



December 6, 2021

To Whom It May Concern:

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

Commercial Arbitration to Terminate the Joint Ventures in Myanmar

Kirin Holdings Company, Limited (Kirin Holdings) announced today that Kirin Holdings Singapore Pte, Ltd (KHSPL) a subsidiary of Kirin Holdings, filed for commercial arbitration (Arbitration) against Myanma Economic Holdings Public Company Limited (MEHPCL) at the Singapore International Arbitration Centre today, for the purpose of terminating the joint venture partnership.

On February 5 of this year, Kirin Holdings expressed deep concern over the actions of Myanmar's military in seizing power by force and stated that the actions were against its standards and Human Rights Policy. Kirin Holdings announced that it would terminate the joint-venture partnership with MEHPCL, which provides welfare fund management for the military.

Based on this decision, Kirin Holdings made repeated efforts to negotiate with MEHPCL to terminate the joint venture partnership. However, MEHPCL has been uncooperative in the negotiations, effectively rejecting our proposals. During this time, these negotiations have been delayed due to further political instability, worsening safety concerns, and the surge in COVID-19 infections in Myanmar, and there has been no meaningful progress in the discussions between the two companies.

Furthermore, under these circumstances, MEHPCL filed a petition with the Yangon Western District Court on Friday, November 19, 2021 for liquidation of Myanmar Brewery Limited (MBL), a joint venture company. Kirin Holdings conveyed that it would firmly protest this unjustified motion, made in disregard of the Joint Venture Agreement as well as in violation of Myanmar laws and regulations, as well as request dismissal of this motion on November 24.

As a related measure, KHSPL has obtained a provisional injunction order from the High Court of the Republic of Singapore on Thursday, December 2, ordering MEHPCL to suspend the proceedings of its petition. Kirin Holdings will request MEHPCL to comply with this injunction, and in tandem will also request the Yangon West District Court to dismiss MEHPCL's petition in light of this injunction.

In line with our firm commitment to the termination of the joint-venture partnership, Kirin Holdings has decided to file for arbitration based on the Joint Venture Agreement in order to ensure that the process is fair and just.

The goal of contributing to Myanmar's economy and society through the beer business remains unchanged, so we will proceed with the arbitration process as quickly as possible. The termination of the joint-venture partnership will be carried out with the utmost consideration for the livelihood and safety of local employees and their families, business partners, and customers.

The filing of this arbitration will not have any particular impact on MBL's business activities or Kirin Holdings' consolidated business results. Kirin Holdings will aim to provide updates as soon as practicably possible.

- END -