

# KIRIN HOLDINGS COMPANY, LIMITED

## SUMMARY OF CONSOLIDATED FINANCIAL RESULTS

### FOR THE YEAR ENDED DECEMBER 31, 2023 (UNDER IFRS)

#### (UNAUDITED)

February 14, 2024

(English Translation)

Fiscal year ended December 31, 2023

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

Code No.: 2503  
 Shares Listed: Tokyo  
 Representative: Mr. Yoshinori Isozaki, President and CEO  
 For further information, please contact: Mr. Hidefumi Matsuo,  
 General Manager of Finance Department  
 Telephone: +81-3-6837-7015 from overseas

Scheduled date of general meeting of shareholders held: March 28, 2024  
 Commencement date of dividend distribution scheduled: March 29, 2024  
 Submission date of securities report scheduled: March 28, 2024  
 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 current fiscal year

### (January 1, 2023 - December 31, 2023)

[Unit: Japanese yen (¥)]

(1) Results of operations:

(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 (%)
Fiscal year ended						
December 31, 2023	2,134,393	7.3	201,495	5.4	197,049	3.0
December 31, 2022	1,989,468	9.2	191,159	15.6	191,387	92.1

	Profit (¥ millions)	Percentage change (%)	Profit attributable to owners of the Company (¥ millions)	Percentage change (%)	Total comprehensive income (¥ millions)	Percentage change (%)
Fiscal year ended						
December 31, 2023	150,438	4.6	112,697	1.5	261,801	19.1
December 31, 2022	143,771	110.1	111,007	85.7	219,836	87.4

	Basic earnings per share (¥)	Diluted earnings per share (¥)	Ratio of profit to equity attributable to owners of the Company (%)	Ratio of profit before tax to total assets (%)	Ratio of normalized operating profit to revenue (%)
Fiscal year ended					
December 31, 2023	139.16	139.15	10.7	7.3	9.4
December 31, 2022	135.08	135.07	11.8	7.6	9.6

Reference: Share of profit of equity-accounted investees

Fiscal year ended December 31, 2023

Fiscal year ended December 31, 2022

¥32,773 million

¥22,780 million

Operating profit	Fiscal year ended December 31, 2023	¥150,294 million	29.5%
	Fiscal year ended December 31, 2022	¥116,019 million	70.4%
Ratio of operating profit to revenue	Fiscal year ended December 31, 2023	7.0%	
	Fiscal year ended December 31, 2022	5.8%	

\* 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 (¥ millions)	Total equity (¥ millions)	Equity attributable to owners of the Company (¥ millions)	Equity ratio attributable to owners of the Company (%)	Equity per share attributable to owners of the Company (¥)
As of					
December 31, 2023	2,869,585	1,425,838	1,132,581	39.5	1,398.47
December 31, 2022	2,542,263	1,253,203	980,022	38.5	1,210.16

## (3) Cash flows:

	Cash flows from operating activities (¥ millions)	Cash flows from investing activities (¥ millions)	Cash flows from financing activities (¥ millions)	Cash and cash equivalents at end of year (¥ millions)
Fiscal year ended December 31, 2023	203,206	(226,091)	35,909	131,399
Fiscal year ended December 31, 2022	135,562	(10,399)	(167,835)	88,060

## 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 ended December 31, 2023	—	34.50	—	36.50	71.00
Fiscal year ending December 31, 2024 (Forecast)	—	35.50	—	35.50	71.00

	Total amount of dividends (¥ millions)	Dividend pay-out ratio (%)	Ratio of dividends to equity attributable to owners of the Company (%)
Fiscal year ended December 31, 2022	56,381	51.1	6.0
Fiscal year ended December 31, 2023	57,637	51.0	5.4
Fiscal year ending December 31, 2024 (Forecast)		43.9	

## 3. Forecast consolidated business results for the next fiscal year (January 1, 2024 - December 31, 2024)

(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, 2024	2,270,000	6.4	202,000	0.3	219,000	11.1

	Profit (¥ millions)	Percentage change (%)	Profit attributable to owners of the Company (¥ millions)	Percentage change (%)	Basic earnings per share (¥)
Fiscal year ending December 31, 2024	161,000	7.0	131,000	16.2	161.75
Reference: Operating profit			Fiscal year ending December 31, 2024		¥185,000 million 23.1%

## \* Notes

- (1) Changes in significant subsidiaries for the fiscal year ended December 31, 2023 Yes  
(Changes in specified subsidiaries accompanying change in scope of consolidation):

Newly included: 3 companies

Blackmores Limited  
Kirin Health Science Australia Pty Ltd  
Kirin Holdings Australia Pty Ltd

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: Yes

Note: For details, please see “NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CHANGES IN ACCOUNTING POLICIES)” and “NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CHANGES IN ACCOUNTING ESTIMATES)” on page 19.

- (3) Number of shares outstanding (ordinary shares)

- i. Number of shares outstanding at the end of the period (including treasury shares)
- |                         |                    |
|-------------------------|--------------------|
| As of December 31, 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 December 31, 2023 | 104,126,200 shares |
| As of December 31, 2022 | 104,171,578 shares |
- iii. Average number of shares during the period
- |   |                    |
|---|--------------------|
| For the fiscal year ended December 31, 2023 | 809,853,429 shares |
| For the fiscal year ended December 31, 2022 | 821,755,308 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 December 31, 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 consolidated financial results is not subject to audit 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, Wednesday, February 14, and will post the presentation materials from the financial results presentation to be held on Thursday, February 15, 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

### INDEX

1. KIRIN GROUP'S CURRENT BUSINESS PERFORMANCE.....	2
(1) STATEMENT OF BUSINESS ACTIVITIES AND RESULTS.....	2
(2) FINANCIAL POSITION.....	8
(3) BASIC POLICY AND DISTRIBUTION OF PROFITS AND DIVIDEND FOR 2023 AND 2024.....	9
2. BASIC RATIONALE FOR SELECTION OF ACCOUNTING STANDARDS.....	10
3. CONSOLIDATED FINANCIAL STATEMENTS.....	11
(1) CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	11
(2) CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME.....	13
CONSOLIDATED STATEMENT OF PROFIT OR LOSS.....	13
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME.....	14
(3) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	15
(4) CONSOLIDATED STATEMENT OF CASH FLOWS.....	17
(5) NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.....	19
(GOING CONCERN ASSUMPTION).....	19
(CHANGES IN ACCOUNTING POLICIES).....	19
(CHANGES IN ACCOUNTING ESTIMATES).....	19
(SEGMENT INFORMATION).....	19
(PER SHARE INFORMATION).....	23
(SIGNIFICANT SUBSEQUENT EVENTS).....	24
(ADDITIONAL INFORMATION).....	25
4. OTHER.....	26
CHANGES OF REPRESENTATIVE DIRECTORS AND BOARD MEMBERS.....	26

## 1. KIRIN GROUP'S CURRENT BUSINESS PERFORMANCE

### 1) STATEMENT OF BUSINESS ACTIVITIES AND RESULTS

In 2023, COVID-19 was moved to Category 5 under the Infectious Diseases Control Law in Japan, and social and working life has changed once again. People's mobility has become more active, and cities are becoming more lively. Meanwhile, geopolitical risks have increased in various regions of the world, and global inflation and exchange rate fluctuations have continued. In addition, the risk of new infectious diseases is increasing due to global warming, and IT technologies, including generative AI, are rapidly evolving.

Since its founding, the Kirin Group has consistently focused on fermentation and biotechnology as its core technologies, and continues to evolve into a corporate group that is unique, with strengths not only in alcoholic beverages and non-alcoholic beverages businesses, but also in pharmaceuticals businesses.

Backed by this core technology, we have been working since 2019 on the health science business utilizing distinctive materials such as *Lactococcus lactis* strain Plasma (LC-Plasma)\*1.

We will use the strengths of the Kirin Group to solve not only health and well-being issues, but also other issues facing society, while at the same time creating economic value as a company and maximizing corporate value.

In 2023, the Kirin Group steadily produced results even in an environment of increasing uncertainty. Under the Long-Term Management Vision Kirin Group Vision 2027 (KV2027), the Kirin Group promoted the increase of profits in the Food & Beverages domain, the strengthening of the global foundation in the Pharmaceuticals domain, and the expansion of the Health Science domain in order to achieve the goals of the Kirin Group 2022-2024 Medium-Term Business Plan (2022 MTBP).

In 2023, we pushed forward with the following initiatives to enhance our ability to execute toward the achievement of KV2027.

#### 1. Food & Beverages Domain

In the Alcoholic beverages and Non-alcoholic beverages business, Kirin Holdings worked to strengthen its mainstay brands in Japan and overseas and expand high-value-added products to nurture new growth engines. In addition, we responded to the severe environment, including soaring raw material prices, by cutting costs and revising prices, and worked to improve profitability.

#### 2. Pharmaceuticals Domain

Kyowa Kirin Co., Limited focused on maximizing the value of global strategic products. In addition, we worked to strengthen our foundation for sustainable growth as a Japan-based global specialty pharmaceutical company\*2, including signing an agreement to acquire shares of Orchard Therapeutics plc (Orchard Therapeutics), a UK-based biopharmaceutical company, in order to expand our next-generation pipeline and meet future medical needs.

#### 3. Health Science Domain

Centered on the LC-Plasma-related business, we expanded the scale of our business through aggressive development of our own group products such as non-alcoholic beverages and supplements, as well as through product development by external partner companies. In addition, we acquired shares in Blackmores Limited (Blackmores), an Australian company that develops health food (natural health) businesses, including supplements in the Asia-Pacific region, thereby strengthening our structure to accelerate the growth of our Health Science domain.

1 A lactic acid bacterium that supports the maintenance of immune function in healthy people. Named after plasmacytoid dendritic cells (pDCs), which are immune cells, the Kirin Group has published many papers and presented at many conferences in collaboration with universities and research institutions in Japan and overseas.

2 A pharmaceutical company that continuously creates, develops, and markets innovative new drugs on a global scale by utilizing cutting-edge biotechnology.

We have achieved many results in terms of ESG and won high acclaim both domestically and internationally.

The Environmental Report 2023, published in July was recognized as a pioneering effort by investors and other stakeholders around the world for its example of integrated disclosure of environmental management information on the TCFD\*3 and TNFD\*4.

Kirin Brewery Company, Limited achieved 100% renewable energy for purchased electricity at all of its breweries and sales offices in Japan\*5. At Mercian Corporation, the Château Mercian Mariko Vineyard was officially recognized by the Ministry of the Environment as a socio-ecological production landscapes and seascapes site

(SEPLS) that contributes to the 30 by 30 Alliance for Biodiversity (30by30)\*6 global goal of halting and restoring biodiversity loss..

In the Health Science domain, Kirin Holdings was highly acclaimed for its contribution to society through the discovery and commercialization of LC-Plasma, and the company received the Imperial Invention Award\*7 at the 2023 National Commendation for Invention, the first time in 59 years for a food company and the first for a health and well-being ingredient.

In addition, the company received the highest ranking in the 7th Nikkei Smart Work Management Survey for the seventh consecutive year. This was in recognition of the diverse and flexible work styles and employee engagement areas. In the 5th Nikkei SDGs Management Survey, we also received the highest ranking for the fifth consecutive year. This award was given in recognition of the results of our efforts to create economic value through our business, sustainable resource utilization, and biodiversity initiatives conservation through our business activities.

- 3 Taskforce on Climate-related Financial Disclosures
- 4 Abbreviation of Taskforce on Nature-related Financial Disclosures, an international initiative that requires financial institutions and corporations to disclose information on business opportunities and risks in terms of natural capital and biodiversity
- 5 Achieved in January 2024
- 6 This goal was agreed upon in the G7 2030 Nature Compact and adopted as a new global goal at the 15th Conference of the Parties (COP15) to the UN Convention on Biological Diversity in December 2022, which aims to effectively conserve at least 30% of the land and oceans as healthy ecosystems by 2030.
- 7 The awards are given to inventions, devices, and designs that have made significant contributions to the advancement of science and technology and the development of industry, as well as to inventions that are expected to make significant contributions in the future.

Consolidated revenue	2,134.4 billion yen	up 7.3%
Consolidated normalized operating profit	201.5 billion yen	up 5.4%
Consolidated profit before tax	197.0 billion yen	up 3.0%
Consolidated profit attributable to owners of the Company	112.7 billion yen	up 1.5%
(Key performance indicators)		
ROIC	8.0%	
Normalized EPS*	177 yen	up 3.5%

Normalization: Non-recurring items such as Other operating income or expenses, etc. have been removed to more accurately reflect actual earnings.

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

Results by segment are as follows.

### **Japan Beer and Spirits Business: Kirin Brewery Company, Limited (Kirin Brewery)**

In the domestic alcoholic beverages market, amid the impact of soaring raw material prices, many companies proceeded with price revisions to secure profitability. Liquor tax revisions and price revisions in October led to a reduction in the price gap between beer and other alcoholic beverages such as happoshu and new genre\*8 products. As a result, the beer category was brisk.

Kirin Brewery saw strong sales of its mainstay brand KIRIN ICHIBAN and the health-conscious KIRIN ICHIBAN Zero Sugar,\*9 which were both renewed, and in addition to the firm (market) performance and the recovery of the on-premise market also provided a tailwind, and overall sales volume of the KIRIN ICHIBAN brand increased by 5% from the previous year.

In the craft beer category, a new growth engine, we strengthened the lineup by launching SPRING VALLEY Japan Ale [Aroma] from the SPRING VALLEY brand and SPRING VALLEY Afterdark [Black], a limited edition product. We also worked with distributors and craft beer makers to expand sales outlets for craft beer. In the on-premise market, we expanded the number of outlets handling Tap Marché, a beer server for restaurants, to provide customers with opportunities to experience craft beer.

Kirin Brewery's whiskey production began in 1973 when the FUJI GOTEMBA DISTILLERY started operation, and we celebrated its 50th anniversary in 2023. FUJI, our flagship brand, has expanded its sales performance by 2.7 times over the previous year, and we expanded overseas, increasing the number of European countries FUJI is sold in.

In the RTD\*10 category, the mainstay Kirin Hyoketsu brand sold well. In particular, sales of the Kirin Hyoketsu Sugar Free series grew significantly, up 35% from the previous year, with the annual sales target being achieved in October. In addition, Kirin Jojo Shochu Soda, a high value-added RTD product, was launched in October, cultivating new demand as an RTD that goes well with meals.

8 Classification under the Liquor Tax Law has been changed to happoshu (2) effective October 1, 2023.

9 According to food labeling standards products containing less than 0.5g of sugar per 100ml can be labeled “zero sugar.”

10 Abbreviation for Ready to Drink, a canned cocktail.

Japan Beer and Spirits Business 2023 results:

Consolidated revenue	684.9 billion yen	up 3.2%
Consolidated normalized operating profit	77.7 billion yen	up 4.1%

### Japan Non-alcoholic Beverages Business: Kirin Beverage Company, Limited (Kirin Beverage)

Despite the environment in the domestic non-alcoholic beverages market being difficult due to soaring raw material prices, summer demand and the health market expanded due to the extremely hot summer and growing health and well-being awareness.

In the Kirin Gogo-no-Kocha brand, we renewed the mainstay Kirin Gogo-no-Kocha to increase summer demand. In addition, we strengthened our unsweetened black tea lineup with the launch of Kirin Gogo-no-Kocha Oishii Muto Milk Tea, resulting in a 2% increase in overall sales of the Kirin Gogo-no-Kocha brand compared to the previous year. From the Kirin Nama-cha brand, Kirin Nama-cha Rich was launched in September and sold more than 10 million bottles in the first two weeks of sales.

In the Health Science domain, where we are focusing our efforts, we introduced a variety of products to the market, centered on non-alcoholic beverages containing LC-Plasma, to meet the needs of consumers and to make immune care a habit. The newly launched Kirin Oishii Immune Care series, which also includes Kirin Oishii Immune Care Calorie-Off and Kirin Oishii Immune Care Sleep, increased sales volume of small-volume PET bottled non-alcoholic beverages by 3.4 times over the previous year compared to the same container from 2022 for the small volume PET bottled beverage. In addition, the iMUSE brand was strengthened in November with the renewal of the well-received Kirin iMUSE Yogurt Taste, in preparation for winter, when health and well-being awareness is on the rise. As a result of these efforts, sales volume of LC-Plasma beverages increased significantly, up 35% from the previous year.

With FANCL CORPORATION we created synergies through the joint development of KIRIN x FANCL Calolimit Apple Sparkling and KIRIN x FANCL Calolimit Blended Tea and other products.

Japan Non-alcoholic Beverages Business 2023 results:

Consolidated revenue	255.0 billion yen	up 4.8%
Consolidated normalized operating profit	16.9 billion yen	down 10.1%

### Oceania Adult Beverages Business: Lion Pty Limited (Lion)

In the Australian alcoholic beverages market, the impact of COVID-19 has subsided, and inflation remained at a high level. In this environment, Lion Pty Ltd. worked to strengthen its mainstay brands, and as a result, sales of Hahn, which meets increasing health consciousness and well-being needs were strong, as were sales of "XXXX" (pronounced “four-ex”) and other products.

In the growing RTD category, Kirin Brewery began manufacturing the Kirin Hyoketsu brand in Australia and began selling it in Australia and New Zealand.

In the craft beer business, our focus in North America, sales remained strong due to continued strong sales of New Belgium Brewing Company's Voodoo Ranger and the effect of the integration of Bell's Brewery and New Belgium Brewing Company.

Oceania Adult Beverages Business 2023 results:

Consolidated revenue	281.0 billion yen	up 9.8%
Consolidated normalized operating profit	32.4 billion yen	up 2.7%

## Pharmaceuticals Business: Kyowa Kirin Co., Ltd. (Kyowa Kirin)

In 2023, the third year of the company's 2021-2025 Medium-Term Business Plan, Kyowa Kirin continued its efforts for growth as a Japan-based global specialty pharmaceutical company.

The global strategic product Crysvida\*11 began sales in North America and showed steady growth with a 20% increase over the previous year.

Regarding the development pipeline, KHK4083 (generic name: rocatinlimab\*12) and other products are progressing well, while the development of RTA 402\*13, has been ceased. In addition, in order to strengthen our ability to create new drugs in the future, we signed an agreement to acquire shares of Orchard Therapeutics plc (Orchard Therapeutics), which has products and product development using hematopoietic stem cell gene therapy\*14 and establishes a platform necessary for the business.

- 11 A drug for the treatment of rare diseases that cause disorders of bone growth and metabolism mainly due to genetic causes. In Japan, it is marketed under the CRYSVITA product name.
- 12 A drug for the treatment of atopic dermatitis. Clinical trials for asthma are also planned.
- 13 Developed for the treatment of Alport syndrome, diabetic kidney disease, and autosomal dominant polycystic kidney disease. Kyowa Kirin announced the discontinuation of development in May 2023.
- 14 This treatment for diseases caused by abnormal genes aims to restore normal function by introducing normal genes into hematopoietic stem cells taken from patients and returning them to the body.

Pharmaceuticals Business 2023 results:

Consolidated revenue	441.9 billion yen	up 11.1%
Consolidated normalized operating profit	96.0 billion yen	up 16.4%

## Other Businesses

### ■ KYOWA HAKKO BIO CO., LTD. (Kyowa Hakko Bio)

Kyowa Hakko Bio focused on specialty materials and undertook structural reforms to improve profitability. Sales of overseas-sold Cognizin\*15 for use in health and well-being foods remained strong, and regulatory approvals for human milk oligosaccharides (HMOs)\*16, progressed in the countries where we plan to expand. On the other hand, the business environment remained challenging, particularly in the amino acid business, due to intensifying competition in the market and soaring raw material and fuel prices.

- 15 Brand name for Citicoline. An ingredient found in the body that maintains the cell membranes of the brain and nerve cells, and has been used for many years around the world in medicines for brain diseases and health foods that support the improvement of cognitive functions. In Japan, it is currently classified as a pharmaceutical product.
- 16 A generic term for oligosaccharides contained in breast milk. More than 200 kinds are contained in breast milk, and the results of research contributing to immunity and brain function, among others, have been reported.

### ■ Mercian Corporation (Mercian)

Mercian continued to nurture its own highly profitable brands while its mainstay wine business was severely affected by the impact of the weak yen on imported wines and raw materials.

In the Château Mercian Japan wine category, Château Mercian Mariko Winery won the highest ranking in Asia in the "World's Best Vineyards 2023" competition and began exporting its wines to Italy.

Under the Mercian Wines brand, the sparkling wine Cantiamo and the small-volume size Sunnyside Organic Sparkling Can were launched and sold well.

### ■ Coca-Cola Beverages Northeast, Inc. (Coke Northeast) \*17

In the non-alcoholic beverages market in the U.S., consumption remained firm even as prices continued to rise due to inflation. At Coke Northeast\*17, sales of mainly carbonated non-alcoholic beverages and premium mineral water remained steady. In addition, operational reforms, including structural reforms at facilities and distribution centers and the introduction of ICT, as well as the effects of price revisions, further improved the high profitability of the company.

- 17 Company that operates a soft drink manufacturing and sales business in the northeastern United States, centered on Coca-Cola bottling.



## <Outlook for 2023>

Conflicts continue to rage in many parts of the world, negatively impacting social and economic life. Although the four-year-long COVID-19 crisis is coming to an end, outbreaks of infectious diseases are inevitable in the future. The environment is becoming more complex with the increasing severity of global warming. It is precisely in times like these that the Kirin Group will face social issues head-on and practice CSV management, which creates economic value while solving problems, in order to contribute to a sustainable society and pursue sustainable growth for the Kirin Group. In the Food & Beverages domain, the Pharmaceuticals domain, and the Health Science domain, in particular, we will promote a global business structure with the addition of Blackmores Limited.

The Kirin Group's growth is supported by organizational capabilities, including: human resources, ICT, in addition to technological capabilities based on fermentation and biotechnology.

With regard to human resources, we aim to develop human resources with expertise and diversity through diverse business experience in the Kirin Group's business portfolio, while at the same time fostering an organizational culture that will continue to generate innovation.

In regard to respect for human rights initiatives, under the revised Kirin Group Human Rights Policy, we are promoting human rights due diligence, an integrated approach that includes identification of negative human rights impacts in the value chain, including raw material suppliers, prevention and reduction of such impacts, monitoring, and information disclosure.

In the area of ICT, we will promote business process reform and efficiency improvement through the use of digital technologies such as generative AI in various fields such as sales, product development, procurement, production, and logistics.

Through these efforts, we aim to achieve our financial targets of Normalized EPS and ROIC, as well as achieve our non-financial targets for the environment, health and well-being, and employees.

Beginning in FY2024, the business segments will be renamed Alcoholic beverages business, Non-alcoholic beverages business, Pharmaceuticals Business, Health Science business, and Other businesses.

### Consolidate Earnings Forecasts for the Fiscal Year 2024:

Consolidated revenue	2,270.0 billion yen	up 6.4%
Consolidated normalized operating profit	202.0 billion yen	up 0.3%
Consolidated profit before tax	219.0 billion yen	up 11.1%
Consolidated profit attributable to owners of the Company	131.0 billion yen	up 16.2%
(Key performance indicators)		
ROIC	8.0%	
Normalized EPS*	177 yen	—

## 1. Food & Beverages Domain (Alcoholic beverages and Non-alcoholic beverages businesses)

In the Food & Beverages domain, we will continue to establish a strong brand system centered on our mainstay brands and work to increase profitability by nurturing high-value-added, high-unit-price products.

Kirin Brewery will propose the appeal and enjoyment of the brand with a diverse lineup centered on KIRIN ICHIBAN. Honkirin will be renewed, and we will continue to communicate the brand's value. We will also aim to establish a strong brand lineup by launching a new brand in the beer category this spring.

We will also continue our efforts to expand our craft beer offerings, with the renewal of the SPRING VALLEY brand in March to provide more opportunities for people to become more familiar with beer and to communicate the diverse ways in which beer can be enjoyed. In addition, the brand's SPRING VALLEY BREWERY TOKYO (Shibuya-ku, Tokyo) will be completely renovated to provide an opportunity for customers to casually experience craft beer. Through these efforts, we will work to steadily grow the business and brand by providing new value. Kirin Beverage will work to revitalize the black tea category and make the unsweetened tea category more attractive by developing high value-added products from the Kirin Gogo-no-Kocha and Kirin Nama-cha brands. In April, we will renew Kirin Nama-cha to strengthen the brand. We will also continue to focus on LC-Plasma-containing beverages. In addition to the renewal of Oishii Immune Care and Oishii Immune Care Calorie Off, we aim to expand the "immune care" market by introducing new products that meet consumers' lifestyles and needs and further promote the "immune care" habit.

Lion will focus on strengthening its brands, including its flagship beer brand XXXX (four-ex) in Australia and

Kirin Hyoketsu, which is newly launched in Australia and New Zealand. Lion will also continue to expand its craft beer business in Australia and North America.

Mercian will focus its efforts on its Château Mercian Japanese wine products to strengthen profitability.

Coke Northeast will maintain a highly profitable structure by utilizing IT to increase supply chain productivity while achieving sales growth.

## **2. Pharmaceuticals Domain (Pharmaceuticals Business)**

Kyowa Kirin aims to achieve further growth of its global strategic products, Crysvida and Poteligeo\*1. In addition, Kyowa Kirin will make steady progress in the global development of its key pipeline products, KHK4083 (generic name: rocatinlimab) and KHK4951 (generic name: tivozanib)\*2, and move forward with integration and collaboration with Orchard Therapeutics.

- 1 A drug for the treatment of certain types of leukemia. It is already marketed in Japan under the POTELIGEO brand name.
- 2 This product was developed for the treatment of exudative age-related macular degeneration (a disease in which abnormal vascularization occurs in the macula, where photoreceptor cells are closely connected, causing rapid vision loss) and diabetic macular edema (a complication of a disease in which the retina is damaged due to high blood sugar, resulting in damage to capillaries in the macula, which causes edema in the macula and vision loss).

## **3. Health Science Domain (Health Science business)**

After COVID-19, people are becoming more health and well-being conscious. We will further enhance the Group's strengths in consumer-centric marketing expertise and value-creating technologies, and promote global expansion with a focus on the Asia-Pacific region. We will establish a unique business model for the entire Kirin Group by leveraging the brand power of Blackmores Limited and FANCL CORPORATION.

In Japan, we will continue to work on expanding "immune care" needs in 2024 and aim to grow the "LC-Plasma" related business. With FANCL CORPORATION, we will expand group synergies by developing the CALOLIMIT brand in Kirin Group companies, improving efficiency by sharing know-how in the e-commerce business, and promoting joint research.

Overseas, we will strengthen our position in the growing market of Southeast Asia, centered on the Australia-based Blackmores. Kyowa Hakko Bio will also promote the development of products utilizing LC-Plasma.

### **In Closing**

In 2024, the final year of the 2022-2024 MTBP, the Kirin Group will further enhance its ability to execute its strategies through the challenge and ingenuity of all Group employees, and move forward to become one of the world's leading CSV companies. We will further enhance our ability to execute our strategies through the challenge and ingenuity of all Group employees and move forward to become a world leader in CSV.

We look forward to the continued understanding and support of our shareholders.

## **(2) FINANCIAL POSITION**

Total assets at the end of the current consolidated fiscal year were 2,869.6 billion yen, an increase of 327.3 billion yen from the end of the previous consolidated fiscal year mainly due to an increase in goodwill and intangible assets due to the acquisition of Blackmores Limited.

Equity increased by 172.6 billion yen from the end of the previous consolidated fiscal year to 1,425.8 billion yen mainly due to an increase in reserves due to foreign exchange fluctuations.

Liabilities increased by 154.7 billion yen from the end of the previous consolidated fiscal year to 1,443.7 billion yen mainly due to an increase in bonds and borrowings (Non-current liabilities) due to the acquisition of Blackmores Limited.

The balance of cash and cash equivalents (hereinafter referred to as “net cash”) at the end of the current consolidated fiscal year was 131.4 billion yen, an increase of 43.3 billion yen from the end of the previous consolidated fiscal year. Consolidated cash flows were as follows:

### Cash flows from operating activities

Net cash provided by operating activities increased by 67.6 billion yen year on year to 203.2 billion yen. Outflow of working capital decreased by 14.9 billion yen, and income taxes paid decreased by 32.2 billion yen.

### Cash flows from investing activities

Net cash used in investing activities increased by 215.7 billion yen year on year to 226.1 billion yen. There was an inflow of 24.0 billion yen for sale of equity-accounted investees and 8.0 billion yen for sale of shares of subsidiaries, while there was an outflow of 162.1 billion yen for acquisition of subsidiaries and 113.8 billion yen for acquisition of property, plant and equipment and intangible assets, representing an increase by 15.3 billion yen year on year.

### Cash flows from financing activities

Net cash from (used in) financing activities was an inflow of 35.9 billion yen compared to an outflow of 167.8 billion yen in the previous consolidated fiscal year. There was an outflow of 71.2 billion yen for dividends paid, 63.5 billion yen for repayment of long-term borrowings, 55.0 billion yen for payment for redemption of bonds, and 18.6 billion yen for repayment of lease liabilities, while there were proceeds of 171.5 billion yen from long-term borrowings and 93.0 billion yen from issuance of bonds.

### **(3) BASIC POLICY AND DISTRIBUTION OF PROFITS AND DIVIDEND FOR 2023 AND 2024**

Based on the capital policy formulated in the 2022-2024 MTBP, Kirin will allocate resources to its businesses and distribute profits to its shareholders as set out below.

Regarding resource allocation to businesses, giving top priority to investments that contribute to further developing businesses with a focus on the Health Science domain, Kirin will make investments that contribute to enhancement of existing businesses and profit improvement. Kirin will also implement a stable and continuous allocation of resources to intangible assets (such as brands, research and development, information and communication technology (ICT), and human resources) that sustain the growth of future cash flows. Kirin will take a disciplined approach to investments in terms of maintaining and improving the Kirin Group's capital efficiency.

Kirin also views the appropriate distribution of profits to shareholders as a key management matter. Kirin has stably and continuously provided dividends based on a consolidated dividend payout ratio on normalized EPS of at least 40%. In addition, Kirin will consider opportunities to acquire treasury shares as additional shareholder returns, comprehensively taking into account various factors including optimum capital structure, market conditions and reserve funds after investments.

With regard to the distribution of surplus funds for 2023, based on a consolidated dividend payout ratio on normalized EPS of at least 40%, Kirin's Board of Directors made a resolution for an interim dividend of 34.5 yen per share and a year-end dividend of 36.5 yen per share, for an annual dividend totaling 71 yen per share (an increase of 2 yen per share from the previous year). The year-end dividend will be determined at the 185th General Meeting of Shareholders scheduled for March 28, 2024.

Regarding the distribution of surplus funds for 2024, Kirin aims for a consolidated dividend payout ratio on normalized EPS of at least 40%, and plans to pay a full-year dividend of 71 yen per share.

## **2. BASIC RATIONALE FOR SELECTION OF ACCOUNTING STANDARDS**

The Kirin Group has adopted International Financial Reporting Standards (“IFRS”) from the fiscal year ended December 31, 2017 to enhance the international comparability of its financial information in the capital markets.

### 3. CONSOLIDATED FINANCIAL STATEMENTS

#### (1) CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(¥ millions)

	At December 31, 2022	At December 31, 2023
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	560,642	592,928
Goodwill	289,526	390,568
Intangible assets	200,900	303,540
Equity-accounted investees	361,764	370,720
Other financial assets	103,380	105,346
Other non-current assets	27,700	39,340
Deferred tax assets	111,330	109,322
<b>Total non-current assets</b>	<b>1,655,242</b>	<b>1,911,764</b>
<b>Current assets</b>		
Inventories	290,171	330,984
Trade and other receivables	409,168	444,940
Other financial assets	8,376	8,944
Other current assets	41,128	37,552
Cash and cash equivalents	88,060	131,399
(Sub-total)	836,903	953,818
Assets held for sale	50,117	4,004
<b>Total current assets</b>	<b>887,021</b>	<b>957,821</b>
<b>Total assets</b>	<b>2,542,263</b>	<b>2,869,585</b>

(¥ millions)

	At December 31, 2022	At December 31, 2023
<b>Equity</b>		
Share capital	102,046	102,046
Share premium	25,519	21,150
Retained earnings	1,063,823	1,128,541
Treasury shares	(251,788)	(251,675)
Reserves	40,423	132,519
Equity attributable to owners of the Company	980,022	1,132,581
Non-controlling interests	273,181	293,257
<b>Total equity</b>	<b>1,253,203</b>	<b>1,425,838</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Bonds and borrowings	408,662	555,725
Other financial liabilities	129,662	82,914
Defined benefit liability	58,084	55,228
Provisions	3,292	4,316
Liabilities from application of equity method	15,529	13,966
Other non-current liabilities	27,572	19,921
Deferred tax liabilities	13,564	38,871
<b>Total non-current liabilities</b>	<b>656,365</b>	<b>770,941</b>
<b>Current liabilities</b>		
Bonds and borrowings	114,459	100,673
Trade and other payables	265,185	306,670
Other financial liabilities	59,824	61,720
Current tax liabilities	4,611	9,687
Provisions	2,970	4,153
Other current liabilities	177,530	189,904
(Sub-total)	624,579	672,806
Liabilities directly associated with assets held for sale	8,116	—
<b>Total current liabilities</b>	<b>632,695</b>	<b>672,806</b>
<b>Total liabilities</b>	<b>1,289,060</b>	<b>1,443,747</b>
<b>Total equity and liabilities</b>	<b>2,542,263</b>	<b>2,869,585</b>

**(2) CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

(¥ millions)

	Year ended December 31, 2022	Year ended December 31, 2023
Revenue	1,989,468	2,134,393
Cost of sales	1,083,755	1,170,927
Gross profit	905,713	963,466
Selling, general and administrative expenses	714,554	761,971
Normalized operating profit	191,159	201,495
Other operating income	29,454	28,835
Other operating expenses	104,594	80,036
Operating profit	116,019	150,294
Finance income	10,978	9,035
Finance costs	6,478	10,523
Share of profit of equity-accounted investees	22,780	32,773
Gain on sale of equity-accounted investees	48,088	15,470
Profit before tax	191,387	197,049
Income tax expense	47,615	46,611
Profit	143,771	150,438
Profit attributable to:		
Owners of the Company	111,007	112,697
Non-controlling interests	32,764	37,741
Profit	143,771	150,438
Earnings per share (¥)		
Basic earnings per share	135.08	139.16
Diluted earnings per share	135.07	139.15



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(¥ millions)

	Year ended December 31, 2022	Year ended December 31, 2023
Profit	143,771	150,438
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	1,937	7,854
Remeasurements of defined benefit plans	5,126	6,273
Share of other comprehensive income of equity-accounted investees	694	(1,504)
Items that are or may be reclassified to profit or loss		
Foreign currency translation differences on foreign operations	48,639	93,125
Cash flow hedges	(1,600)	(1,100)
Share of other comprehensive income of equity-accounted investees	21,269	6,715
Total other comprehensive income	76,065	111,362
Comprehensive income	219,836	261,801
Comprehensive income attributable to:		
Owners of the Company	189,195	214,321
Non-controlling interests	30,641	47,480
Comprehensive income	219,836	261,801

**(3) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Year ended December 31, 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	—	—	111,007	—	—	—
Other comprehensive income	—	—	—	—	1,881	5,386
Comprehensive income	—	—	111,007	—	1,881	5,386
Dividends from surplus	—	—	(53,778)	—	—	—
Acquisition of treasury shares	—	—	—	(50,018)	—	—
Disposal of treasury shares	—	(0)	—	1	—	—
Share-based payments	—	229	(1)	30	—	—
Changes in the ownership interest in a subsidiary without a loss of control	—	186	—	—	—	—
Transfer from reserves to retained earnings	—	—	8,419	—	(3,033)	(5,386)
Other	—	—	—	—	—	—
Total transactions with owners of the Company	—	415	(45,361)	(49,987)	(3,033)	(5,386)
Balance at December 31, 2022	102,046	25,519	1,063,823	(251,788)	16,826	—

	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	—	—	—	111,007	32,764	143,771
Other comprehensive income	72,520	(1,598)	78,188	78,188	(2,124)	76,065
Comprehensive income	72,520	(1,598)	78,188	189,195	30,641	219,836
Dividends from surplus	—	—	—	(53,778)	(11,688)	(65,466)
Acquisition of treasury shares	—	—	—	(50,018)	—	(50,018)
Disposal of treasury shares	—	—	—	1	—	1
Share-based payments	—	—	—	257	(196)	62
Changes in the ownership interest in a subsidiary without a loss of control	—	—	—	186	632	818
Transfer from reserves to retained earnings	—	—	(8,419)	—	—	—
Other	—	—	—	—	(20)	(20)
Total transactions with owners of the Company	—	—	(8,419)	(103,352)	(11,271)	(114,623)
Balance at December 31, 2022	24,585	(988)	40,423	980,022	273,181	1,253,203

Year ended December 31, 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	—	—	112,697	—	—	—
Other comprehensive income	—	—	—	—	7,318	4,503
Comprehensive income	—	—	112,697	—	7,318	4,503
Dividends from surplus	—	—	(57,500)	—	—	—
Acquisition of treasury shares	—	—	—	(21)	—	—
Disposal of treasury shares	—	(0)	—	2	—	—
Change in scope of consolidation	—	—	—	—	—	—
Share-based payments	—	220	(7)	132	—	—
Changes in the ownership interest in a subsidiary without a loss of control	—	(4,589)	—	—	—	—
Transfer from reserves to retained earnings	—	—	9,528	—	(5,025)	(4,503)
Total transactions with owners of the Company	—	(4,369)	(47,978)	113	(5,025)	(4,503)
Balance at December 31, 2023	102,046	21,150	1,128,541	(251,675)	19,119	—

	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	—	—	—	112,697	37,741	150,438
Other comprehensive income	90,077	(275)	101,624	101,624	9,739	111,362
Comprehensive income	90,077	(275)	101,624	214,321	47,480	261,801
Dividends from surplus	—	—	—	(57,500)	(13,742)	(71,242)
Acquisition of treasury shares	—	—	—	(21)	—	(21)
Disposal of treasury shares	—	—	—	1	—	1
Change in scope of consolidation	—	—	—	—	(18,726)	(18,726)
Share-based payments	—	—	—	346	(117)	229
Changes in the ownership interest in a subsidiary without a loss of control	—	—	—	(4,589)	5,181	592
Transfer from reserves to retained earnings	—	—	(9,528)	—	—	—
Total transactions with owners of the Company	—	—	(9,528)	(61,762)	(27,403)	(89,166)
Balance at December 31, 2023	114,662	(1,263)	132,519	1,132,581	293,257	1,425,838

**(4) CONSOLIDATED STATEMENT OF CASH FLOWS**

(¥ millions)

	Year ended December 31, 2022	Year ended December 31, 2023
Cash flows from operating activities		
Profit before tax	191,387	197,049
Depreciation and amortization	85,937	87,227
Impairment losses	66,200	29,987
Gain on reversal of impairment losses	(13,152)	(64)
Interest and dividends received	(4,497)	(4,120)
Share of profit of equity-accounted investees	(22,780)	(32,773)
Interest paid	4,894	5,932
Gain on sale of property, plant and equipment and intangible assets	(9,512)	(6,119)
Loss on disposal and sale of property, plant and equipment and intangible assets	4,571	2,616
Gain on sale of shares of subsidiaries	—	(14,822)
Loss on sale of shares of subsidiaries	250	19,358
Gain on sale of equity-accounted investees	(48,088)	(15,470)
(Increase) decrease in trade receivables	(8,455)	(13,365)
(Increase) decrease in inventories	(39,490)	(20,063)
Increase (decrease) in trade payables	18,384	10,972
Increase (decrease) in liquor taxes payable	(7,383)	434
Other	(34,251)	(29,339)
Sub-total	184,014	217,440
Interest and dividends received	24,731	27,855
Interest paid	(4,367)	(5,441)
Income taxes paid	(68,815)	(36,647)
Cash flows from (used in) operating activities	135,562	203,206

(¥ millions)

	Year ended December 31, 2022	Year ended December 31, 2023
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(98,479)	(113,810)
Proceeds from sale of property, plant and equipment and intangible assets	11,324	7,465
Acquisition of investments	(2,425)	(1,380)
Proceeds from sale of investments	7,884	7,990
Acquisition of shares of subsidiaries, net of cash acquired	(46,183)	(162,097)
Payment for sale of shares of subsidiaries, net of cash disposed of	(442)	(5,006)
Proceeds from sale of shares of subsidiaries, net of cash disposed of	—	8,024
Acquisition of equity-accounted investees	(9,382)	(18)
Proceeds from sale of equity-accounted investees	122,249	24,017
Other	5,054	8,723
Cash flows from (used in) investing activities	(10,399)	(226,091)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(6,083)	(1,900)
Increase (decrease) in commercial paper	(55,009)	(18,000)
Proceeds from long-term borrowings	71,851	171,532
Repayment of long-term borrowings	(67,612)	(63,478)
Proceeds from issuance of bonds	20,000	93,000
Payment for redemption of bonds	—	(55,000)
Repayment of lease liabilities	(19,387)	(18,621)
Payment for acquisition of treasury shares	(50,040)	(25)
Payment for acquisition of treasury shares by a consolidated subsidiary	(11)	(10)
Proceeds from settlement of derivatives	4,072	—
Dividends paid	(53,778)	(57,500)
Dividends paid to non-controlling interests	(11,688)	(13,660)
Other	(151)	(428)
Cash flows from (used in) financing activities	(167,835)	35,909
Effect of exchange rate changes on cash and cash equivalents	6,728	4,832
Net increase (decrease) in cash and cash equivalents	(35,944)	17,855
Cash and cash equivalents at beginning of year	149,488	88,060
Net increase (decrease) in cash and cash equivalents resulting from transfers to assets held for sale	(25,484)	25,484
Cash and cash equivalents at end of year	88,060	131,399

## **(5) NOTES TO 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 year ended December 31, 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. This change in accounting policy is not expected to have a material impact on the Group's consolidated financial statements.

### **(CHANGES IN ACCOUNTING ESTIMATES)**

(Bio-chemicals business)

In light of an increase in utility costs, intensifying competitive environment, and uncertainty for the timing of obtaining certification around the world for new materials, an impairment test was performed for business assets related to the Bio-chemicals business. As a result, 15,670 million yen of impairment losses for non-current assets of the Bio-chemicals business was recognized for the year ended December 31, 2023. The recoverable amount was measured at value in use which was calculated by considering past experience and external information, and discounting the forecast cash flows over the remaining useful life of the assets based on the management approved business plan to the present value.

### **(SEGMENT INFORMATION)**

#### **(1) Summary of reportable segments**

The reportable segments of the Group are determined based on the operating segments which are constituent units of the Group for which separate financial information is readily available, and which are periodically examined by the Board of Directors for the purpose of deciding the allocation of management resources and evaluating the business results. The Group has identified four reportable segments, namely, "Japan Beer and Spirits Businesses," "Japan Non-alcoholic Beverages Business," "Oceania Adult Beverages Business" and "Pharmaceuticals Business."

"Japan Beer and Spirits Businesses," for which Kirin Brewery Company, Limited oversees the operations, conducts production and sale of alcoholic beverages, such as beer, happo-shu, new genre, whiskey and spirits, in Japan.

"Japan Non-alcoholic Beverages Business," for which Kirin Beverage Company, Limited oversees the operations, conducts production and sale of soft drinks in Japan.

"Oceania Adult Beverages Business," for which Lion Pty Limited oversees the operations, conducts production and sale of beer, whiskey, spirits and other products in the Oceania region.

"Pharmaceuticals Business," for which Kyowa Kirin Co., Ltd. oversees the operations, conducts production and sale of pharmaceutical products.

Accounting policies for segment information are generally the same as those in the Company's consolidated financial statements.

Inter-segment revenue is based on actual market prices.

(2) Information on reportable segments

Information related to each reportable segment is set out below.

At and for the fiscal year ended December 31, 2022

(¥ millions)

	Reportable segment				Others (Note 1)	Adjustment (Note 2)	Consolidated
	Japan Beer and Spirits	Japan Non- alcoholic Beverages	Oceania Adult Beverages	Pharmaceu- ticals			
Revenue from unaffiliated customers	663,522	243,257	255,900	397,863	428,925	—	1,989,468
Inter-segment revenue	1,976	2,513	91	507	74,819	(79,907)	—
Total revenue	665,498	245,770	255,991	398,371	503,744	(79,907)	1,989,468
Segment income (Note 3)	74,660	18,786	31,545	82,462	37,545	(53,838)	191,159
						Other operating income	29,454
						Other operating expenses	104,594
						Finance income	10,978
						Finance costs	6,478
						Share of profit of equity- accounted investees	22,780
						Gain on sale of equity- accounted investees	48,088
						Profit before tax	191,387

(¥ millions)

	Reportable segment				Others (Note 1)	Adjustment (Note 2)	Consolidated
	Japan Beer and Spirits	Japan Non- alcoholic Beverages	Oceania Adult Beverages	Pharmaceu- ticals			
Segment assets	432,140	133,184	546,729	880,281	885,775	(335,845)	2,542,263
Other items							
Depreciation and amortization	16,409	6,982	15,106	18,319	18,922	10,199	85,937
Impairment losses (excluding financial assets)	—	—	3,525	17,979	44,696	—	66,200
Gain on reversal of impairment losses	—	—	231	—	12,921	—	13,152
Equity-accounted investees	10,090	—	8,960	—	342,714	—	361,764
Capital expenditures	17,940	9,326	13,107	33,298	30,421	12,708	116,799

Notes: 1. "Others" mainly includes the Wine business in Japan, the Non-alcoholic Beverage business in North America, and the Bio-chemicals business.

2. Adjustments are as follows:

(1) Adjustment in segment income mainly includes inter-segment eliminations and corporate expenses not attributable to any reportable segment. The expenses are mainly group administrative expenses incurred by the Company, a holding company, and administrative expenses relating to some reportable segments incurred by shared services companies.

(2) Adjustment in segment assets includes inter-segment asset and liability eliminations and corporate assets not attributable to any reportable segment. The assets mainly consist of surplus funds (cash), long-term investments (equity instruments) and assets of the administrative department of the Company, a holding company, and shared services companies.

3. Segment income represents normalized operating profit which is calculated by deducting the total of cost of sales and selling, general and administrative expenses from revenue.

At and for the fiscal year ended December 31, 2023

(¥ millions)

	Reportable segment				Others (Note 1)	Adjustment (Note 2)	Consolidated
	Japan Beer and Spirits	Japan Non- alcoholic Beverages	Oceania Adult Beverages	Pharmaceu- ticals			
Revenue from unaffiliated customers	684,863	255,028	280,990	441,882	471,630	—	2,134,393
Inter-segment revenue	2,148	2,771	86	351	75,840	(81,196)	—
Total revenue	687,010	257,799	281,077	442,233	547,470	(81,196)	2,134,393
Segment income (Note 3)	77,741	16,887	32,398	95,968	32,364	(53,863)	201,495
					Other operating income		28,835
					Other operating expenses		80,036
					Finance income		9,035
					Finance costs		10,523
					Share of profit of equity- accounted investees		32,773
					Gain on sale of equity- accounted investees		15,470
					Profit before tax		197,049

(¥ millions)

	Reportable segment				Others (Note 1)	Adjustment (Note 2)	Consolidated
	Japan Beer and Spirits	Japan Non- alcoholic Beverages	Oceania Adult Beverages	Pharmaceu- ticals			
Segment assets	443,135	147,721	607,203	971,375	1,182,039	(481,888)	2,869,585
Other items							
Depreciation and amortization	17,817	7,073	14,836	20,938	17,244	9,318	87,227
Impairment losses (excluding financial assets)	—	—	22	10,843	19,122	—	29,987
Gain on reversal of impairment losses	—	—	—	64	—	—	64
Equity-accounted investees	10,487	—	1,252	12,357	346,624	—	370,720
Capital expenditures	17,864	10,398	15,970	33,273	31,958	10,283	119,745

Notes: 1. "Others" mainly includes the Wine business in Japan, the Non-alcoholic Beverage business in North America, and the Bio-chemicals business.

2. Adjustments are as follows:

(1) Adjustment in segment income mainly includes inter-segment eliminations and corporate expenses not attributable to any reportable segment. The expenses are mainly group administrative expenses incurred by the Company, a holding company, and administrative expenses relating to some reportable segments incurred by shared services companies.

(2) Adjustment in segment assets includes inter-segment asset and liability eliminations and corporate assets not attributable to any reportable segment. The assets mainly consist of surplus funds (cash), long-term investments (equity instruments) and assets of the administrative department of the Company, a holding company, and shared services companies.

3. Segment income represents normalized operating profit which is calculated by deducting the total of cost of sales and selling, general and administrative expenses from revenue.



### (3) Geographic information

#### 1) Revenue

(¥ millions)

	Year ended December 31, 2022	Year ended December 31, 2023
Japan	1,159,427	1,183,300
Oceania	184,343	213,876
America	459,346	539,076
Others	186,353	198,140
Total	1,989,468	2,134,393

Note: Revenue is classified by country or area based on customer location.

#### 2) Non-current assets

(¥ millions)

	At December 31, 2022	At December 31, 2023
Japan	486,545	482,720
Oceania	300,413	463,968
America	202,612	229,863
Others	67,572	118,904
Total	1,057,142	1,295,455

Note: Non-current assets exclude financial instruments, deferred tax assets and defined benefit assets.

#### (4) Major customer

The unaffiliated customer which accounted for 10% or more of revenue on the consolidated statement of profit or loss was as follows:

(¥ millions)

	Related segment	Year ended December 31, 2022	Year ended December 31, 2023
Mitsubishi Shokuhin Co., Ltd.	Japan Beer and Spirits, Japan Non-alcoholic Beverages, and others	220,074	230,872

**(PER SHARE INFORMATION)****(1) Basis of calculation of basic earnings per share**

The basis of calculation of basic earnings per share is as follows:

**1) Profit attributable to ordinary shareholders of the Company (basic)**

(¥ millions)

	Year ended December 31, 2022	Year ended December 31, 2023
Profit attributable to owners of the Company	111,007	112,697
Profit not attributable to ordinary shareholders of the Company	—	—
Profit attributable to ordinary shareholders of the Company	111,007	112,697

**2) Weighted-average number of ordinary shares (basic)**

(Thousands of shares)

	Year ended December 31, 2022	Year ended December 31, 2023
Weighted-average number of ordinary shares	821,755	809,853

**(2) Basis of calculation of diluted earnings per share**

Diluted earnings per share is calculated as follows based on profit attributable to ordinary shareholders of the Company and weighted-average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares:

**1) Profit attributable to ordinary shareholders of the Company (diluted)**

(¥ millions)

	Year ended December 31, 2022	Year ended December 31, 2023
Profit attributable to ordinary shareholders of the Company	111,007	112,697
Adjustments for potential ordinary shares issued by a subsidiary	(15)	(6)
Profit attributable to ordinary shareholders of the Company (diluted)	110,992	112,691

**2) Weighted-average number of ordinary shares (diluted)**

(Thousands of shares)

	Year ended December 31, 2022	Year ended December 31, 2023
Weighted-average number of ordinary shares (basic)	821,755	809,853
Effect of dilution	—	—
Weighted-average number of ordinary shares (diluted)	821,755	809,853

## (SIGNIFICANT SUBSEQUENT EVENTS)

(Acquisition of a company, through the purchase of shares/Regarding the purchase of shares in Orchard Therapeutics plc [making it into a subsidiary])

At a meeting of the Board of Directors held on October 5, 2023, Kyowa Kirin Co., Ltd., a subsidiary of the Company, resolved to acquire 100% of the issued shares of the UK-based biopharmaceutical company Orchard Therapeutics plc (hereinafter referred to as "Orchard"). The acquisition of all Orchard shares through a Scheme of Arrangement procedure under the UK Companies Act 2006 was completed on January 24, 2024. With this acquisition, Orchard has become a wholly owned subsidiary of Kyowa Kirin Co., Ltd.

### (1) Purpose and reason of the share acquisitions

This acquisition of shares marks an important step toward the "creation of innovative pharmaceutical products," which Kyowa Kirin Co., Ltd. has selected as a materiality (key management issue) for the fulfillment of its 2030 Vision. The gene therapy approach pioneered by Orchard harnesses the unique power of a patient's own genetically modified hematopoietic stem cells (HSCs) to potentially correct the underlying cause of a genetic disease using a single administration. As a leading provider of hematopoietic stem cell gene therapy (HSC-GT), Orchard is steadily building a track record in this field, having already released an HSC-GT product for the treatment of lysosomal disease in Europe. The product is also under review for approval in the United States. Kyowa Kirin Co., Ltd. seeks to combine its strengths in bio-pharmaceuticals with Orchard's strengths related to cellular gene therapy research to develop pharmaceuticals to meet future unmet needs and create life-changing value.

### (2) Name, description of business, and size of company whose shares were acquired

(i) Name	Orchard Therapeutics plc
(ii) Location	245 Hammersmith Road, 3rd Floor London W6 8PW United Kingdom
(iii) Job title and name of representative	Chief Executive Officer: Bobby Gaspar
(iv) Description of business	Development and commercialization of hematopoietic stem cell gene therapy
(v) Share capital	US\$29,463 thousand (as of September 30, 2023)
(vi) Year of establishment	2015

### (3) Timing of the acquisition

January 24, 2024

### (4) Number of shares acquired and acquisition price

(i) Number of shares held before change	0 shares (Number of voting rights: 0 rights) (Ownership ratio of voting rights: 0%)
(ii) Number of shares acquired	22,817,354 shares (Number of voting rights: 18,246,822)
(iii) Acquisition price	US\$16.00 per ADS, approx. US\$387.6 million (approx. ¥57.4 billion)
(iv) Number of shares held after change	22,817,354 shares (Ratio of voting rights held: 100%)

Notes: 1. Calculated at an exchange rate of 1 US dollar to 148 Japanese yen.

2. The number of shares acquired is based on the assumption that all ordinary shares were converted to ADSs. The acquisition price represents the amount required to make payments on all outstanding ordinary shares, ADSs, options, Restricted Stock Units, and other securities. In

addition, if the FDA approves OTL-200 for sale in the US, shareholders will be entitled to receive an additional US\$1.00 per ADS. An additional US\$1.00 will be paid for an acquisition price of US\$17.00 per ADS, or approximately US\$477.8 million (¥70.7 billion) if the conditions are met.

### (ADDITIONAL INFORMATION)

(Change in reportable segments)

For the year ended December 31, 2023, the Group identified its reportable segments as “Japan Beer and Spirits Businesses,” “Japan Non-alcoholic Beverages Business,” “Oceania Adult Beverages Business” and “Pharmaceuticals Business.” From the year ending December 31, 2024, the Group has reorganized its reportable segments into “Alcoholic Beverages Business,” “Non-alcoholic Beverages Business,” “Pharmaceuticals Business,” and “Health Science Business.”

“KV2027” sets the Long-Term Management Vision for the Group to become a global leader in CSV, creating value across our world of Food & Beverages and Pharmaceuticals domains. To achieve the Long-Term Management Vision, the Company is working on making the Health Science domain a third pillar of the Company’s business and acquired 100% of the shares of Blackmores Limited, an Australian-based company, to make it a subsidiary during the year ended December 31, 2023. With this acquisition, the Group will expand its business scale in the Health Science domain. Accordingly, the Board meeting held on November 20, 2023 resolved a change in the internal monitoring units of the Group from the year ending December 31, 2024.

Therefore, the Group determined “Alcoholic Beverages Business,” “Non-alcoholic Beverages Business,” (Food & Beverages domain) “Pharmaceuticals Business,” (Pharmaceuticals domain) and “Health Science Business.” (Health Science domain) to be disclosed separately as reportable segments from the year ending December 31, 2024.

Information on revenue and income or expenses of each reportable segment for the year ended December 31, 2023 based on the new segments is as follows:

At and for the fiscal year ended December 31, 2023

	Reportable segment				Others (Note 1)	Adjustment (Note 2)	Consolidated
	Alcoholic Beverages	Non-alcoholic Beverages	Pharmaceu- ticals	Health Science			
Revenue from unaffiliated customers	1,045,138	516,171	441,882	103,354	27,847	—	2,134,393
Inter-segment revenue	2,336	2,771	351	4,694	66,241	(76,393)	—
Total revenue	1,047,473	518,942	442,233	108,048	94,089	(76,393)	2,134,393
Segment income (Note 3)	119,939	52,358	95,968	(12,535)	(60)	(54,175)	201,495

Notes: 1. “Others” includes segments which are not included in the reportable segments.

2. Adjustments are as follows:

Adjustment in segment income mainly includes inter-segment eliminations and corporate expenses not attributable to any reportable segment. The expenses are mainly group administrative expenses incurred by the Company, a holding company, and administrative expenses relating to some reportable segments incurred by shared services companies.

3. Segment income represents normalized operating profit which is calculated by deducting the total of cost of sales and selling, general and administrative expenses from revenue.

## Changes of Representative Directors and Board Members

Kirin Holdings Company, Limited ("Kirin Holdings") hereby announces the change of Representative Directors and Directors of the Board Members and Audit & Supervisory Board Members who were unofficially appointed at the Board Meeting held today, as well as the unofficial appointment of executive roles of its subsidiaries based on the report of the Nomination and Remuneration Advisory Committee.

### **1. Changes of Representative Directors and Directors of the Board and Audit & Supervisory Board Members of Kirin Holdings**

#### (1) Reason for Change

Under the long-term management vision, "Kirin Group Vision 2027 (KV2027)," the Kirin Group is working to expand its business by solving social issues, based on three growth scenarios of "Strengthen the earnings capability of Food & Beverages businesses," "Leape of Pharmaceuticals business" and "Establish and foster the Health Science business."

To further ensure the realization of KV2027, we must strengthen our portfolio management, clarify investment priorities and focus management resources, and further enhance corporate value in the three domains of Food & Beverages, Pharmaceuticals, and Health Science, based on our "Organizational capabilities for innovation."

In order to further enhance the execution of these initiatives, we will introduce a "CEO" and "COO" structure to accelerate group-wide efforts and change the group management structure with the aim of generational change in the executive structure to achieve sustainable growth.

#### (2) Changes of Representative Directors of the Board

Name	New appointment	Current title
Yoshinori Isozaki	Representative Director of the Board & CEO of Kirin Holdings	Representative Director of the Board, President & CEO of Kirin Holdings
Takeshi Minakata	Representative Director of the Board, President & COO of Kirin Holdings	Director of the Board, Senior Executive Officer and President of Health Science Business Division of Kirin Holdings
Keisuke Nishimura	Retirement	Representative Director of the Board, Senior Executive Vice President of Kirin Holdings

#### (3) Changes of Directors of the Board

Name	New appointment	Current title
Junko Tsuboi	Director of the Board, Senior Executive Vice President of Kirin Holdings	Director of the Board, Senior Executive Officer of Kirin Holdings
Toru Yoshimura	Director of the Board, Senior Executive Officer and President of Health Science Business Division of Kirin Holdings	Senior Executive Officer of Kirin Holdings and President & CEO of Kirin Beverage

Shinjiro Akieda	Director of the Board, Senior Executive Officer of Kirin Holdings	Senior Executive Officer of Kirin Holdings
Yoshiko Ando	Non-executive Director of the Board of Kirin Holdings	Audit & Supervisory Board Member of Kirin Holdings
Toshiya Miyoshi	Retirement	Director of the Board, Senior Executive Officer of Kirin Holdings
Chieko Matsuda	Retirement	Non-executive Director of the Board of Kirin Holdings

– Reappointed Directors of the Board

Name	New appointment/Current title
Masakatsu Mori	Non-executive Director of the Board of Kirin Holdings
Hiroyuki Yanagi	Non-executive Director of the Board of Kirin Holdings
Noriko Shiono	Non-executive Director of the Board of Kirin Holdings
Rod Eddington	Non-executive Director of the Board of Kirin Holdings
George Olcott	Non-executive Director of the Board of Kirin Holdings
Shinya Katanozaka	Non-executive Director of the Board of Kirin Holdings

(4) Changes of Audit & Supervisory Board Members

Name	New appointment	Current title
Yoko Dochi	Audit & Supervisory Board Member of Kirin Holdings	Outside Director of NIPPO LTD. Outside Director of Rinnai Corporation
Yoshiko Ando	Retirement (Non-executive Director of the Board of Kirin Holdings)	Audit & Supervisory Board Member of Kirin Holdings

– Reappointed Audit & Supervisory Board Members

Name	New appointment/Current title
Kaoru Kashima	Audit & Supervisory Board Member of Kirin Holdings

– Remaining-in-office Audit & Supervisory Board Members

Name	New appointment/Current title
Shobu Nishitani	Standing Audit & Supervisory Board Member of Kirin Holdings
Toru Ishikura	Standing Audit & Supervisory Board Member of Kirin Holdings
Kenichi Fujinawa	Audit & Supervisory Board Member of Kirin Holdings

(5) The Profile of candidates of Representative Directors and new Director of the Board Members and new Audit & Supervisory Board Members

Attached at the end.

(6) The Date of Appointment

The official appointments are subject to the approval at the Ordinary General Meeting of Shareholders to be held on March 28, 2024, and their titles and responsibilities will be determined at the Board meeting and Audit & Supervisory Board following the Ordinary General Meeting of Shareholders.

## 2. Appointment of Executive Roles of subsidiaries of Kirin Holdings

### (1) Unofficial appointment of Executive Roles of subsidiaries of Kirin Holdings

	President & CEO
Kirin Brewery	Hideki Horiguchi (Re-appointment)
Kirin Beverage	Kazuhiro Inoue (New)
Mercian	Masamitsu Otsuka (New)
Kyowa Hakko Bio	Koji Fukada (New)

### (2) Changes of Representative Directors of subsidiaries of Kirin Holdings

Name	New appointment	Current title
Kazuhiro Inoue	Senior Executive Officer of Kirin Holdings and President & CEO of Kirin Beverage	Senior Executive Officer, General Manager of Off-Premise Head Office of Marketing Division of Kirin Brewery
Masamitsu Otsuka	President & CEO of Mercian	General Manager, International Management Office, International Business Division of FANCL Corporation Director, Head of Administration Division of FANCL(Shanghai) Trading Limited Deputy Director, International Business Development of FANCL Corporation
Koji Fukada	Senior Executive Officer of Kirin Holdings and President & CEO of Kyowa Hakko Bio	Senior Executive Officer and President of Research & Development Division of Kirin Holdings
Toru Yoshimura	Director of the Board, Senior Executive Officer and President of Health Science Business Division of Kirin Holdings	Senior Executive Officer of Kirin Holdings and President & CEO of Kirin Beverage
Michio Nagabayashi	Retirement	President & CEO of Mercian
Yuki Kanzaki	Retirement	Senior Executive Officer of Kirin Holdings and President & CEO of Kyowa Hakko Bio

### (3) The Date of Appointment

The official appointments are subject to the approval at the Ordinary General Meeting of Shareholders of each subsidiary to be held on March 28, 2024.

#### \* Attachment

The Profile of candidates of Representative Directors and new Directors of the Board Members and new Audit & Supervisory Board Members

#### \* Reference materials

List of officers scheduled to be appointed at Kirin Holdings

**The Profile of candidate of Representative Director & CEO**  
**(Kirin Holdings)**

**Yoshinori Isozaki**

<b>Date of birth:</b>	August 9, 1953
<b>Birthplace</b>	Kanagawa Pref. Japan
<b>Number of shares held:</b>	71,948 shares
<b>Experience:</b>	
September 2021	President & CEO of Kirin Brewery Company, Limited (retired in January 2022)
March 2015-present	Representative Director of the Board, President & CEO of Kirin Holdings Company, Limited
January 2013	President & CEO of Kirin Company, Limited
March 2012	President & CEO of Kirin Brewery Company, Limited (retired in January 2015)
March 2010	Managing Director of Kirin Holdings Company, Limited (retired in March 2012)
March 2009	Senior Executive Officer and General Manager of Corporate Planning Department of Kirin Holdings Company, Limited
March 2008	Executive Officer and General Manager of Corporate Planning Department of Kirin Holdings Company, Limited
July 2007	General Manager of Corporate Planning Department of Kirin Holdings Company, Limited
March 2007	General Manager of Corporate Planning Department of Kirin Brewery Company, Limited
March 2004	Director of San Miguel Corporation
April 1977	Joined Kirin Brewery Company, Limited



**The Profile of candidate of new Representative Director, President & COO**  
**(Kirin Holdings)**

**Takeshi Minakata**

<b>Date of birth:</b>	December 31, 1961
<b>Birthplace</b>	Hiroshima Pref. Japan
<b>Number of shares held:</b>	8,835 shares
<b>Experience:</b>	
August 2023-present	Director of the Board of Blackmores Limited
April 2022-present	Director of the Board, Senior Executive Officer and President of Health Science Business Division of Kirin Holdings Company, Limited
March 2022-present	Director of the Board of Kyowa Kirin Co., Ltd.
March 2022	Director of the Board, Senior Executive Officer of Kirin Holdings Company, Limited
March 2020	Senior Executive Officer of Kirin Holdings Company, Limited President & CEO of Kyowa Hakko Bio Co., Ltd. (retired in December 2021)
March 2018	President & CEO of Kyowa Hakko Bio Co., Ltd.
April 2016	President and CEO of Myanmar Brewery Limited
March 2016	Senior Executive Officer of Kirin Holdings Company, Limited (retired in March 2018)
March 2015	Senior Executive Officer and Director of Group Strategy Planning of Kirin Holdings Company Senior Executive Officer and General Manager of Corporate Planning Department of Kirin Company, Limited
January 2013	Executive Officer and General Manager of Corporate Planning Department of Kirin Company, Limited Executive Officer and General Manager of Corporate Planning Department of Kirin Brewery Company, Limited
March 2012	General Manager, Corporate Planning Department of Kirin Brewery Company, Limited
April 1984	Joined Kirin Brewery Company, Limited

**The Profile of candidate of Director of the Board, Senior Executive Vice President  
(Kirin Holdings)**

**Junko Tsuboi**

<b>Date of birth:</b>	August 8, 1962
<b>Experience:</b>	
March 2023-present	Director of the Board, Senior Executive Officer of Kirin Holdings Company, Limited
March 2022	Senior Executive Officer of Kirin Holdings Company, Limited
June 2020-present	Outside Director of FANCL Corporation
March 2019	Senior Executive Officer, General Manager of Strategic Branding Department of Kirin Holdings Company, Limited
March 2014	Executive Officer, General Manager of Strategic Branding Department, CSV Division of Kirin Company, Limited
January 2013	General Manager of Strategic Branding Department, CSV Division of Kirin Company, Limited
November 2012	General Manager of Corporate Communications Department of Kirin Holdings Company, Limited
March 2012	General Manager of CSR Promotion Department and Corporate Communications Department of Kirin Holdings Company, Limited
March 2010	President and CEO of Yokohama Akarenga Inc..
March 2005	General Manager of Corporate Communications Department of Kirin Beverage Company, Limited
April 1985	Joined Kirin Brewery Company, Limited

**The Profile of candidate of new Director of the Board**  
**(Kirin Holdings)**

**Toru Yoshimura**

<b>Date of birth:</b>	June 8, 1964
<b>Experience:</b>	
January 2022-present	Senior Executive Officer of Kirin Holdings Company, Limited President and CEO of Kirin Beverage Company, Limited
March 2021	Director of the Board of Kirin Brewery Company, Limited
March 2019	Director of the Board of Kirin Beverage Company, Limited
March 2019	Senior Executive Officer, General Manager of Corporate Strategy Department of Kirin Holdings Company, Limited
March 2018	Senior Executive Officer, General Manager of Corporate Strategy Department of Kirin Company, Limited Executive Officer, Director in Charge of Group Alliance Strategy of Kirin Holdings Company, Limited
March 2017	Executive Officer, General Manager of Corporate Strategy Department of Kirin Company, Limited Director in Charge of Group Alliance Strategy of Kirin Holdings Company, Limited
March 2016	General Manager of Corporate Strategy Department of Kirin Company, Limited
September 2012	Kirin Strategy & Technical Liaison Director of Lion Pty Ltd
March 2004	Resident Brewmaster of Fukuoka Brewery of Kirin Brewery Company, Limited
April 1988	Joined Kirin Brewery Company, Limited

**The Profile of candidate of new Director of the Board**  
**(Kirin Holdings)**

**Shinjiro Akieda**

<b>Date of birth:</b>	July 18, 1965
<b>Experience:</b>	
March 2023-present	Senior Executive Officer of Kirin Holdings Company, Limited
March 2022	Senior Executive Officer, General Manager of Corporate Strategy Department of Kirin Holdings Company, Limited
January 2022	Director of the Board of Kirin Brewery Company, Limited
January 2022	Executive Officer, General Manager of Corporate Strategy Department of Kirin Holdings Company, Limited
March 2020	Executive Officer, General Manager of Corporate Strategy Department and DX Strategy Office of Kirin Holdings Company, Limited
March 2019	Executive Officer, General Manager of Corporate Strategy Department of Kirin Holdings Company, Limited
March 2018	Executive Officer, General Manager of Corporate Planning Department of Kirin Brewery Company, Limited
March 2017	Senior Executive Officer, General Manager of Corporate Planning Department of Kirin Beverage Company, Limited
March 2015	Executive Officer, General Manager of Corporate Planning Department of Kirin Beverage Company, Limited
March 2013	Executive Officer, General Manager of Corporate Planning Department of Mercian Corporation
March 2010	Chairman and President of Taiwan Kirin Company, Limited
April 1988	Joined Kirin Brewery Company, Limited

**The Profile of candidate of new Director of the Board**  
**(Kirin Holdings)**

**Yoshiko Ando**

<b>Date of birth:</b>	March 17, 1959
<b>Experience:</b>	
June 2020-present	Outside Director of JFE Holdings, Inc.
June 2019-present	Outside Director of Sansei Technologies, Inc.
March 2019-present	Audit & Supervisory Board Member of Kirin Holdings Company, Limited
July 2017	Director-General for Human Resources Development of the Ministry of Health, Labour and Welfare
June 2016	Director-General for Statistics and Information Policy of the Ministry of Health, Labour and Welfare
October 2015	Director-General for Labour Policy Planning of the Ministry of Health, Labour and Welfare
July 2014	Director-General of Equal Employment, Children and Families Bureau of the Ministry of Health, Labour and Welfare
July 2013	Director-General of Industrial Accident Compensation Dept. of Labour Standards Bureau of the Ministry of Health, Labour and Welfare
July 2011	Director-General of the Saitama Labor Bureau of the Ministry of Health, Labour and Welfare
July 2006	Director of Equal Employment Policy Div. of Equal Employment, Children and Families Bureau of the Ministry of Health, Labour and Welfare
April 2003	Lieutenant governor of Shiga prefecture
April 1982	Entered the Ministry of Labor

**The Profile of candidate of new Audit & Supervisory Board Member**  
**(Kirin Holdings)**

**Yoko Dochi**

<b>Date of birth:</b>	October 3, 1964
<b>Experience:</b>	
June 2023-present	Outside Director, Rinnai Corporation
June 2020-present	Outside Director, NIPPO LTD.
February 2020	Managing Partner, SoftBank Group International Ltd.
November 2018	Managing Director, Global Head of Investor Relations, SoftBank Group Corp.
March 2018	Principal Investor Relations Officer, Accounting Division, Toyota Motor Corporation
January 2015	General Manager, Global Treasury & Investor Relations, Toyota Motor Europe NV/SA.
May 2001	Joined Toyota Motor Europe NV/SA.
September 1996	Joined World Bank Group
April 1987	Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)

**The Profile of candidate of new President & CEO**  
**(Kirin Beverage)**

**Kazuhiro Inoue**

<b>Date of birth:</b>	January 6, 1966
<b>Experience:</b>	
March 2021-present	Senior Executive Officer, General Manager of Off-Premise Head Office, Marketing Division of Kirin Brewery Company, Limited
March 2019	Senior Executive Officer, General Manager of National Distribution Division, Marketing Division of Kirin Brewery Company, Limited
March 2018	Executive Officer, General Manager of National Distribution Division, Marketing Division of Kirin Brewery Company, Limited
January 2017	General Manager of National Distribution Division, Marketing Division of Kirin Brewery Company, Limited
March 2016	General Manager of National Distribution Division of Kirin Brewery Marketing Company, Limited
March 2015	General Manager of Marketing Department of Kirin Brewery Company, Limited
June 2009	Executive Officer Sales Director Sales Department of Diageo Kirin Company, Limited
September 2007	Sales Director Sales Department of Yakult Nextstage Company, Limited
April 2003	Senior Manage Metropolitan Area Distribution Department 3, Metropolitan Area Regional Head Office, Alcoholic beverages Sales Division of Kirin Brewery Company, Limited
April 1988	Joined Kirin Brewery Company, Limited

**The Profile of candidate of new President & CEO**  
**(Mercian)**

**Masamitsu Otsuka**

<b>Date of birth:</b>	December 30, 1969
<b>Experience:</b>	
March 2023-present	General Manager, International Management Office, International Business Division of FANCL Corporation Director, Head of Administration Division of FANCL(Shanghai) Trading Limited Deputy Director, International Business Development of FANCL Corporation
June 2022	General Manager, International Business Division of FANCL Corporation
October 2018	Director of the Board, China Resources Enterprise, Limited
August 2006	Transferred to Kirin (China) Investment Company, Limited
April 1993	Joined Kirin Brewery Company, Limited



**The Profile of candidate of new President & CEO**  
**(Kyowa Hakko Bio)**

**Koji Fukada**

<b>Date of birth:</b>	January 20, 1966
<b>Experience:</b>	
March 2023-present	Senior Executive Officer, President of Research & Development Division of Kirin Holdings Company, Limited
March 2022-present	Director of the Board of Kyowa Hakko Bio Co., Ltd.
March 2022	Senior Executive Officer of Kirin Holdings Company, Limited
April 2019	Executive Officer, General Manager of Quality Assurance Department of Kirin Holdings Company, Limited
March 2017	General Manager of Quality Assurance Department of Kirin Company, Limited
April 2015	Deputy General Manager of Alcoholic Beverages Technology Research Institute, Research & Development Division of Kirin Company, Limited
March 2010	Brewing Manager of Yokohama Brewery of Kirin Brewery Company, Limited
March 2007	Brewing Manager of Kobe Brewery of Kirin Brewery Company, Limited
January 2004	Transferred to Lion Nathan Pty Ltd. (currently Lion Pty Ltd.)
April 1990	Joined Kirin Brewery Company, Limited

**[Reference] List of officers scheduled to be appointed at Kirin Holdings (As of March 28, 2024)**

Title	Name	Area of Responsibility
Representative Director of the Board & CEO	Yoshinori Isozaki	Group Management Control Member of the Nomination and Remuneration Advisory Committee
Representative Director of the Board, President & COO	Takeshi Minakata*	Group Business Execution Control, Member of the Nomination and Remuneration Advisory Committee
Director of the Board, Senior Executive Vice President	Junko Tsuboi	Chief People Officer (Group Human Capital Management), Chief Legal Officer
Director of the Board, Senior Executive Officer	Toru Yoshimura*	Health Science Strategy, President of Health Science Business Division
Director of the Board, Senior Executive Officer	Shinjiro Akieda*	Chief Financial Officer (Financial Strategy, IR)
Senior Executive Officer	Mitsuharu Yamagata	Brand Strategy, Marketing Strategy, Digital/IT Strategy, Kirin Brewery (Senior Executive Vice President in charge of Marketing)
Senior Executive Officer	Hiroshi Fujikawa*	CSV Strategy, Public Relations Strategy, General Manager of CSV Strategy Department
Senior Executive Officer	Akiyoshi Iwasaki*	SCM Strategy, Production Technology Strategy
Senior Executive Officer	Akihito Yokoyama*	R&D Strategy, President of R&D Division
Senior Executive Officer	Kazufumi Nagashima*	Chief Quality Assurance Officer, General Manager of Quality Assurance Department
Senior Executive Officer	Hideki Mitsuhashi*	Business Alliance/Investment Strategies, Chief Risk Management Officer, Overseas Responsibilities including Overseas Craft Beer Strategy
Senior Executive Officer	Hideki Horiguchi	President & CEO of Kirin Brewery
Senior Executive Officer	Kazuhiro Inoue*	President & CEO of Kirin Beverage
Senior Executive Officer	Koji Fukada	President & CEO of Kyowa Hakko Bio
Non-executive Director of the Board	Masakatsu Mori	
Non-executive Director of the Board	Hiroyuki Yanagi	Chairperson of the Board

Non-executive Director of the Board	Noriko Shiono	Member of the Nomination and Remuneration Advisory Committee (Committee Chair)
Non-executive Director of the Board	Rod Eddington	
Non-executive Director of the Board	George Olcott	
Non-executive Director of the Board	Shinya Katanozaka	Member of the Nomination and Remuneration Advisory Committee
Non-executive Director of the Board	Yoshiko Ando*	Member of the Nomination and Remuneration Advisory Committee
Standing Audit & Supervisory Board Member	Shobu Nishitani	
Standing Audit & Supervisory Board Member	Toru Isikura	
Audit & Supervisory Board Member	Kaoru Kashima	
Audit & Supervisory Board Member	Kenichi Fujinawa	
Audit & Supervisory Board Member	Yoko Dochi*	

\*: New Representative Director of the Board, Director of the Board, Audit & Supervisory Board Member and Senior Executive Officer

**Supplementary Documents to  
the Consolidated Financial Statements  
for the Year Ended December 31, 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  
February 14, 2024**

## 1.SUMMARY OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(¥ billions)

	As of December 31, 2023, Actual	As of December 31, 2022, Actual	Increase (decrease)	Description of changes
Non-current assets	1,911.8	1,655.2	256.5	
Property, plant and equipment	592.9	560.6	32.3	
Goodwill	390.6	289.5	101.0	Acquisition of a subsidiary, etc.
Intangible assets	303.5	200.9	102.6	Acquisition of a subsidiary, etc.
Equity-accounted investees	370.7	361.8	9.0	
Other	254.0	242.4	11.6	
Current assets	957.8	887.0	70.8	
Inventories	331.0	290.2	40.8	
Trade and other receivables	444.9	409.2	35.8	
Cash and cash equivalents	131.4	88.1	43.3	
Other	50.5	99.6	(49.1)	
Total assets	2,869.6	2,542.3	327.3	
Equity	1,425.8	1,253.2	172.6	
Equity attributable to owners of the Company	1,132.6	980.0	152.6	Increase in foreign currency translation differences arising from yen depreciation, etc.
Non-controlling interests	293.3	273.2	20.1	
Non-current liabilities	770.9	656.4	114.6	
Bonds and borrowings	555.7	408.7	147.1	Increase due to new borrowings, etc.
Other	215.2	247.7	(32.5)	
Current liabilities	672.8	632.7	40.1	
Bonds and borrowings	100.7	114.5	(13.8)	
Trade and other payables	306.7	265.2	41.5	
Other	265.5	253.1	12.4	
Total liabilities	1,443.7	1,289.1	154.7	
Total equity and liabilities	2,869.6	2,542.3	327.3	

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

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

(¥ billions)

	Year ended December 31, 2023, Actual	Year ended December 31, 2022, Actual	Increase (decrease)	
Revenue	2,134.4	1,989.5	144.9	7.3%
Gross profit	963.5	905.7	57.8	6.4%
Selling, general and administrative expenses	762.0	714.6	47.4	6.6%
Normalized operating profit	201.5	191.2	10.3	5.4%
Other operating income	28.8	29.5	(0.6)	(2.1%)
Other operating expenses	80.0	104.6	(24.6)	(23.5%)
Operating profit	150.3	116.0	34.3	29.5%
Finance income	9.0	11.0	(1.9)	(17.7%)
Finance costs	10.5	6.5	4.0	62.4%
Share of profit of equity-accounted investees	32.8	22.8	10.0	43.9%
Gain on sale of equity-accounted investees	15.5	48.1	(32.6)	(67.8%)
Profit before tax	197.0	191.4	5.7	3.0%
Income tax expense	46.6	47.6	(1.0)	(2.1%)
Profit	150.4	143.8	6.7	4.6%
Owners of the Company	112.7	111.0	1.7	1.5%
Non-controlling interests	37.7	32.8	5.0	15.2%
ROIC	8.0%	8.5%		
Normalized EPS	¥177	¥171	¥6	3.5%
Revenue (excluding liquor tax)	1,854.9	1,705.0	149.9	8.8%
Normalized operating profit ratio (excluding liquor tax)	10.9%	11.2%		
ROE	10.7%	11.8%		
Normalized EBITDA	293.0	277.7	15.3	5.5%
Gross Debt Equity Ratio	0.58	0.53		

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

	Year ended December 31, 2023, Actual
Normalized operating profit	188.1
ROIC	7.6%
Normalized EPS	¥164

\* Converted foreign currency amounts of the actual results at the exchange rate of the initial forecast announced on February 14, 2023.

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 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

	Year ended December 31, 2023, Actual	Year ended December 31, 2022, Actual
Lion (AUD)	93.64	91.18
Coke Northeast (USD)	141.20	132.08

(¥)

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

	Year ended December 31, 2023, Actual	Year ended December 31, 2022, Actual
San Miguel Brewery	From October 2022 to September 2023	From October 2021 to September 2022

### 3. REVENUE DETAILS

#### (1) Revenue Details

(¥ billions)

	Year ended December 31, 2023, Actual	Year ended December 31, 2022, Actual	Increase (decrease)	
Revenue	2,134.4	1,989.5	144.9	7.3%
Japan Beer and Spirits	684.9	663.5	21.3	3.2%
Kirin Brewery	648.1	635.1	13.0	2.0%
Other and elimination	36.8	28.4	8.3	29.3%
Japan Non-alcoholic Beverages	255.0	243.3	11.8	4.8%
Kirin Beverage	257.8	245.8	12.0	4.9%
Elimination	(2.8)	(2.5)	(0.3)	—
Oceania Adult Beverages	281.0	255.9	25.1	9.8%
Lion	281.1	256.0	25.1	9.8%
Elimination	(0.1)	(0.1)	0.0	—
Pharmaceuticals	441.9	397.9	44.0	11.1%
Kyowa Kirin	442.2	398.4	43.9	11.0%
Elimination	(0.4)	(0.5)	0.2	—
Other	471.6	428.9	42.7	10.0%
Mercian	64.4	60.5	3.9	6.5%
Coke Northeast	250.1	216.2	34.0	15.7%
Kyowa Hakko Bio	51.4	51.1	0.4	0.8%
Other and elimination	105.6	101.2	4.4	4.4%

#### (Reference) Revenue excluding liquor tax

(¥ billions)

	Year ended December 31, 2023, Actual	Year ended December 31, 2022, Actual
Kirin Brewery	392.2	373.0



## (2) Sales Volume Details of Major Business Companies

### a. Kirin Brewery

	Year ended December 31, 2023		Year ended December 31, 2022	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Sales volume	Thousand KL		Thousand KL	
Total beer products	1,442	(5.9%)	1,532	(2.5%)
RTD	424	(2.4%)	435	(3.3%)
Non-alcohol beverages	43	(6.6%)	46	(6.9%)
Sales volume by main brands	Thousand KL		Thousand KL	
<i>KIRIN ICHIBAN</i> brand family total	370	5.4%	351	3.1%
<i>SPRING VALLEY</i> brand total	21	0.1%	21	15.5%
<i>Kirin Tanrei Green Label</i>	146	(7.6%)	158	(7.4%)
<i>Honkirin</i>	194	(9.6%)	215	(7.0%)
<i>Kirin Hyoketsu</i> brand total	288	6.6%	270	6.1%

The above sales volume excludes exports and liquor tax exempts.

### b. Kirin Beverage Group

	Year ended December 31, 2023		Year ended December 31, 2022	
	Actual	Increase (decrease)	Actual	Increase (decrease)
Non-Alcoholic Beverages Total	10,000 cases 19,394	(4.4%)	10,000 cases 20,293	(2.3%)
Health Science products	2,460	17.2%	2,099	3.1%
LC-Plasma products	893	35.3%	660	26.2%
Container Type	10,000 cases		10,000 cases	
Can	2,146	(7.5%)	2,319	(4.2%)
Large-sized PET bottles (2L, 1.5L, etc.)	5,210	(15.7%)	6,182	(8.1%)
Small-sized PET bottles (500ml, 280ml, etc.)	10,239	3.4%	9,905	1.8%
Other	1,799	(4.7%)	1,887	(0.8%)
Total	19,394	(4.4%)	20,293	(2.3%)

	Year ended December 31, 2023		Year ended December 31, 2022	
	Actual	Increase (decrease)	Actual	Increase(decrease)
Brands	10,000 cases		10,000 cases	
<i>Kirin Gogo-no-Kocha</i>	5,092	2.0%	4,995	—
<i>Kirin Nama-cha</i>	2,781	(1.8%)	2,832	—

## 4. PROFIT DETAILS

### (1) Normalized Operating Profit Details

(¥ billions)

	Year ended December 31, 2023, Actual	Year ended December 31, 2022, Actual	Increase (decrease)	
Normalized operating profit	201.5	191.2	10.3	5.4%
Japan Beer and Spirits	77.7	74.7	3.1	4.1%
Kirin Brewery	72.9	71.5	1.4	1.9%
Others	4.8	3.1	1.7	54.5%
Japan Non-alcoholic Beverages	16.9	18.8	(1.9)	(10.1%)
Kirin Beverage	16.9	18.8	(1.9)	(10.1%)
Oceania Adult Beverages	32.4	31.5	0.9	2.7%
Lion	32.4	31.5	0.9	2.7%
Pharmaceuticals	96.0	82.5	13.5	16.4%
Kyowa Kirin	96.0	82.5	13.5	16.4%
Other	32.4	37.5	(5.2)	(13.8%)
Mercian	0.8	(0.6)	1.4	—
Coke Northeast	33.9	26.3	7.6	29.0%
Kyowa Hakko Bio	(8.5)	(3.9)	(4.6)	—
Others	6.1	15.7	(9.6)	(61.3%)
Corporate expenses and inter-segment eliminations	(53.9)	(53.8)	(0.0)	—

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.	26.2	Total beer products (8.1) Sales decrease in total beer products (90) thousand KL Total products other than beer products (0.3) Sales decrease in RTD (11) thousand KL Sales decrease in non-alcohol beverages (3) thousand KL, etc. Impact of price revision and difference of change in composition of products, etc. 34.0
	Increase in raw material cost of alcohol beverages	(15.8)	Increase in market prices, etc.
	Increase in selling expenses	(4.7)	Increase in advertising (4.7), (Total 57.6→62.3)
	Increase in other expenses	(4.3)	Increase in expenditures, etc.
Total		1.4	
Kirin Beverage	Increase in marginal profit of soft drink beverages	11.2	Decrease in sales volume (8.99) million cases (4.0) Difference of change in products mix and composition ratio of containers, etc. 15.2
	Increase in raw material cost, etc.	(10.4)	Increase in raw material cost (3.9), increase in material cost (4.8), and increase in processing cost (1.6)
	Increase in selling expenses	(2.6)	Increase in sales promotion(0.3), increase in advertising (2.3) (Total 23.0→25.6)
	Increase in other expenses	(0.1)	
Total		(1.9)	

## (3) Other Operating Income and Other Operating Expenses

(¥ billions)

	Year ended December 31, 2023, Actual	Year ended December 31, 2022, Actual	Increase (decrease)
Other operating income	28.8	29.5	(0.6)
Gain on sale of property, plant and equipment and intangible assets	6.1	9.5	(3.4)
Gain on sale of shares of subsidiaries	14.8	—	14.8
Gain on reversal of impairment losses	0.1	13.2	(13.1)
Other	7.8	6.8	1.0
Other operating expenses	80.0	104.6	(24.6)
Impairment losses	30.0	66.2	(36.2)
Business restructuring expenses	2.8	0.7	2.0
Software development expenses	0.3	7.1	(6.8)
Loss on disposal and sale of property, plant and equipment and intangible assets	2.8	5.0	(2.3)
Loss on sale of shares of subsidiaries	19.4	—	19.4
Other	24.9	25.5	(0.7)

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

(¥ billions)

	Year ended December 31, 2023, Actual	Year ended December 31, 2022, Actual	Increase (decrease)
Finance income	9.0	11.0	(1.9)
Interest income	3.5	4.0	(0.5)
Dividend income	0.6	0.5	0.1
Foreign exchange gains (net)	4.3	5.3	(1.0)
Other	0.6	1.2	(0.6)
Finance costs	10.5	6.5	4.0
Interest paid	5.9	4.9	1.0
Change in the fair value of contingent consideration	3.9	0.7	3.3
Other	0.6	0.9	(0.3)
Share of profit of equity-accounted investees	32.8	22.8	10.0
San Miguel Brewery	30.3	25.4	4.9
Others	2.5	(2.7)	5.1
Gain on sale of equity-accounted investees	15.5	48.1	(32.6)

## 5. SUMMARY OF CONSOLIDATED STATEMENT OF CASH FLOWS

### (1) Summary of Statement of Cash Flows

(¥ billions)

	Year ended December 31, 2023, Actual	Year ended December 31, 2022, Actual	Increase (decrease)
Cash flows from operating activities	203.2	135.6	67.6
Profit before tax	197.0	191.4	5.7
Depreciation and amortization	87.2	85.9	1.3
Other	(81.1)	(141.8)	60.7
Cash flows from investing activities	(226.1)	(10.4)	(215.7)
Acquisition of property, plant and equipment and intangible assets	(113.8)	(98.5)	(15.3)
Other	(112.3)	88.1	(200.4)
Cash flows from financing activities	35.9	(167.8)	203.7
Increase (decrease) in interest-bearing liabilities	126.2	(36.9)	163.0
Dividends paid	(71.2)	(65.5)	(5.7)
Other	(19.1)	(65.5)	46.4
Exchange rate changes.	4.8	6.7	(1.9)
Net increase (decrease) in cash and cash equivalents	17.9	(35.9)	53.8
Net increase (decrease) in cash and cash equivalents resulting from transfers to assets held for sale	25.5	(25.5)	51.0

### (2) Information by Segment

As of December 31, 2023, Actual

(¥ billions)

	Japan Beer and Spirits	Japan Non-alcoholic Beverages	Oceania Adult Beverages	Pharmaceu- ticals	Others	Adjustment	Total
Depreciation and amortization	13.6	6.3	12.0	17.2	13.0	5.4	67.6
Acquisition of property, plant and equipment and intangible assets	13.5	12.4	13.2	33.6	32.0	9.1	113.8
Normalized EBITDA	91.3	23.2	44.4	113.2	69.4	(48.4)	293.0

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

As of December 31, 2022, Actual

(¥ billions)

	Japan Beer and Spirits	Japan Non-alcoholic Beverages	Oceania Adult Beverages	Pharmaceu- ticals	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.

**Supplementary Documents to the Forecast  
Consolidated Business Results  
for the Year Ending December 31, 2024**

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  
February 14, 2024**

## 1. SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT OR LOSS, INDICES, etc.

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

(¥ billions)

	Year ending December 31, 2024, Forecast	Year ended December 31, 2023, Actual	Increase (decrease)	
Revenue	2,270.0	2,134.4	135.6	6.4%
Normalized operating profit	202.0	201.5	0.5	0.3%
Other operating income	9.6	28.8	(19.3)	(66.8%)
Other operating expenses	26.6	80.0	(53.5)	(66.8%)
Operating profit	185.0	150.3	34.7	23.1%
Finance income	7.2	9.0	(1.9)	(20.7%)
Finance costs	7.2	10.5	(3.3)	(31.5%)
Share of profit of equity-accounted investees	34.1	32.8	1.3	3.9%
Gain on sale of equity-accounted investees	—	15.5	(15.5)	—
Profit before tax	219.0	197.0	22.0	11.1%
Income tax expense	58.0	46.6	11.4	24.4%
Profit	161.0	150.4	10.6	7.0%
Owners of the Company	131.0	112.7	18.3	16.2%
Non-controlling interests	30.0	37.7	(7.7)	(20.5%)
ROIC	8.0%	8.0%		
Normalized EPS	¥177	¥177	—	—
Revenue (excluding liquor tax)	1,978.0	1,854.9	123.1	6.6%
Normalized operating profit ratio (excluding liquor tax)	10.2%	10.9%		
ROE	11.3%	10.7%		
Normalized EBITDA	300.3	293.0	7.3	2.5%
Gross Debt Equity Ratio	0.65	0.58		

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 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

(¥)

	Year ending December 31, 2024, Forecast	Year ended December 31, 2023, Actual
Lion (AUD)	93.00	93.64
Four Roses Distillery (USD)	140.00	141.20
Coke Northeast (USD)	140.00	141.20
Blackmores (AUD)	93.00	95.73

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

	Year ending December 31, 2024, Forecast	Year ended December 31, 2023, Actual
San Miguel Brewery	From October 2023 to September 2024	From October 2022 to September 2023

2. REVENUE DETAILS

(1) Revenue Details

(¥ billions)

	Year ending December 31, 2024, Forecast	Year ended December 31, 2023, Actual	Increase (decrease)	
Revenue	2,270.0	2,134.4	135.6	6.4%
Alcoholic Beverages	1,092.8	1,045.1	47.7	4.6%
Kirin Brewery	676.6	648.1	28.5	4.4%
Lion	296.3	281.1	15.2	5.4%
Australia & NZ	204.9	198.8	6.1	3.1%
US Craft etc.	91.4	82.3	9.1	11.1%
Four Roses Distillery	26.5	24.5	1.9	7.8%
Other and elimination	93.5	91.4	2.0	2.2%
Non-alcoholic Beverages	544.2	516.2	28.1	5.4%
Kirin Beverage	276.6	257.8	18.8	7.3%
Coke Northeast	259.0	250.1	8.9	3.5%
Other and elimination	8.7	8.2	0.4	5.2%
Pharmaceuticals	473.0	441.9	31.1	7.0%
Kyowa Kirin	473.0	442.2	30.8	7.0%
Elimination	—	(0.4)	0.4	—
Health Science	146.8	103.4	43.5	42.1%
Blackmores	67.4	32.0	35.4	110.6%
Kyowa Hakko Bio	58.9	51.4	7.5	14.5%
Other and elimination	20.6	19.9	0.6	3.2%
Other	13.1	27.8	(14.7)	(52.8%)

(Reference) Revenue excluding liquor tax

(¥ billions)

	Year ending December 31, 2024, Forecast	Year ended December 31, 2023, Actual
Kirin Brewery	409.3	392.2



(2) Sales Details of Major Business Companies

a. Kirin Brewery

	Year ending December 31, 2024		Year ended December 31, 2023	
	Forecast	Increase (decrease)	Actual	Increase (decrease)
Sales volume	Thousand KL		Thousand KL	
Total beer products	1,479	2.6%	1,442	(5.9%)
RTD	429	1.3%	424	(2.4%)
Non-alcohol beverages	46	7.9%	43	(6.6%)
Sales volume by main brands	Thousand KL		Thousand KL	
<i>KIRIN ICHIBAN</i> brand family total	370	(0.0%)	370	5.4%
<i>SPRING VALLEY</i> brand total	26	20.3%	21	0.1%
<i>Kirin Tanrei Green Label</i>	147	0.9%	146	(7.6%)
<i>Honkirin</i>	188	(3.5%)	194	(9.6%)
<i>Kirin Hyoketsu</i> brand total	273	(5.2%)	288	6.6%

The above sales volume excludes exports and liquor tax exempts.

b. Kirin Beverage Group

	Year ending December 31, 2024		Year ended December 31, 2023	
	Forecast	Increase (decrease)	Actual	Increase (decrease)
Non-Alcoholic Beverages Total	10,000 cases 19,516	0.6%	10,000 cases 19,394	(4.4%)
Health Science products	2,816	14.5%	2,460	17.2%
LC-Plasma products	1,242	39.1%	893	35.3%
Container Type	10,000 cases		10,000 cases	
Can	2,146	0.0%	2,146	(7.5%)
Large-sized PET bottles (2L, 1.5L, etc.)	4,822	(7.4%)	5,210	(15.7%)
Small-sized PET bottles (500ml, 280ml, etc.)	10,904	6.5%	10,239	3.4%
Other	1,644	(8.6%)	1,799	(4.7%)
Total	19,516	0.6%	19,394	(4.4%)

	Year ending December 31, 2024		Year ended December 31, 2023	
	Forecast	Increase (decrease)	Actual	Increase (decrease)
Brands	10,000 cases		10,000 cases	
<i>Kirin Gogo-no-Kocha</i>	5,104	0.2%	5,092	2.0%
<i>Kirin Nama-cha</i>	2,767	(0.5%)	2,781	(1.8%)

### 3. PROFIT DETAILS

#### (1) Normalized Operating Profit Details

(¥ billions)

	Year ending December 31, 2024, Forecast	Year ended December 31, 2023, Actual	Increase (decrease)	
Normalized operating profit	202.0	201.5	0.5	0.3%
Alcoholic Beverages	124.2	119.9	4.3	3.6%
Kirin Brewery	73.5	72.9	0.6	0.8%
Lion	35.3	32.4	2.9	9.1%
Australia & NZ	24.5	22.1	2.4	11.1%
US Craft etc.	10.8	10.3	0.5	4.8%
Four Roses Distillery	9.8	9.0	0.8	9.2%
Others	5.6	5.7	(0.0)	(0.3%)
Non-alcoholic Beverages	55.2	52.4	2.9	5.5%
Kirin Beverage	19.0	16.9	2.1	12.5%
Coke Northeast	35.0	33.9	1.1	3.2%
Others	1.2	1.5	(0.3)	(19.5%)
Pharmaceuticals	82.0	96.0	(14.0)	(14.6%)
Kyowa Kirin	82.0	96.0	(14.0)	(14.6%)
Health Science	(2.6)	(12.5)	9.9	—
Blackmores	5.8	(0.5)	6.3	—
Kyowa Hakko Bio	(3.0)	(8.5)	5.5	—
Others	(5.4)	(3.6)	(1.8)	—
Other	(1.1)	(0.1)	(1.0)	—
Corporate expenses and inter-segment eliminations	(55.8)	(54.2)	(1.6)	—

(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.	11.9	Total beer products 5.7 Sales increase in total beer products 37 thousand KL Total other than beer products 0.3 Sales increase in RTD 5 thousand KL Sales increase in non-alcohol beverages 3 thousand KL, etc. Impact of price revision and difference of change in composition of products, etc. 5.9
	Increase in raw material cost of alcohol beverages	(7.2)	Increase in market prices, etc.
	Increase in selling expenses	(3.2)	Increase in sales promotion and advertising (Total 62.3→65.4)
	Increase in other expenses	(0.9)	Increase in expenditures, etc.
Total		0.6	
Kirin Beverage	Increase in marginal profit of soft drink beverages	15.2	Increase in sales volume 1.22 million cases 0.6 Difference of change in products mix and composition ratio of containers, etc. 14.7
	Increase in raw material cost, etc.	(7.7)	Increase in raw material cost (2.8), increase in material cost (3.1), and increase in processing cost (1.8)
	Increase in selling expenses	(2.4)	Increase in sales promotion and advertising (2.4) (Total 25.6→28.0)
	Increase in other expenses	(3.0)	Increase in sales equipment cost and increase in business consignment expenses ,etc.
Total		2.1	

#### 4. INFORMATION BY SEGMENT

Year ending December 31, 2024, Forecast

(¥ billions)

	Alcoholic Beverages	Non-alcoholic Beverages	Pharmaceuticals	Health Science	Others	Adjustment	Total
Depreciation and amortization	27.7	13.2	17.5	8.1	1.0	7.0	74.6
Acquisition of property, plant and equipment and intangible assets	45.9	23.2	60.3	15.0	10.4	8.2	163.0
Normalized EBITDA	174.3	68.5	99.5	6.8	(0.1)	(48.7)	300.3

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

Year ended December 31, 2023, Actual

(¥ billions)

	Alcoholic Beverages	Non-alcoholic Beverages	Pharmaceuticals	Health Science	Others	Adjustment	Total
Depreciation and amortization	28.0	11.4	17.2	4.6	0.9	5.4	67.6
Acquisition of property, plant and equipment and intangible assets	32.1	26.3	33.6	12.1	2.8	6.9	113.8
Normalized EBITDA	170.6	63.8	113.2	(6.6)	0.9	(48.8)	293.0

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