio to enhance corporate value



We will continue to conduct business based on fermentation & biotechnology, with CSV as the fundamentals of management. We aim for an optimal business portfolio in the three domains based on strategic significance.





Financial Results for Q2 2024

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Summary of Q2 FY2024 Results

- Normalized OP increased significantly due to Revenue growth in each business and the impact of foreign exchange rates.

(bn yen)	Q2 FY2024 Actual	Q2 FY2023 Actual	YoY	%
Revenue	1,095.8	970.2	125.6	12.9%
Normalized OP*	93.1	75.2	17.9	23.8%
Profit before tax	108.5	57.1	51.5	90.2%
Profit attributable to owners of the Company	57.2	32.0	25.2	78.9%

Quantitative Target	Q2 FY2024 Actual	Q2 FY2023 Actual	YoY	%
Normalized EPS **	81 yen	73 yen	8 yen	11.0%

* Calculated by deducting cost of sales and selling, general and administrative expenses from revenue as a profit index to measure the recurring performance of the business.

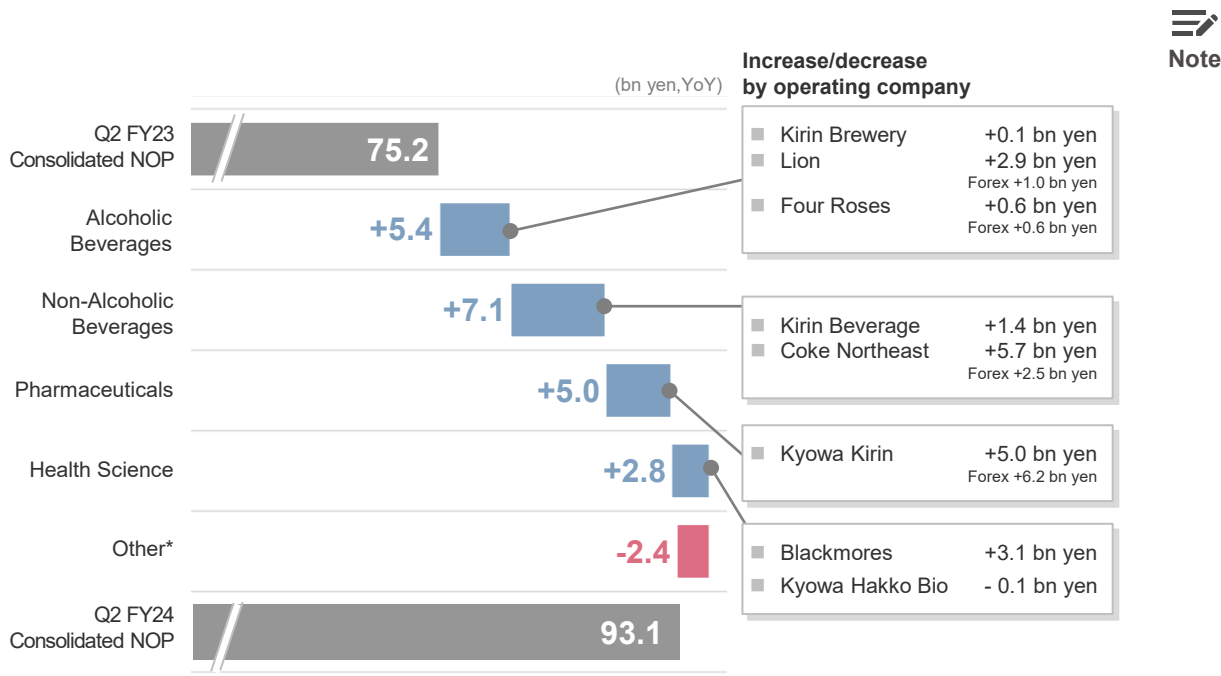
** See p.20 for details.

*** Realization of foreign currency translation difference (approx. 19.0 bn yen) resulting from the exclusion of Myanmar business.

- Consolidated Revenue and Normalized OP of Q2 exceeded the plan due to strong overseas businesses and impact of foreign exchange rates.
- Profit before tax and Profit attributable to owners of the Company increased due to the absence of the one-time costs*** in 2023.
- Normalized EPS increased by 8 yen due to increase in consolidated Normalized OP.

Q2 FY2024 Results: Changes in Consolidated Normalized OP by Segment

➤ Normalized OP increased significantly overall due to balanced growth in the four segments.



Total

➤ Despite increased investments in marketing and R&D expenses, we achieved a significant increase in Normalized OP due to Revenue growth in each segment and the impact of foreign exchange rates.

Alcoholic Beverages Business

➤ Achieved steady profits growth by enhancing its brand power through marketing investments, despite significant changes in the key markets of Japan, Australia, and the US.

Non-Alcoholic Beverages Business

➤ Coke Northeast increased profits significantly due to improved unit price from price revisions and impact of foreign exchange rates. Kirin Beverage increased profits mainly due to Revenue growth.

Pharmaceuticals Business

➤ Increased profits due to Revenue growth mainly of global strategic products and impact of foreign exchange rates.

Health Science Business

➤ Reduced the deficit of overall segment with a profit contribution from the acquisition of Blackmores.

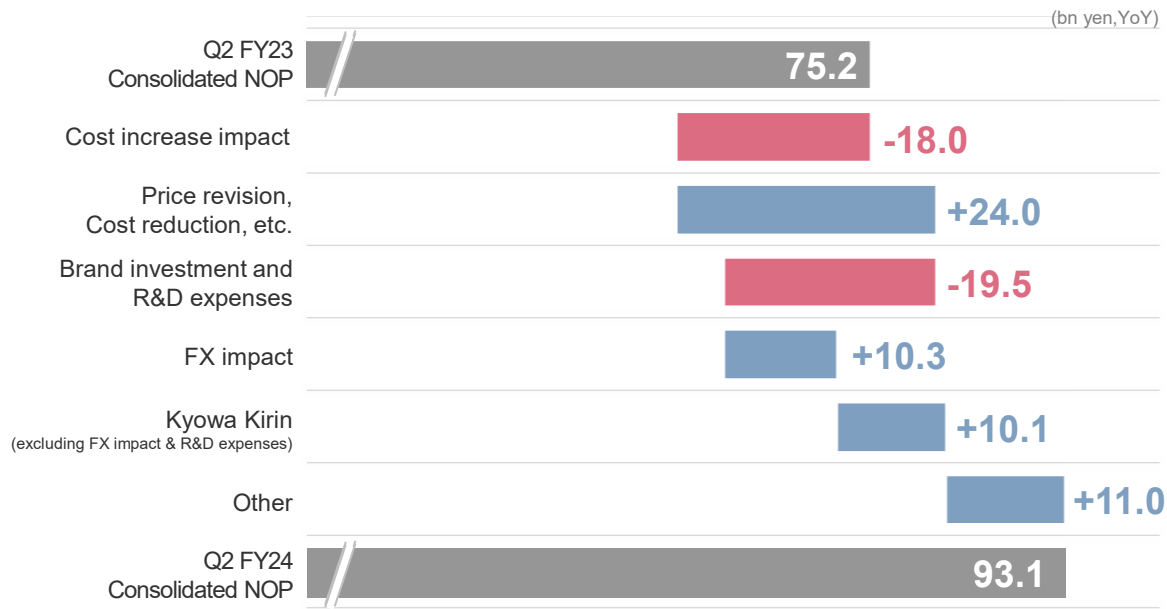
Others

➤ Corporate expenses and inter-segment eliminations increased due to higher information system costs, etc.

* "Other" is the sum of corporate expenses/inter-segment eliminations and others.

Q2 FY2024 Results: Changes in Consolidated Normalized OP by Factor

➤ Price revisions and cost reductions exceeded the impact of raw material and other cost increases as a whole group.



- Increase due to higher marginal profit and foreign exchange impacts, which exceeded brand investment and R&D expenses as planned.
- No major change in annual forecast of cost increases and amount of profit improvement through price revisions and cost reductions, etc.
- Cost impact in 2025 will vary depending on future negotiations, but is not expected to be a cost decrease compared to 2024.

Supplemental

Cost increase impact : raw material, fuel, transportation, labor, etc.

Price revisions, cost reductions, etc. : Impact of price revisions, SCM cost reductions, other SG&A cost reductions, etc.
Excluding impact of sales volume decrease due to price revision

Brand investment and R&D expenses : Total of marketing investment in Kirin Brewery, Kirin Beverage, Lion, etc., and R&D expenses in Kyowa Kirin

FX impact : Sum of the foreign exchange impact on Lion, Four Roses, Kyowa Kirin, and Coke Northeast shown on p.9

Other : Total impact of increase/decrease in marginal profit due to increase/decrease in revenue of each business, corporate expenses, etc.

Revision of FY2024 Forecast

- Revenue revised upward taking into consideration the impact of foreign exchange rates and other factors, and we aim to achieve the initial plan of Normalized OP.

FY2024 Forecast

Revised full-year exchange rate forecasts as follows
AUD 93 yen ⇒ 97 yen USD 140 yen ⇒ 151 yen

(bn yen)	FY24 Forecast (Revised)	FY23 Actual	YoY	%	FY24 Forecast (Initial)	Difference	%	Major Revisions
Revenue	2,300.0	2,134.4	165.6	7.8%	2,270.0	30.0	1.3%	Coke Northeast +21.0 / Kyowa Kirin +19.0 Kyowa Hakko Bio -9.9 / Kirin Brewery -7.9
Normalized OP	202.0	201.5	0.5	0.3%	202.0	—	—	Kyowa Kirin +9.0 / Coke Northeast +6.5 Kyowa Hakko Bio -6.5 / Lion -3.8
Profit before tax	216.0	197.0	19.0	9.6%	219.0	-3.0	-1.4%	
Profit attributable to owners of the Company	114.0	112.7	1.3	1.2%	131.0	-17.0	-13.0%	Corporate income tax expense

"+" means an increase in profits, "-" a decrease compared to the initial forecast

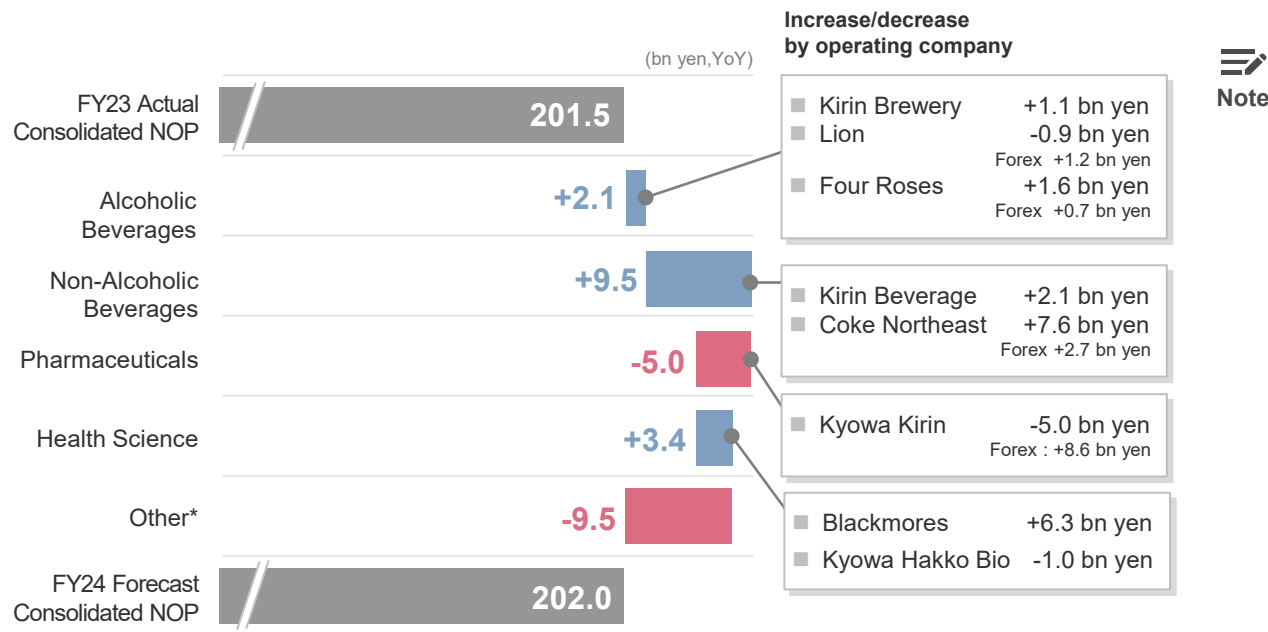
Quantitative Targets / Dividend Forecast (per share)

	FY24 Forecast (Revised)	FY23 Actual	YoY	FY24 Forecast (Initial)	Difference
ROIC	6.8%	8.0%	—	8.0%	—
Normalized EPS	162yen	177yen	-15yen	177yen	-15yen
Dividend per share	71yen	71yen	—	71yen	—

- Corporate income tax expense increased due to taxable income from the revision of capital structure of an overseas operating company.
- ROIC and Normalized EPS are expected to be lower mainly due to higher corporate income tax expense, but dividends remain unchanged.

Revision of FY2024 Forecast : Changes in Consolidated Normalized OP by Segments

- Aim to achieve the initial plan overall, by supplementing the decrease in profit in the Pharmaceuticals business and increase in corporate expenses with an increase in profit in other segments.



Alcoholic Beverages Business

- Lion decrease profit due to market contraction, but Kirin Brewery, which contributed to higher beer and RTD volume and lower depreciation and Four Roses increase profit.

Non-Alcoholic Beverages Business

- Coke Northeast increase profit by improving unit price through price revision. Kirin Beverage aims to increase profit by improving marginal profit.

Pharmaceuticals Business

- Decrease due to higher R&D expenses for pipeline development and the impact of Orchard's consolidation.

Health Science Business

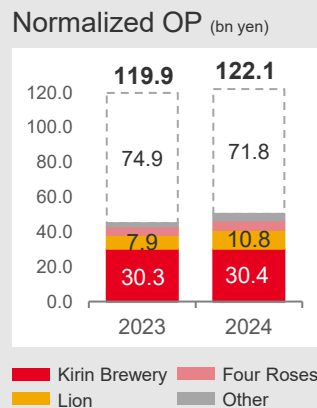
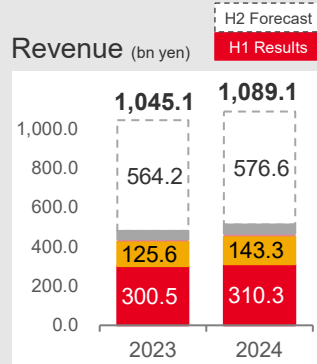
- Kyowa Hakko Bio expect to decrease profit mainly due to struggling amino acid business, but we aim to increase profit as the segment from consolidation of Blackmores.

Other

- Corporate expenses and inter-segment eliminations increased mainly due to labor cost.

* "Other" is the sum of corporate expenses/inter-segment eliminations and others.

Alcoholic Beverages Business



For the first half of the year, brand power is getting stronger although the market environment has been difficult since Q1. We continue to invest in the brand to gain long term popularity and aim for the same level of profit as the previous year.

Severe Market Environment

- Continued global trend toward a tough view of alcohol.
- Continued shift from total beer products to RTD in Japan, the US, and Australia
- Continued decline in the beer market in Japan due to population decline, etc.
- Continued decline in the beer market in Australia due to a challenging economic environment, inflation, etc.
- In the US, the craft beer market, which had been growing in the past, has begun to decline.

Achievements and Future Plans

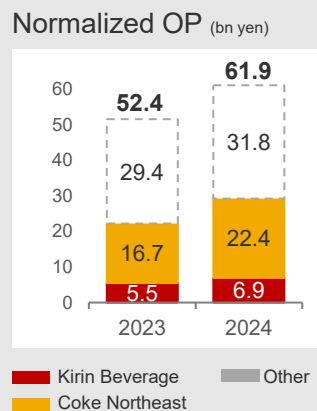
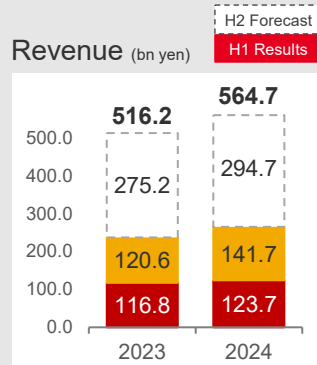
- Strengthen investment in popular long-term beer brands and in the growing RTD category, even though market conditions are not expected to turn around significantly in the future.
- Strong brand performance in Japan, the US, and Australia offset the negative impact of the market environment.

Japan 	<p>Achieved the plan for beer and RTD, driven by the growth of <i>Kirin beer Harekaze</i> and <i>Hyoketsu</i> brands. Will strengthen sales promotion in the second half of the fiscal year.</p>
Australia 	<p>Aim to achieve double-digit sales growth for two years in a row.</p>
US 	<p>In a declining market, the Voodoo Ranger series continues to perform strong.</p>

*Kirin Brewery Revenue includes liquor tax.

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Non-Alcoholic Beverages Business



The economic situation and competitive environment in Japan and the US are very different. We will implement the initiative to increase unit price for profitability improvement in Japan and maintain high profitability in the US.

Ongoing Market Environment

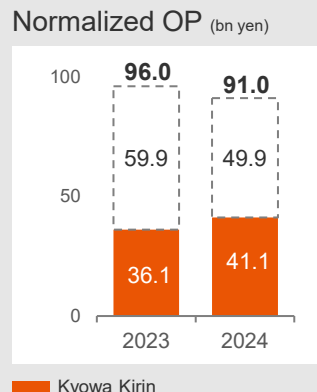
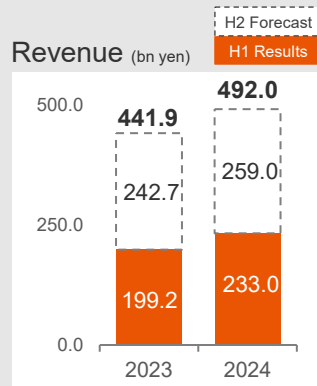
- Companies in Japan are less profitable than overseas companies due to the large number of players and intense competition.
- Price revisions have been implemented for three years in a row, and momentum for price increases has emerged throughout the industry.
- Inflation is subsiding in the US and the consumption environment remains strong.

Achievements and Future Plans

- Aim to improve unit price by implementing price revisions and working on Health Science products as a differentiation strategy.
- In the US, will maintain high profitability by achieving higher unit prices through price revisions and improving operational efficiency.



Pharmaceuticals Business



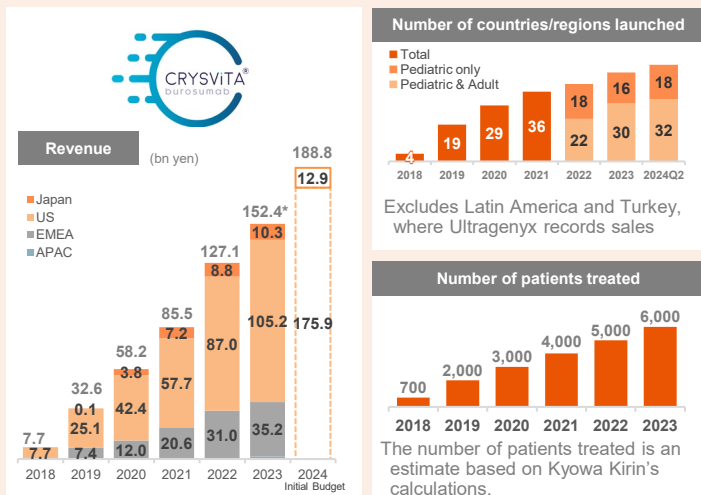
Global strategic products, on which we focus on, are performing well. Pipeline development is progressing smoothly, and we aim to increase future revenue through the expansion of approval for use, etc.

Growth of global strategic products

Kyowa Kirin

Global Strategic Products

Continued growth through enhanced evidence-based marketing and promotion activities



Revenue from the Early Access Program (EAP) is not included in the Revenue until FY22, but is included in the Revenue from FY2023 onward because its amount is minimal.

Toward Future Growth

KHK4083 / AMG 451(rocatinlimab)

Development is progressing well

	Development Status	Market Scale
Atopic Dermatitis	1 2 Ph3 In progress	More than 1 trillion yen**
Asthma	1 Ph2 Commenced	More than 1 trillion yen**
Prurigo Nodularis*	1 2 Ph3 Commenced	500 billion yen or more Less than 1 trillion yen**

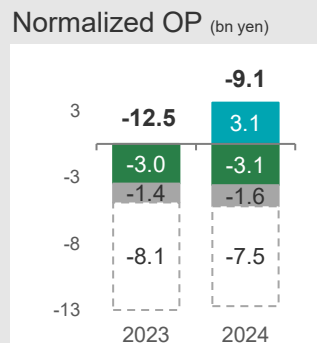
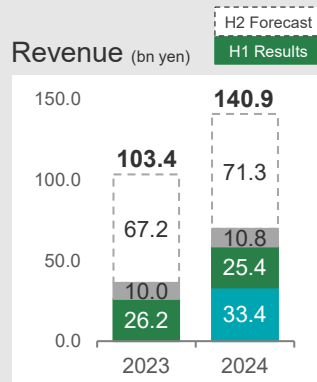
Story for Vision 2030

Steadily advancing strategies for creating and providing Life-changing value

- Restructuring of APAC region business
- Transition of the Research Organization aiming to realize Vision toward 2030



For more information



Blackmores
Kyowa Hakko Bio
Other

Kyowa Hakko Bio revised downward due to conservative estimates of sales for the second half of the year. Blackmores and other businesses aims to achieve the initial plan in Yen base.

H1 Progress

Blackmores

BLACKMORES
| GROUP

Australia & NZ

Steady revenue increased led by strong growth in BioCeuticals and price increases from April onwards.

SEAK*

Revenue decreased YoY mainly due to a delay in CMO transition for Infant Formula in Vietnam, but shipments have now resumed.

China

Achieved +20% revenue growth through price increases and brand investment.

H2 Forecast

- ANZ and China continue with the initiatives of H1 and aim to achieve the initial plans for revenue growth % in H2.
- SEAK plans revenue growth in H2, partly due to lapping the disposal of excess inventory in H2 last year.

	ANZ	+ Mid single digit %
Revenue growth (H2 plan YoY)	SEAK*	+ Double digit %
	CHINA	+ Double digit %



LC-Plasma Business

Note: LC-Plasma products are not included in the Health Science segment but shown below is the overall LC-Plasma business

- Revenue from supplements grew by double digits.
- In beverages, the mainstay product "Kirin Oishii Immune Care" is growing, but we are now at a stage to take on new challenges for further expansion.

- Aim to achieve the initial plan by strengthening promotions in the fall and winter, when demand for immuno-care products increase.

Revenue +30%(Year's plan ,YoY)



Kyowa Hakko Bio

- Severe conditions continue due to softness in the amino acid market, etc.

- Top priority will be given to the implementation of structural reforms.
- Continue to work on maximizing marginal profit in the specialty business

Social

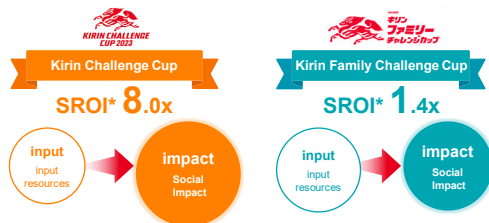
Started the “Health and well-being support action” and “#Immunity for Heroes” project through “Immune care”!



For the first time, quantified the social impact of Kirin's soccer support activities

- The ratio of social value generated by the Kirin Challenge Cup and the Kirin Family Challenge Cup was calculated and found to be 8.0 times and 1.4 times higher, respectively, than the expenses.

Social Value Analysis of Kirin's Soccer Support Activities



Began selling a limited quantity of “Electric Salt Spoon,” which enhances the salty and umami flavors of low-sodium foods with the power of electricity

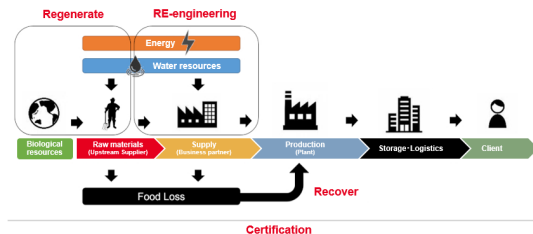
For more information



Environment

Launched the “Kirin Supply Chain Environmental Program”, which aims to reduce GHG (greenhouse gas) emissions with suppliers

- Contribute to a 10% reduction, or 1/3 of the Company's mid-term goal of a “30% reduction in Group-wide GHG Scope 3 emissions by 2030 compared to 2019”



Disclosure medium

Published “Integrated Report 2024”.

- Aimed to communicate the progress of CSV management in an easy-to-understand manner by reinforcing the narrative along the value creation model



For more information

Published “Environmental Report 2024”.

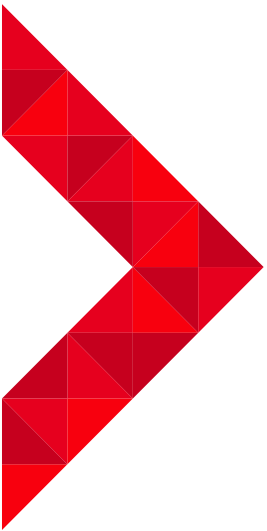
- Integrated multiple disclosure frameworks, such as TCFD*** recommendations and TNFD**** recommendations, we disclosure of environmental management information



For more information

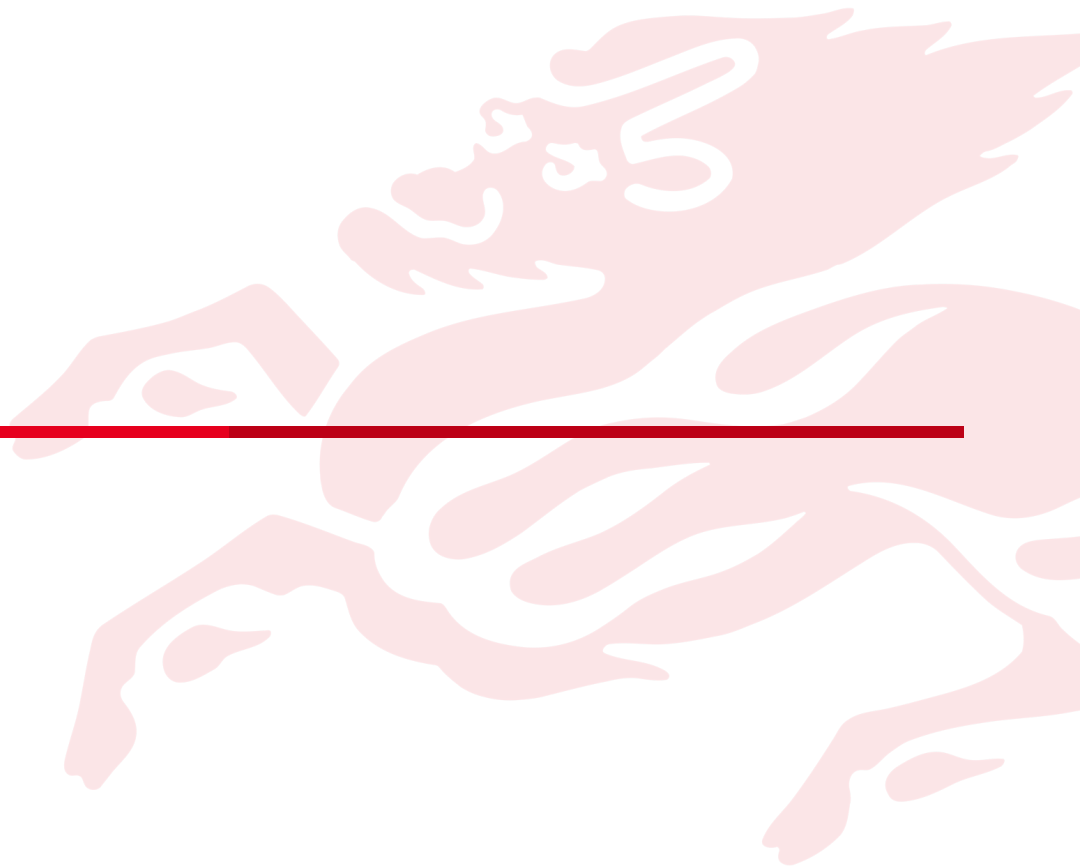


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Appendix

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Q2 FY2024 Results: Normalized EPS Details

(bn yen)		Q2 FY24	Q2 FY23
Profit attributable to Owners of the Company	①	57.2	32.0
Other operating income/expenses after taxes and other adjustments	②	8.1	27.4
Normalized profit	③ = ① + ②	65.3	59.4
Average number of shares during the period ('000)	④	809,892	809,834
Normalized EPS (yen)	③ ÷ ④	81	73

Q2 FY2024 Results: Revenue by segments

(bn yen)

		Q2 FY24 Actual	Q2 FY23 Actual	YoY	%
Revenue		1,095.8	970.2	125.6	12.9%
Alcoholic Beverages		512.5	480.9	31.6	6.6%
	Kirin Brewery	310.3	300.5	9.8	3.3%
	Lion	143.3	125.6	17.7	14.1%
	Australia & NZ	95.2	87.0	8.2	9.5%
	US Craft, etc.	48.1	38.6	9.5	24.6%
	Four Roses	12.5	11.5	0.9	8.2%
	Other and elimination	46.4	43.3	3.1	7.1%
Non-alcoholic Beverages		270.0	241.0	29.0	12.0%
	Kirin Beverage	123.7	116.8	7.0	6.0%
	Coke Northeast	141.7	120.6	21.1	17.5%
	Other and elimination	4.6	3.7	0.9	25.7%
Pharmaceuticals		232.8	199.0	33.8	17.0%
	Kyowa Kirin	233.0	199.2	33.8	16.9%
	Elimination	-0.1	-0.2	0.1	—
Health Science		69.6	36.2	33.4	92.2%
	Blackmores	33.4	—	33.4	—
	Kyowa Hakko Bio	25.4	26.2	-0.8	-3.1%
	Other and elimination	10.8	10.0	0.8	8.1%
Other		10.9	13.1	-2.2	-17.0%

Revisions of FY2024 Forecast: Revenue by segments

(bn yen)		FY24 New Forecast	FY23 Actual	YoY	%	FY24 Initial Forecast	Difference	%
Revenue		2,300.0	2,134.4	165.6	7.8%	2,270.0	30.0	1.3%
Alcoholic Beverages		1,089.1	1,045.1	44.0	4.2%	1,092.8	-3.6	-0.3%
	Kirin Brewery	688.7	648.1	20.6	3.2%	676.6	-7.9	-1.2%
	Lion	296.7	281.1	15.6	5.6%	296.3	0.4	0.1%
	Australia & NZ	202.7	198.8	3.9	2.0%	204.9	-2.2	-1.1%
	US Craft, etc.	94.0	82.3	11.7	14.3%	91.4	2.6	2.9%
	Four Roses	27.3	24.5	2.8	11.4%	26.5	0.9	3.3%
	Other and elimination	96.4	91.4	4.9	5.4%	93.5	2.9	3.1%
Non-alcoholic Beverages		564.7	516.2	48.5	9.4%	544.2	20.4	3.8%
	Kirin Beverage	276.1	257.8	18.3	7.1%	276.6	-0.4	-0.2%
	Coke Northeast	280.0	250.1	29.8	11.9%	259.0	21.0	8.1%
	Other and elimination	8.6	8.2	0.3	4.2%	8.7	-0.1	-1.0%
Pharmaceuticals		492.0	441.9	50.1	11.3%	473.0	19.0	4.0%
	Kyowa Kirin	492.0	442.2	49.8	11.3%	473.0	19.0	4.0%
	Elimination	—	-0.4	0.4	—	—	—	—
Health Science		140.9	103.4	37.5	36.3%	146.8	-6.0	-4.1%
	Blackmores	68.9	32.0	37.0	115.6%	67.4	1.6	2.4%
	Kyowa Hakko Bio	49.0	51.4	-2.4	-4.7%	58.9	-9.9	-16.8%
	Other and elimination	22.9	19.9	3.0	14.9%	20.6	2.3	11.4%
Other		13.3	27.8	-14.5	-52.2%	13.1	0.2	1.4%

Q2 FY2024 Results: Normalized OP by segments

(bn yen)

Normalized OP

Alcoholic Beverages		
	Kirin Brewery	
	Lion	
	Australia & NZ	
	US Craft, etc.	
	Four Roses	
	Other	
Non-alcoholic Beverages		
	Kirin Beverage	
	Coke Northeast	
	Other	
Pharmaceuticals		
	Kyowa Kirin	
Health Science		
	Blackmores	
	Kyowa Hakko Bio	
	Other	
Other		
Corporate expenses/inter-segment		

Q2 FY24 Actual	Q2 FY23 Actual	YoY	%
93.1	75.2	17.9	23.8%
50.3	45.0	5.4	11.9%
30.4	30.3	0.1	0.5%
10.8	7.9	2.9	36.8%
6.4	3.8	2.6	68.5%
4.4	4.1	0.3	7.2%
5.5	4.9	0.6	12.7%
3.6	1.9	1.7	87.2%
30.1	23.0	7.1	31.0%
6.9	5.5	1.4	25.0%
22.4	16.7	5.7	33.9%
0.8	0.7	0.1	12.6%
41.1	36.1	5.0	13.7%
41.1	36.1	5.0	13.7%
-1.6	-4.4	2.8	—
3.1	—	3.1	—
-3.1	-3.0	-0.1	—
-1.6	-1.4	-0.2	—
-0.3	-0.4	0.1	—
-26.5	-24.0	-2.5	—

Revisions of FY2024 Forecast: Normalized OP by segments

(bn yen)		FY24 New Forecast	FY23 Actual	YoY	%	FY24 Initial Forecast	Difference	%
Normalized OP		202.0	201.5	0.5	0.3%	202.0	—	—
Alcoholic Beverages		122.1	119.9	2.1	1.8%	124.2	-2.2	-1.7%
	Kirin Brewery	74.0	72.9	1.1	1.5%	73.5	0.5	0.7%
	Lion	31.5	32.4	-0.9	-2.7%	35.3	-3.8	-10.8%
	Australia & NZ	20.2	22.1	-1.9	-8.7%	24.5	-4.4	-17.8%
	US Craft, etc.	11.3	10.3	1.0	10.1%	10.8	0.6	5.1%
	Four Roses	10.6	9.0	1.6	17.8%	9.8	0.8	7.9%
	Other	6.0	5.7	0.3	5.5%	5.6	0.3	5.9%
Non-alcoholic Beverages		61.9	52.4	9.5	18.2%	55.2	6.6	12.0%
	Kirin Beverage	19.0	16.9	2.1	12.5%	19.0	—	—
	Coke Northeast	41.5	33.9	7.6	22.4%	35.0	6.5	18.6%
	Other	1.4	1.5	-0.2	-12.8%	1.2	0.1	8.3%
Pharmaceuticals		91.0	96.0	-5.0	-5.2%	82.0	9.0	11.0%
	Kyowa Kirin	91.0	96.0	-5.0	-5.2%	82.0	9.0	11.0%
Health Science		-9.1	-12.5	3.4	—	-2.6	-6.5	—
	Blackmores	5.8	-0.5	6.3	—	5.8	0.0	0.3%
	Kyowa Hakko Bio	-9.5	-8.5	-1.0	—	-3.0	-6.5	—
	Other	-5.4	-3.6	-1.8	—	-5.4	-0.1	—
Other		-1.1	-0.1	-1.0	—	-1.1	0.0	—
Corporate expenses/inter-segment		-62.7	-54.2	-8.5	—	-55.8	-6.9	—

Q2 FY2024 Results: Kirin Brewery

(bn yen)	Q2 FY24 Actual	Q2 FY23 Actual	YoY	%
Revenue	310.3	300.5	9.8	3.3%
Revenue excluding liquor tax	188.6	181.6	7.0	3.9%
Normalized OP	30.4	30.3	0.1	0.5%

Q2 FY23 Normalized OP (bn yen)		30.3	Description
YoY change	Increase in marginal profit of alcoholic beverages, etc.	6.9	Total beer products 0.2 (Sales decrease in total beer products -15 thousand KL) Total other than beer products 2.2 (Sales increase in RTD 13 thousand KL, Sales decrease in non-alcoholic beverages -0 thousand KL), etc. Impact of price revision and difference of change in composite of products, etc. 4.5
	Increase in raw material cost	-4.6	Increase in market prices, etc.
	Increase in selling expenses	-3.8	Increase in advertising -1.4 Increase in sales promotion -2.3 (Total 28.4 → 32.2)
	Decrease in other expenses	1.6	Decrease in depreciation, etc.
	Subtotal	0.1	
	Q2 FY24 Normalized OP	30.4	

(1,000 KL)	Q2 FY24 Actual	Q2 FY23 Actual	YoY %	Market (Category)
Total beer products*	664	679	-2.2%	-2%
RTD	206	194	6.5%	5%
Non-alcoholic beverage	18	19	-1.4%	11%

* Due to agreement with the Beer Brewers Association, only Q2 and Q4 sales volume results for beer are disclosed

KIRIN ICHIBAN brand family total	168	164	2.5%	7%
SPRING VALLEY brand Total	8	10	-21.9%	7%
Kirin Tanrei Green Label	66	70	-6.9%	-12%**
Honkirin	86	91	-6.2%	-12%**
KIRIN Hyoketsu brand Total	140	128	9.4%	5%

* From FY23, only beer products category will be disclosed from the beer category, with details by main brands and channels

** Economy category is consisted Happoshu and new genre beer (Happoshu ②)

Sales Volume	YoY %	Market
On-premise beer ***	-0%	+low single-digit
Off-premise beer ***	-3%	-4%

*** On-premise: Total of bottles, kegs and PET products

Off-premise: Total of cans

Revisions of FY2024 Forecast : Kirin Brewery

(bn yen)	FY24 New Forecast	FY23 Actual	YoY	%	FY24 Initial Forecast	Difference
Revenue	668.7	648.1	20.6	3.2%	676.6	-7.9
Revenue excluding liquor tax	405.0	392.2	12.8	3.3%	409.3	-4.3
Normalized OP	74.0	72.9	1.1	1.5%	73.5	0.5

FY23 Normalized OP (bn yen)		Description	FY23 Normalized OP (bn yen)	
YoY change	10.2	Total beer products 1.8 (Sales decrease in total beer products -3 thousand KL) Total other than beer products 1.8 (Sales increase in RTD 18 thousand KL, Sales decrease in non-alcoholic beverages -3 thousand KL), etc. Impact of price revision and difference of change in composite of products, etc. 6.6	YoY change	11.9
	-7.7	Increase in raw material cost		-7.2
	-2.8	Increase in selling expenses		-3.2
	1.4	Decrease in other expenses		-0.9
	1.1	Subtotal		0.6
	74.0	FY24 Normalized OP New Forecast		73.5
FY24 Normalized OP (bn yen)			FY24 Normalized OP (bn yen)	
72.9			72.9	

(1,000 KL)	FY24 New Forecast	FY23 Actual	YoY %	FY24 Initial Forecast	Difference
Total beer products*	1,439	1,442	-0.2%	1,479	-41
RTD	442	424	4.2%	429	13
Non-alcoholic beverage	40	43	-6.2%	46	-6
KIRIN ICHIBAN brand family total	374	370	1.0%	370	4
SPRING VALLEY brand Total	16	21	-23.2%	26	-10
Kirin Tanrei Green Label	142	146	-2.9%	147	-6
Honkirin	187	194	-3.6%	188	-0
KIRIN Hyoketsu brand Total	294	288	1.9%	273	20

* From FY23, only the beer products will be disclosed from the beer category, with details of main brands and channels

** Economy category is consisted Happoshu and new genre beer (Happoshu ②)

Q2 FY2024 Results: Lion

Yen base (bn yen)

	Q2 FY24 Actual	Q2 FY23 Actual	YoY	%
Revenue	143.3	125.6	17.7	14.1%
Australia & NZ	95.2	87.0	8.2	9.5%
US Craft etc.	48.1	38.6	9.5	24.6%
Normalized OP	10.8	7.9	2.9	36.8%
Australia & NZ	6.4	3.8	2.6	68.5%
US Craft etc.	4.4	4.1	0.3	7.2%

AUD base (million \$)

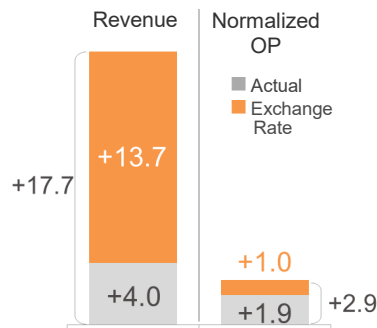
	Q2 FY24 Actual	Q2 FY23 Actual	YoY	%
Revenue	1,415	1,372	43	3.2%
Australia & NZ	940	950	-10	-1.1%
US Craft etc.	475	422	53	12.6%
Normalized OP	107	86	20	23.7%
Australia & NZ	63	42	22	52.4%
US Craft etc.	43	45	-1	-3.1%

Change in Normalized OP in Australia & NZ (million AUD)

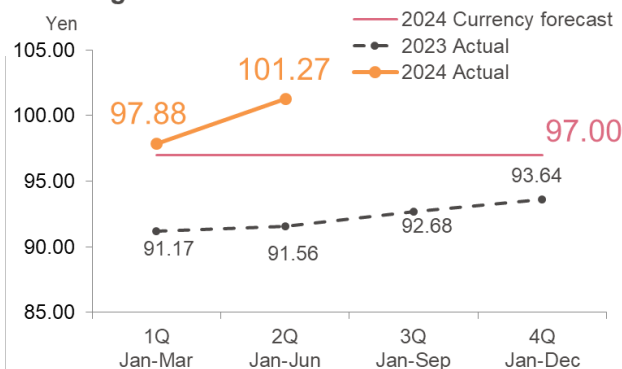
Q2 FY23 Normalized OP	41
Australia & NZ Sales Volume	-11
Other*	33
Q2 FY24 Normalized OP	63

- * Corporate costs are included in Australia and NZ
- Sales volume increase rate over the previous year is -1% for the total of Australia, NZ, US Craft and others, and -2% for Australia alone.

Forex Impact Q2 FY24 Actual (bn yen)



Exchange Rate -AU Dollar



Revisions of FY2024 Forecast : Lion

Yen base (bn yen)

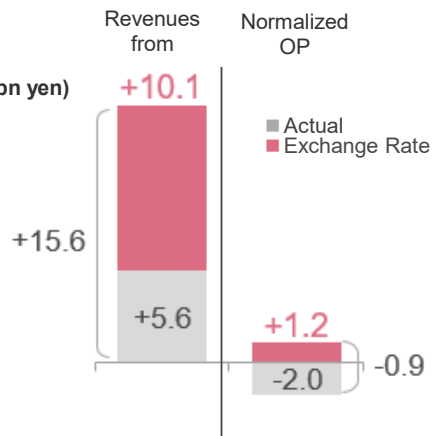
	FY24 New Forecast	FY23 Actual	YoY	%	FY24 Initial Forecast	Difference
Revenue	296.7	281.1	15.6	5.6%	296.3	0.4
Australia & NZ	202.7	198.8	3.9	2.0%	204.9	-2.2
US Craft etc.	94.0	82.3	11.7	14.3%	91.4	2.6
Normalized OP	31.5	32.4	-0.9	-2.7%	35.3	-3.8
Australia & NZ	20.2	22.1	-1.9	-8.7%	24.5	-4.4
US Craft etc.	11.3	10.3	1.0	10.1%	10.8	0.6

AUD base (million \$)

	FY24 New Forecast	FY23 Actual	YoY	%	FY24 Initial Forecast	Difference
Revenue	3,059	3,002	57	1.9%	3,186	-127
Australia & NZ	2,090	2,123	-33	-1.6%	2,203	-113
US Craft etc.	969	878	91	9.4%	983	-14
Normalized OP	325	346	-21	-6.5%	380	-55
Australia & NZ	208	236	-28	-13.4%	264	-56
US Craft etc.	117	110	7	5.9%	116	1

Estimated full-year rate: 97.00 yen (AUD)

Forex Impact
FY24 Forecast (bn yen)



Q2 FY2024 Results: Kirin Beverage

(bn yen)	Q2 FY24 Actual	Q2 FY23 Actual	YoY	%
Revenue	123.7	116.8	7.0	6.0%
Normalized OP	6.9	5.5	1.4	25.0%

Q2 FY23 Normalized OP(bn yen)		5.5	Description
YoY change	Increase in marginal profit of soft drink beverages	1.7	Increase in sales volume 6.45 million cases 3.1 Difference of change in products mix and composition ratio of containers, etc. -1.4
	Increase in raw material cost, etc.	-0.6	Increase in raw material cost -1.5 Decrease in material cost 0.1 Decrease in processing cost 0.8
	Decrease in selling expenses	0.9	Decrease in sales promotion 0.8 Decrease in advertising 0.1 (Total 12.1 → 11.2)
	Increase in other expenses	-0.6	
	Subtotal	1.4	
Q2 FY24 Normalized OP		6.9	

		Q2 FY24 Actual	Q2 FY23 Actual	YoY%
Sales volume (10,000 cases)				
Non-Alcoholic Beverages Total		9,270	8,626	7.5%
Health Science products		1,088	1,143	-4.8%
LC-Plasma products		446	405	10.1%
Container Type	Can	970	1,072	-9.5%
	Large PET bottles	2,620	2,140	22.4%
	Small PET bottles	5,009	4,521	10.8%
	Other	672	893	-24.8%

		Q2 FY24 Actual	Q2 FY23 Actual	YoY%
Sales volume(10,000 cases)				
Brands	Gogo-no-Kocha	2,403	2,293	4.8%
	Nama-cha	1,500	1,185	26.6%

Revisions of FY2024 Forecast :Kirin Beverage

(bn yen)	FY24 New Forecast	FY23 Actual	YoY	%	FY24 Initial Forecast	Difference	
Revenue	276.1	257.8	18.3	7.1%	276.6	-0.4	
Normalized OP	19.0	16.9	2.1	12.5%	19.0	—	
FY23 Normalized OP (bn yen)	16.9	Description				FY23 Normalized OP (bn yen)	16.9
YoY change	Increase in marginal profit of soft drinks	10.3	Increase in sales volume 5.82 million cases 2.7 Difference of change in products mix and composition ratio of containers, etc. 7.6			Increase in marginal profit of soft drinks	15.2
	Increase in raw material costs, etc.	-5.3	Increase in raw material cost -3.6 Increase in material cost -1.3 Increase in processing cost -0.4			Increase in raw material costs, etc.	-7.7
	Decrease in selling expenses	0.5	Decrease in sales promotion and advertising 0.5 (Total 25.6 → 25.1)			Increase in selling expenses	-2.4
	Increase in other expenses	-3.4	Increase in sales equipment cost and increase in business consignment expenses, etc.			Increase in other expenses	-3.0
	Subtotal	2.1					Subtotal
FY24 Normalized OP New Forecast	19.0					FY24 Normalized OP Initial Forecast	19.0

Sales volume (10,000 cases)		FY24 New Forecast	FY23 Actual	YoY %	FY24 Initial Forecast	Difference
Non-Alcoholic Beverages Total		19,975	19,394	3.0%	19,516	459
Health Science products		2,677	2,460	8.9%	2,816	-139
LC-Plasma products		1,253	893	40.3%	1,242	11
Container Type	Can	2,008	2,146	-6.4%	2,146	-138
	Large PET bottles	5,365	5,210	3.0%	4,822	543
	Small PET bottles	11,225	10,239	9.6%	10,904	321
	Other	1,377	1,799	-23.4%	1,644	-267
Sales volume (10,000 cases)		FY24 New Forecast	FY23 Actual	YoY %	FY24 Initial Forecast	Difference
Brands	Gogo-no-Kocha	5,231	5,092	2.7%	5,104	127
	Nama-cha	3,098	2,781	11.4%	2,767	331

Q2 FY2024 Results / Revisions of FY24 Forecast : Coke Northeast

Yen base (bn yen)

	Q2 FY24 Actual	Q2 FY23 Actual	YoY	%
Revenues	141.7	120.6	21.1	17.5%
Normalized OP	22.4	16.7	5.7	33.9%

Yen base (bn yen)

	FY24 New Forecast	FY23 Actual	YoY	%	FY24 Initial Forecast	Difference
Revenues	280.0	250.1	29.8	11.9%	259.0	21.0
Normalized OP	41.5	33.9	7.6	22.4%	35.0	6.5

USD base (million \$)

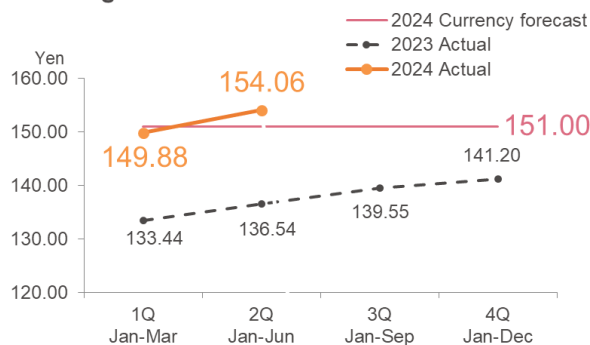
	Q2 FY24 Actual	Q2 FY23 Actual	YoY	%
Revenues	920	883	37	4.2%
Normalized OP	145	123	23	18.6%

USD base (million \$)

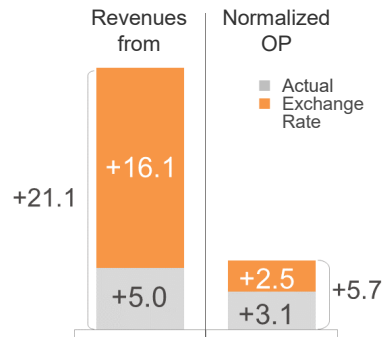
	FY24 New Forecast	FY23 Actual	YoY	%	FY24 Initial Forecast	Difference
Revenues	1,854	1,772	83	4.7%	1,850	4
Normalized OP	275	240	35	14.5%	250	25

Estimated full-year rate: 151.00 yen (USD)

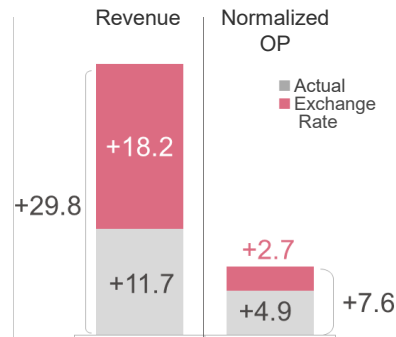
Exchange Rate - US Dollar



Forex Impact Q2 FY24 Actual (bn yen)



Forex Impact FY24 Forecast (bn yen)



Q2 FY2024 Results / Revisions of FY24 Forecast : Kyowa Kirin

(bn yen)	Q2 FY24 Actual	Q2 FY23 Actual	YoY	%
Revenue	233.0	199.2	33.8	16.9%
Normalized OP	41.1	36.1	5.0	13.7%

	FY24 New Forecast	FY23 Actual	YoY	%
Revenues	492.0	442.2	49.8	11.3%
Normalized OP	91.0	96.0	-5.0	-5.2%

FY24 Initial Forecast	Difference
473.0	19.0
82.0	9.0

Revenue of Global Strategic Products (bn yen)

	Crysvita		Poteligeo	
(bn yen)	Q2 FY24	Q2 FY23	Q2 FY24	Q2 FY23
Japan	5.4	4.8	1.0	0.9
North America	58.7	46.0	14.1	9.4
EMEA	25.4	15.3	3.9	3.1
APAC	1.3	0.6	—	—
Total	91.0	66.7	19.0	13.4

Read Kyowa Kirin's earnings
announcement there.

<https://ir.kyowakirin.com/en/library/earnings.html>



Q2 FY2024 Results: Blackmores

Yen base (bn yen)

	Q2 FY24 Actual	Q2 FY23 Actual	YoY	%
Revenues*	33.4	—	33.4	—
Australia, NZ	14.9	—	14.9	—
SEAK**	8.0	—	8.0	—
China	10.2	—	10.2	—
Normalized OP***	3.1	—	3.1	—

AUD base (million \$)

	Q2 FY24 Actual	Q2 FY23 Actual	YoY	%
	330	—	330	—
	147	—	147	—
	79	—	79	—
	101	—	101	—
	31	—	31	—

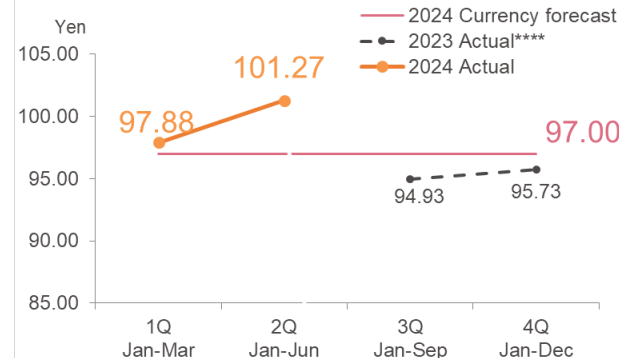
* As the consolidation of Blackmores started in Q3 of FY23, there are no Q1 and Q2 results for the previous year.

[Reference]

AUD base (million \$)

	Q2 FY24 Actual	Q2 FY23 Actual	%
Revenue*	330	320	3.0%
Australia, NZ	147	141	4.2%
SEAK**	79	93	-15.4%
China	101	84	20.0%

Exchange Rate - AU Dollar



* Total including other contracted manufacturing etc.

** Changed name from International to SEAK (South-East Asia plus Korea)

*** Includes amortization of intangibles and other assets due to PPA (Purchase Price Allocation and one-time costs)

**** Q3:Jul-Sep results, Q4:Jul-Dec results

Revisions of FY24 Forecast : Blackmores

Yen base (bn yen)

	FY24 New Forecast	FY23 (H2) Actual	YoY	%	FY24 Initial Forecast	Difference
Revenue*	68.9	32.0	37.0	115.6%	67.4	1.6
Normalized OP**	5.8	-0.5	6.3	-	5.8	0

• As the consolidation of Blackmores started in Q3 of FY23, there are no Q1 and Q2 results for the previous year.

AUD base (million \$)

	FY24 New Forecast	FY23 Actual	YoY	%	FY24 Initial Forecast	Difference
	711	334	377	112.7%	724	-13
	60	-5	65	-	62	-2

Estimated full-year rate: 97.00 yen (AUD)

[Reference]

AUD base (million \$)

	FY24 New Forecast	FY23 Actual	FY24 YoY %
Revenue*	711	654	8.7%
Australia, NZ	-	300	+ Mid single digit %
SEAK***	-	169	+ Mid single digit %
China	-	182	+ Double digit %

* Total including other contracted manufacturing etc.

** Includes amortization of intangibles and other assets due to PPA (Purchase Price Allocation and one-time costs)

*** Changed name from International to SEAK (South-East Asia plus Korea)

Performance of San Miguel Brewery

- Dividends received increased due to the impact of foreign exchange rates, despite a decrease in EBITDA due to the absence of temporary demand that occurred before the price revision in the previous year.

(million PHP)	October 2023 - March 2024		Same period of the previous year
	Actual	YoY %	Actual
Sales*	76,381	1.1%	75,578
Operating Income*	15,425	-1.9%	15,728
Operating Income Ratio	20.2%	-	20.8%
Depreciation & Amortization*	3,397	5.8%	3,212
EBITDA (Operating Income + Depreciation & Amortization, etc.)	18,822	-2.5%	19,309

* Based on local disclosure (Kirin Holdings Q2 FY24 financial results incorporation period: October 2023- March 2024)

Source: San Miguel Brewery Inc. Financial Highlights, Quarterly Reports

Equity-method Incorporation and Kirin Holdings' dividend income

(bn yen)	Q2 FY24	Q2 FY23	YoY %
Net income (SMB)	33.0	30.6	8%
Consolidated net income	15.7	14.9	5%
Dividends (bn yen)	12.0	10.9	10%
Cash dividends declared per share (pesos)	0.60	0.60	-

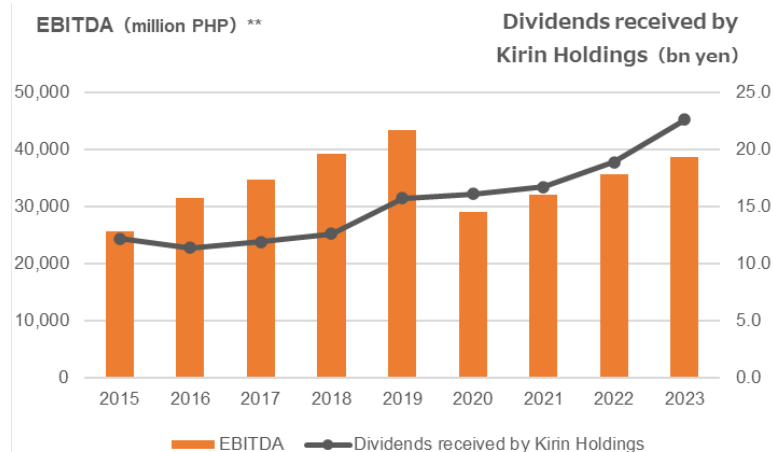
Exchange rate: 1 peso = 2.66 yen (previous year: 2.47 yen)

(Kirin Holdings FY24 financial results incorporation period: October 2023 - March 2024)

Dividends are recorded on a cash-in basis.

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EBITDA and Dividends Received



- Philippines GDP forecast for 2024 is about 6%***.
- Strong domestic demand is expected to drive growth and economic growth is expected to remain at a similar rate until around 2025***.
- San Miguel Brewery has over 90% market share in the Philippines.

** Based on local disclosure (Jan-Dec)

*** The World Bank forecast

Statement of Financial Position / Statement of Cash Flows

(bn yen)	Q2 FY24 Actual	Q4 FY23 Actual	YoY
Total assets	3,134.9	2,869.6	265.3
Total equity	1,588.3	1,425.8	162.5
Total liabilities	1,546.6	1,443.7	102.9
ROIC*	—	8.0	—
Gross Debt Equity Ratio	0.56	0.58	—
Net Debt / Normalized EBITDA **	—	1.79	—
PBR (Price book-value ratio) ***	1.3	1.5	—


Note

ROIC and Net Debt/Normalized EBITDA are only disclosed in Q4.

(bn yen)	Q2 FY24 Actual	Q2 FY23 Actual	YoY
CF from operating activities	108.7	58.9	49.8
CF from investing activities	-116.0	-56.0	-60.0
Free CF	-7.3	2.9	-10.3
CF from financing activities	-21.6	15.6	-37.1

* 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 EBITDA = Normalized operating profit + Depreciation and amortization※ + Dividends received from equity-accounted investees ※Depreciation and amortization exclude those from right-of-use assets.

*** Share price at the end of the period / (Profit attributable to owners of the Company / Number of shares outstanding at the end of the period (excluding treasury shares))

Statement of Financial Position

▶ **Total assets:** Increased by 265.3 billion yen from the end of the previous fiscal year to 3,134.9 billion yen, mainly due to an increase in inventories, property, plant and equipment, and goodwill and intangible assets resulting from the acquisition of Orchard Therapeutics plc.

▶ **Total equity:** Increased by 162.5 billion yen from the end of the previous fiscal year to 1,588.3 billion yen, mainly due to an increase in other components of equity resulting from the effect of exchange rate fluctuations.

▶ **Total liabilities:** Increased by 102.9 billion yen from the end of the previous fiscal year to 1,546.6 billion yen, mainly due to an increase in bonds and borrowings due to new borrowings.

▶ **Gross DE ratio:** Decreased from the end of the previous fiscal year due to a 14% increase in equity attributable to owners of the company while interest-bearing debt increased by 11%.

▶ **PBR:** Decreased from the end of the previous fiscal year due to a 0.3% increase in the closing share price at the end of the period while equity attributable to owners of the company increased by 14%.

Statement of Cash Flows

▶ **CF from operating activities:** Working capital inflows increased by 9.1 billion yen and income taxes paid increased by 10.6 billion yen.

▶ **CF from investing activities:** Proceeds from sales of property, plant and equipment and intangible assets amounted to 3.8 billion yen, and proceeds from sales of investments amounted to 1.6 billion yen. On the other hand, the purchase of property, plant and equipment and intangible assets increased by 9.4 billion yen from the same period last year to 68.5 billion yen, and the purchase of investments in subsidiaries resulted in an outflow of 48.2 billion yen.

▶ **CF from financing activities:** There were proceeds of 103.4 billion yen from long-term debt and an increase of 20.0 billion yen in commercial paper. On the other hand, there was an outflow of 53.6 billion yen for repayment of long-term debt and an outflow of 36.8 billion yen for dividend payments.

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