

KIRIN HOLDINGS COMPANY, LIMITED

Semi-annual Securities Report
("Hanki Hokokusho")

For the six months ended June 30, 2025

This is an English translation of the original Semi-annual Securities Report (extract) filed with the Director of the Kanto Local Finance Bureau via Electronic Disclosure for Investors' Network ("EDINET") on August 8, 2025, pursuant to the Financial Instruments and Exchange Act of Japan, for reference purpose only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damage arising from the translation. The translation of the Interim Review Report and the Confirmation Letter in the original Semi-annual Securities Report are included at the end of this document.

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[Document filed]	Semi-annual Securities Report (<i>Hanki Hokokusho</i>)
[Clause of stipulation]	Item (i) of the table under Article 24-5, Paragraph 1 of the Financial Instruments and Exchange Act
[Filed to]	Director-General, Kanto Local Finance Bureau
[Filing date]	August 8, 2025
[Semi-annual accounting period]	During the 187 th fiscal year (January 1, 2025 through June 30, 2025)
[Company name]	Kirin Holdings Kabushiki Kaisha
[Company name in English]	Kirin Holdings Company, Limited
[Title and name of representative]	Takeshi Minakata, President & Chief Operating Officer
[Address of registered head office]	10-2, Nakano 4-chome, Nakano-ku, Tokyo, Japan
[Telephone number]	+81-3-6837-7015
[Name of contact person]	Hidefumi Matsuo, General Manager of Finance Department
[Nearest place of contact]	10-2, Nakano 4-chome, Nakano-ku, Tokyo, Japan
[Telephone number]	+81-3-6837-7015
[Name of contact person]	Hidefumi Matsuo, General Manager of Finance Department
[Place for public inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihonbashi Kabutocho, Chuo-ku, Tokyo)

PART 1 COMPANY INFORMATION

I. OVERVIEW OF COMPANY

1. KEY FINANCIAL DATA

Fiscal year	First six months of the 186th fiscal year	First six months of the 187th fiscal year	186th
Accounting period	Six months ended June 30, 2024	Six months ended June 30, 2025	Fiscal year ended December 31, 2024
Revenue (¥ millions)	1,095,823	1,136,309	2,338,385
Profit before tax (¥ millions)	108,541	83,761	139,721
Profit attributable to owners of the Company (¥ millions)	57,220	52,835	58,214
Comprehensive income attributable to owners of the Company (¥ millions)	194,958	(700)	118,626
Equity attributable to owners of the Company (¥ millions)	1,290,433	1,121,720	1,181,525
Total assets (¥ millions)	3,134,909	3,301,300	3,354,159
Basic earnings per share (¥)	70.65	65.23	71.87
Diluted earnings per share (¥)	70.65	65.22	71.86
Ratio of profit to equity attributable to owners of the Company (%)	41.2	34.0	35.2
Cash flows from operating activities (¥ millions)	108,711	67,253	242,844
Cash flows from investing activities (¥ millions)	(116,025)	(61,556)	(329,375)
Cash flows from financing activities (¥ millions)	(21,568)	35,825	58,125
Cash and cash equivalents at end of period (¥ millions)	138,406	132,408	118,617

Notes:

1. The Company has prepared condensed semi-annual consolidated financial statements and thus does not provide changes in the key financial data of the reporting company.
2. The financial data above is based on our condensed semi-annual consolidated financial statements and consolidated financial statements prepared in conformity with International Financial Reporting Standards (“IFRS”).
3. Amounts are rounded to the nearest ¥1 million.

2. DESCRIPTION OF BUSINESS

For the first six months of the fiscal year under review, there are no material changes in the business activities of the Kirin Group (the Company and its subsidiaries and associates).

There are also no changes in major subsidiaries and associates.

II. OVERVIEW OF BUSINESS

1. BUSINESS RISK FACTORS

For the first six months of the fiscal year under review, there are no new business risk factors. There are also no material changes in the business risk factors provided in the Annual Securities Report for the previous fiscal year.

2. MANAGEMENT ANALYSIS OF FINANCIAL POSITION, OPERATING RESULTS, AND CASH FLOWS

Forward-looking statements contained in this document are based on the assessment that the Kirin Group made as of the end of the first six months of the fiscal year under review.

(1) OPERATING RESULTS

Summary of Consolidated Financial Results

- Consolidated Revenue for the first six months (January 1, 2025 to June 30, 2025) increased overall, despite a decline in revenue from the Alcoholic Beverages Business. This decrease was due to a decline in sales volume following sales price revisions by Kirin Brewery in April 2025, and Lion was impacted by the appreciation of the yen. The overall revenue growth was mainly driven by contributions from FANCL, which became a consolidated subsidiary in the third quarter of last year.
- Consolidated normalized operating profit* increased overall due to contributions from FANCL since the beginning of the year and increased profits in the Health Sciences Business, including Kyowa Hakko Bio.
- The consolidated profit attributable to owners of the company decreased since the increase in consolidated normalized operating profit was more than offset by negative impacts from other operating income and expenses, as well as financial income and costs.
- Regarding foreign exchange effects for the six months, the average exchange rate against the U.S. dollar (1 U.S. dollar = 147.48 yen) appreciated by 6.58 yen compared to the same period last year, and the average exchange rate against the Australian dollar (1 Australian dollar = 93.52 yen) appreciated by 7.75 yen compared to the same period last year. The exchange rate impact resulted in a consolidated revenue decrease of approximately 22.7 billion yen and normalized operating profit decrease of approximately 3.8 billion yen.

* Note: 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.

Consolidated revenue	1,136.3 billion yenup 3.7%
Consolidated normalized operating profit	94.2 billion yenup 1.3%
Consolidated profit before tax	83.8 billion yendown 22.8%
Consolidated profit attributable to owners of the Company	52.8 billion yendown 7.7%
(Key performance indicators)	
EPS	65 yendown 7.7%

Results by segment are as follows.

< Alcoholic Beverages Business >

Kirin Brewery

- Revenue decreased due to a decline in overall market sales volume following the price revision in April 2025.
- Total sales of the "KIRIN ICHIBAN" brand exceeded both the previous year and market performance, driven by the strong launch of "KIRIN ICHIBAN White Beer" in April 2025. The new product showed minimal cannibalization within the KIRIN ICHIBAN lineup.
- Normalized operating profit increased despite a decrease in gross profit due to lower sales volume, driven by lower raw material costs resulting from market fluctuations and the timing of marketing cost investments.

Lion

- Revenue was flat year-on-year on a local currency terms, but decreased in yen terms (YoY: -0.9%(local currency), -8.5%(JPY)).
- In Australia, sales of both "Hahn" and "Stone & Wood" exceeded the previous year's levels and outpaced the overall market, leading to revenue growth. On the other hand, a decline in sales volume in New Zealand due to market deterioration impacted the overall performance, for Australia

and New Zealand, resulting in total sales approximately flat compared to the same period in the prior year.

- In the US, the "*Voodoo Ranger*" brand performed steadily and outperformed the market, but revenue remained flat due to the acceleration of market contraction caused by deteriorating external conditions.
- Normalized operating profit increased both on a local currency basis and on a yen basis (YoY: +26.9%(local currency), +17.2%(JPY)).
- In Australia, normalized operating profit increased due to higher sales volume and higher unit prices across all regions, as well as cost reductions and the timing of expense investments. Additionally, fixed cost reductions resulting from structural reforms supported the increase in normalized operating profit .
- In the US, despite a decrease in sales volume, normalized operating profit remained at the previous year's level due to cost reductions in line with sales conditions and the timing of expense investments.

Alcoholic Beverages Business results:

Consolidated revenue	492.6 billion yendown 3.9%
Consolidated normalized operating profit	53.2 billion yenup 5.7%

<Non-alcoholic Beverages Business>

Kirin Beverage

- Revenue increased due to higher unit prices resulting from sales price revisions and expanded sales of Health Science products.
- Normalized operating profit increased, as the effects of price revisions offset the impact of rising raw material costs and a decrease in sales volume.

Coke Northeast

- Revenue increased due to the maintenance of sales volume through sales activities and sales price increases achieved through price management. (YoY: +4.9% (local currency), +0.4%(JPY)).
- Normalized operating profit remained at the previous year's level in local currency-based due to higher raw material cost increases offset by higher revenue and operational efficiency improvements. (YoY: +0.0% (local currency), -4.2%(JPY)).

Non-alcoholic Beverages Business results:

Consolidated revenue	271.8 billion yenup 0.7%
Consolidated normalized operating profit	29.5 billion yendown 2.0%

<Pharmaceuticals Business>

- Revenue decreased slightly due to negative foreign exchange effects, drug price revisions in Japan, and a decrease in sales following the APAC business reorganization last year, despite strong performance of "Crysvita" and "Poteligeo" compared to the previous year.
- Normalized operating profit decreased due to decline in revenue and increased R&D expenses.

Pharmaceuticals Business results:

Consolidated revenue	230.5 billion yendown 1.0%
Consolidated normalized operating profit	33.5 billion yendown 18.4%

<Health Science Business>

FANCL*

- Revenue increased overall in cosmetics business, supported by the continued strong performance of the “*ATTENIR*” and additional overseas shipments that had been postponed from the previous year. In the supplements business, although the impact of large-scale measures implemented in Japan in the previous year remained, revenue increased overall due to sales price increases implemented in April 2025 and strong sales in overseas markets.
- Normalized operating profit increased due to higher gross profit from increased revenue, as well as cost reductions in Advertising and Promotional expenses compared to the previous year.

* Note: Consolidation of FANCL began in the fourth quarter of the previous year, and the above figures for FANCL for the same period of the previous year were provided for reference purposes only.

Blackmores

- Revenue increased on a local currency basis, mainly in Australia and Southeast Asia (YoY: +6.9% (local currency), -1.3% (JPY)).
- In Australia and New Zealand, revenue increased due to the strong momentum continuing from last year supported by improved promotional bundling and innovation.
- In Southeast Asia and South Korea, core VDS product sales remained strong across all markets, with challenges in Vietnam Infant Formula.
- In China, while efforts to expand collaboration with distributors in export are progressing, the market environment remains challenging, resulting in a revenue decline.
- Normalized operating profit was flat reflecting proactive growth investments, including increased marketing spends and personnel costs. (YoY: +0.1%(local currency), -7.6%(JPY)).

Health Science Business results:

Consolidated revenue	127.2 billion yenup 82.9%
Consolidated normalized operating profit	8.6 billion yenLoss of 1.6 billion yen

(2) FINANCIAL POSITION

Total assets at the end of the six months were 3,301.3 billion yen, a decrease of 52.9 billion yen from the end of the previous consolidated fiscal year mainly due to a decrease in trade and other receivables, as the previous year-end fell on a bank holiday.

Equity decreased by 126.5 billion yen from the end of the previous consolidated fiscal year to 1,407.3 billion yen mainly due to a decrease in non-controlling interests as a result of additional acquisition of FANCL, and a decrease in reserves due to foreign exchange fluctuations.

Liabilities increased by 73.6 billion yen from the end of the previous consolidated fiscal year to 1,894.0 billion yen mainly due to increase in issuance of commercial paper and bonds despite of decrease in trade and other receivables, as the previous year-end fell on a bank holiday.

(3) CASH FLOW STATEMENTS

The balance of cash and cash equivalents (hereinafter referred to as "net cash") at the end of six months was 132.4 billion yen, an increase of 24.5 billion yen (excluding a decrease of 10.7 billion yen due to a change in accounting policies) 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 decreased by 41.5 billion yen compared to the same period in the previous fiscal year to 67.3 billion yen. Outflow of working capital increased by 30.0 billion yen, and income taxes paid decreased by 6.8 billion yen.

Cash flows from investing activities

Net cash used in investing activities decreased by 54.5 billion yen compared to the same period in the previous fiscal year to 61.6 billion yen. There was an inflow of 16.9 billion yen for business transfer, while there were outflow of 72.2 billion yen for acquisition of property, plant and equipment and intangible assets, representing an increase of 3.8 billion compared to the same period in the prior year, and 7.7 billion yen for payments of cash segregated as deposits

Cash flows from financing activities

Net cash from (used in) financing activities was an inflow of 35.8 billion yen compared to an outflow of 21.6 billion yen in the previous consolidated fiscal year. Proceeds of 108.0 billion yen was received from commercial paper and 100.0 billion yen from issuance of bonds, while there were outflow of 81.6 billion yen for the acquisition of non-controlling interests, 35.7 billion yen for dividends paid, 25.0 billion yen for payment for the redemption of bonds and 20.0 billion yen for repayment of long-term borrowings.

(4) FUTURE BUSINESS AND FINANCIAL CHALLENGES

For the first six months of the fiscal year under review, there are no material changes in the future business and financial challenges for the Kirin Group.

(5) RESEARCH AND DEVELOPMENT ACTIVITIES

The Kirin Group's research and development expenses for the first six months of the fiscal year under review was ¥59.7 billion.

Within this period, there are no material changes in the research and development activities of the Kirin Group.

3. MATERIAL CONTRACTS, ETC.

Not applicable.

III. INFORMATION ABOUT REPORTING COMPANY

1. COMPANY'S SHARES, ETC.

(1) TOTAL NUMBER OF SHARES, ETC.

1) Total number of shares

Class	Total authorized shares (shares)
Ordinary shares	1,732,026,000
Total	1,732,026,000

2) Outstanding shares

Class	Number of shares outstanding as of the first six months of the fiscal year under review (shares) (June 30, 2025)	Number of shares outstanding as of filing date (shares) (August 8, 2025)	Name of financial instruments exchange on which securities are listed or authorized financial instruments firms association to which securities are registered	Description
Ordinary shares	914,000,000	914,000,000	The Tokyo Stock Exchange (Prime Market)	Note 1
Total	914,000,000	914,000,000	—	—

Notes:

1. Ordinary shares are shares with full voting rights and the Company's standard shares without any limitation on the rights of the shares. The number of shares constituting one unit is 100 shares.
2. In the United States, the Company's shares are traded in the secondary market for private equity in the form of ADR (American Depositary Receipt).

(2) SHARE ACQUISITION RIGHTS

1) Share option plans

Not applicable.

2) Share acquisition rights for other uses

Not applicable.

(3) EXERCISES OF MOVING STRIKE CONVERTIBLE BONDS, ETC.

Not applicable.

(4) CHANGES IN TOTAL OUTSTANDING SHARES, SHARE CAPITAL AND ADDITIONAL PAID-IN CAPITAL

Date	Increase (decrease) in total outstanding shares (thousand shares)	Balance of total outstanding shares (thousand shares)	Increase (decrease) in share capital (¥ millions)	Balance of share capital (¥ millions)	Increase (decrease) in additional paid-in capital (¥ millions)	Balance of additional paid-in capital (¥ millions)
January 1, 2025 to June 30, 2025	—	914,000	—	102,046	—	81,412

(5) MAJOR SHAREHOLDERS

As of June 30, 2025

Name	Address	Number of shares held (thousand shares)	Shareholding ratio (excluding treasury shares) (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	Akasaka Intercity AIR, 8-1, Akasaka 1-chome, Minato-ku, Tokyo	141,107	17.38
Custody Bank of Japan, Ltd. (Trust account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	55,382	6.82
Meiji Yasuda Life Insurance Company (Standing proxy: Custody Bank of Japan, Ltd.)	1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo (8-12, Harumi 1-chome, Chuo-ku)	31,346	3.86
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (Shinagawa Intercity Tower A, 15-1, Konan 2-chome, Minato-ku, Tokyo)	29,983	3.69
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A. (Shinagawa Intercity Tower A, 15-1, Konan 2-chome, Minato-ku, Tokyo)	17,049	2.10
THE NOMURA TRUST AND BANKING CO., LTD. AS THE TRUSTEE OF REPURCHASE AG FUND 2024-09 (LIMITED OT FINANC IN RESALE RSTRCT) (Standing proxy: Citibank, N.A., Tokyo Branch)	2-2 Otemachi, Chiyoda-ku 2-chome, Tokyo (27-30, Shinjuku 6-chome, Shinjuku-ku)	16,097	1.98
SMBC Nikko Securities Inc.	3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo	15,264	1.88
JAPAN SECURITIES FINANCE CO., LTD.	2-10, Nihonbashi-Kayabacho 1-chome, Chuo-ku, Tokyo	10,412	1.28
Custody Bank of Japan, Ltd. (Trust account 4)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	9,620	1.18
JPMorgan Securities Japan Co., Ltd.	Tokyo Building, 7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo	9,269	1.14
Total	—	335,535	41.33

Notes:

- The Company holds 102,248 thousand treasury shares (11.18%), but is excluded from the major shareholders above.
- Sumitomo Mitsui Trust Asset Management Co., Ltd. submitted a statement of large-volume holdings (statement of changes) on March 21, 2025 with the joint holder of Nikko Asset Management Co., Ltd. However, the Company is not able to fully confirm the number of shares held by these corporations as of June 30, 2025, therefore, they are not included in the list of major shareholders above.
According to the statement of large-volume holdings (statement of changes), the shareholding status of the corporations as of March 14, 2025 is as follows:

Name	Address	Number of shares held (thousand shares)	Shareholding ratio (%)
Sumitomo Mitsui Trust Asset Management Co., Ltd.	1-1, Shibakoen 1-chome, Minato-ku, Tokyo	25,938	2.84
Nikko Asset Management Co., Ltd.	7-1, Akasaka 9-chome, Minato-ku, Tokyo	18,213	1.99
Total	—	44,151	4.83

- BlackRock Japan Co., Ltd. submitted a statement of large-volume holdings (statement of changes) on August 19, 2021 with nine other corporations as joint holders. However, the Company is not able to fully confirm the number of shares held by these corporations as of June 30, 2025, therefore, they are not included in the list of major shareholders above.
According to the statement of large-volume holdings (statement of changes), the shareholding status of the corporations as of August 13, 2021 is as follows:

Name	Address	Number of shares held (thousand shares)	Shareholding ratio (%)
BlackRock Japan Co., Ltd.	8-3, Marunouchi 1-chome, Chiyoda-ku, Tokyo	12,550	1.37
BlackRock Advisers, LLC	251 Little Falls Drive, Wilmington, DE, United States	1,254	0.14
BlackRock Investment Management LLC	251 Little Falls Drive, Wilmington, DE, United States	1,168	0.13
BlackRock (Netherlands) BV	Amstelplein 1, 1096 HA Amsterdam, Netherlands	1,879	0.21
BlackRock Fund Managers Limited	12 Throgmorton Avenue, London, United Kingdom	1,508	0.17
BlackRock Asset Management Canada Limited	161 Bay St Suite 2500 Toronto, ON, Canada	1,279	0.14
BlackRock Asset Management Ireland Limited	1st Floor, 2 Ballsbridge Park, Ballsbridge, Dublin, Ireland	4,241	0.46
BlackRock Fund Advisors	400 Howard Street, San Francisco, CA, United States	13,247	1.45
BlackRock Institutional Trust Company, N.A.	400 Howard Street, San Francisco, CA, United States	17,071	1.87
BlackRock Investment Management (UK) Limited	12 Throgmorton Avenue, London, United Kingdom	1,528	0.17
Total	–	55,730	6.10

(6) VOTING RIGHTS

1) Outstanding shares

As of June 30, 2025

Category	Number of shares (shares)	Number of voting rights (units)	Description
Shares with no voting rights	–	–	–
Shares with restricted voting rights (treasury shares, etc.)	–	–	–
Shares with restricted voting rights (other)	–	–	–
Shares with full voting rights (treasury shares, etc.)	(Treasury shares) Ordinary shares 102,248,500	–	They are the Company's standard shares without any limitation on the rights of the shares. The number of shares constituting one unit is 100 shares.
Shares with full voting rights (other)	Ordinary shares 809,852,200	8,098,522	Same as above
Shares less than one unit	Ordinary shares 1,899,300	–	–
Total outstanding shares	914,000,000	–	–
Voting rights held by all shareholders	–	8,098,522	–

Notes:

1. “Shares with full voting rights (other)” of ordinary shares include 7,000 shares (voting rights of 70 units) registered in the name of Japan Securities Depository Center, Incorporated.
2. “Shares with full voting rights (other)” of ordinary shares include 1,599,000 shares (voting rights of 15,990 units) held in the Board Incentive Plan (BIP) Trust. The voting rights of 15,990 units are not exercised.
3. “Shares less than one unit” of ordinary shares include 80 treasury shares.

2) Treasury shares, etc.

As of June 30, 2025

Name of shareholder	Address of shareholder	Number of shares held in own name (shares)	Number of shares held in others' names (shares)	Total number of shares held (shares)	Shareholding ratio (%)
(Treasury shares) Kirin Holdings Company, Limited	10-2, Nakano 4-chome, Nakano- ku, Tokyo	102,248,500	–	102,248,500	11.18
Total	–	102,248,500	–	102,248,500	11.18

Note: The above treasury shares do not include 1,599,000 shares held in the BIP Trust.

2. DIRECTORS OF THE BOARD AND AUDIT & SUPERVISORY BOARD MEMBERS

Not applicable.

IV. FINANCIAL INFORMATION

(1) Basis of preparation of the condensed semi-annual consolidated financial statements

The condensed semi-annual consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard No. 34 “Interim Financial Reporting” (“IAS 34”) pursuant to Article 312 of the Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (Order of the Ministry of Finance No. 28 of 1976, hereinafter, the “Regulation on Consolidated Financial Statements”).

Figures disclosed in the condensed semi-annual consolidated financial statements are rounded to million yen.

The Company is classified as company type 1 listed in the table in Article 24-5, Paragraph 1 of the Financial Instruments and Exchange Act, and prepares type 1 semi-annual consolidated financial statements in accordance with the provisions of Part 1 and Part 5 of the Regulation on Consolidated Financial Statements.

(2) Interim review by independent auditor

The condensed semi-annual consolidated financial statements for the six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025) were subject to an interim review by KPMG AZSA LLC, in accordance with Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

1. Condensed Semi-Annual Consolidated Financial Statements

Condensed Semi-Annual Consolidated Statement of Financial Position

Kirin Holdings Company, Limited and Consolidated Subsidiaries

At June 30, 2025 and December 31, 2024

(¥ millions)

	At December 31, 2024	At June 30, 2025
Assets		
Non-current assets		
Property, plant and equipment	¥ 674,028	¥ 683,730
Goodwill	501,480	483,946
Intangible assets	659,561	642,591
Equity-accounted investees	216,205	224,443
Other financial assets	103,360	107,361
Other non-current assets	48,570	48,646
Deferred tax assets	109,761	98,675
Total non-current assets	2,312,966	2,289,392
Current assets		
Inventories	358,985	355,505
Trade and other receivables	502,880	432,598
Other financial assets	8,570	10,922
Other current assets	52,142	48,322
Cash and cash equivalents (Note 11)	118,617	132,408
(Sub-total)	1,041,193	979,754
Assets held for sale (Note 15)	—	32,154
Total current assets	1,041,193	1,011,908
Total assets	¥3,354,159	¥3,301,300

(¥ millions)

	At December 31, 2024	At June 30, 2025
Equity		
Share capital	¥ 102,046	¥ 102,046
Share premium	9,497	—
Retained earnings	1,130,931	1,133,761
Treasury shares	(251,376)	(250,993)
Reserves	190,427	136,906
Equity attributable to owners of the Company	1,181,525	1,121,720
Non-controlling interests	352,189	285,535
Total equity	1,533,714	1,407,255
Liabilities		
Non-current liabilities		
Bonds and borrowings	779,583	814,374
Other financial liabilities	87,398	78,922
Defined benefit liability	54,986	54,069
Provisions	7,100	9,126
Liabilities from application of equity method	10,458	8,970
Other non-current liabilities	13,622	9,215
Deferred tax liabilities	123,233	117,882
Total non-current liabilities	1,076,380	1,092,556
Current liabilities		
Bonds and borrowings	77,986	205,884
Trade and other payables	364,265	302,424
Other financial liabilities	54,935	55,084
Current tax liabilities	11,428	15,741
Provisions	12,214	6,456
Other current liabilities	223,238	198,865
(Sub-total)	744,065	784,456
Liabilities directly associated with assets held for sale (Note 15)	—	17,033
Total current liabilities	744,065	801,489
Total liabilities	1,820,445	1,894,045
Total equity and liabilities	¥3,354,159	¥3,301,300

Condensed Semi-Annual Consolidated Statements of Profit or Loss

Kirin Holdings Company, Limited and Consolidated Subsidiaries

For six months ended June 30, 2025 and 2024

	(¥ millions)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Revenue (Notes 4 and 6)	¥1,095,823	¥1,136,309
Cost of sales	594,141	603,934
Gross profit	501,682	532,376
Selling, general and administrative expenses (Note 7)	408,614	438,131
Other operating income (Note 8)	4,402	2,135
Other operating expenses (Note 9)	16,581	27,658
Operating profit	80,890	68,723
Finance income (Note 10)	11,719	4,644
Finance costs (Note 10)	4,369	8,998
Share of profit of equity-accounted investees	20,301	19,392
Profit before tax	108,541	83,761
Income tax expense	34,311	23,294
Profit	74,230	60,467
Profit attributable to:		
Owners of the Company	57,220	52,835
Non-controlling interests	17,010	7,633
Profit	¥ 74,230	¥ 60,467
Earnings per share (Yen) (Note 12)		
Basic earnings per share	¥ 70.65	¥ 65.23
Diluted earnings per share	70.65	65.22

Condensed Semi-Annual Consolidated Statement of Comprehensive Income

Kirin Holdings Company, Limited and Consolidated Subsidiaries

For six months ended June 30, 2025 and 2024

(¥ millions)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit	¥ 74,230	¥ 60,467
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	2,684	1,619
Remeasurements of defined benefit plans	127	(1)
Share of other comprehensive income of equity-accounted investees	(690)	(80)
Items that are or may be reclassified to profit or loss		
Foreign currency translation differences on foreign operations	144,282	(61,457)
Cash flow hedges	2,732	(1,360)
Share of other comprehensive income of equity-accounted investees	3,212	3,093
Total other comprehensive income	152,347	(58,185)
Comprehensive income	¥226,578	¥2,282
Comprehensive income attributable to:		
Owners of the Company	¥194,958	¥(700)
Non-controlling interests	31,619	2,982
Comprehensive income	¥226,578	¥2,282

Condensed Semi-Annual Consolidated Statement of Changes in Equity

Kirin Holdings Company, Limited and Consolidated Subsidiaries

Six months ended June 30, 2024

	(¥ millions)			
	Equity attributable to owners of the Company			
	Share capital	Share premium	Retained earnings	Treasury shares
Balance at January 1, 2024	¥102,046	¥21,150	¥1,128,541	¥(251,675)
Profit	-	-	57,220	-
Other comprehensive income	-	-	-	-
Comprehensive income	-	-	57,220	-
Dividends from surplus (Note 5)	-	-	(29,560)	-
Acquisition of treasury shares	-	-	-	(14)
Disposal of treasury shares	-	(0)	-	1
Change in scope of consolidation	-	-	-	-
Share-based payments	-	(141)	(11)	361
Changes in the ownership interest in a subsidiary without a loss of control	-	(7,742)	-	-
Transfer from reserves to retained earnings	-	-	(555)	-
Total transactions with owners of the Company	-	(7,883)	(30,127)	348
Balance at June 30, 2024	¥102,046	¥13,267	¥1,155,634	¥(251,327)

	Equity attributable to owners of the Company						Non-controlling interests	Total equity
	Reserves					Total		
	Net change in equity instruments measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Foreign currency translation differences on foreign operations	Cash flow hedges	Total			
Balance at January 1, 2024	¥19,119	¥ -	¥114,662	¥(1,263)	¥132,519	¥1,132,581	¥293,257	¥1,425,838
Profit	-	-	-	-	-	57,220	17,010	74,230
Other comprehensive income	2,132	(621)	134,344	1,884	137,738	137,738	14,609	152,347
Comprehensive income	2,132	(621)	134,344	1,884	137,738	194,958	31,619	226,578
Dividends from surplus (Note 5)	-	-	-	-	-	(29,560)	(7,217)	(36,778)
Acquisition of treasury shares	-	-	-	-	-	(14)	-	(14)
Disposal of treasury shares	-	-	-	-	-	1	-	1
Change in scope of consolidation	-	-	-	-	-	-	7	7
Share-based payments	-	-	-	-	-	209	(39)	171
Changes in the ownership interest in a subsidiary without a loss of control	-	-	-	-	-	(7,742)	(19,762)	(27,504)
Transfer from reserves to retained earnings	(66)	621	-	-	555	-	-	-
Total transactions with owners of the Company	(66)	621	-	-	555	(37,106)	(27,011)	(64,118)
Balance at June 30, 2024	¥21,185	¥ -	¥249,006	¥621	¥270,812	¥1,290,433	¥297,865	¥1,588,298

Six months ended June 30, 2025

	(¥ millions)			
	Equity attributable to owners of the Company			
	Share capital	Share premium	Retained earnings	Treasury shares
Balance at January 1, 2025	¥102,046	¥9,497	¥1,130,931	¥(251,376)
Effect of changes in accounting policies (Note 3)	-	-	(10,731)	-
Balance at January 1, 2025 reflecting changes in accounting policies	102,046	9,497	1,120,200	(251,376)
Profit	-	-	52,835	-
Other comprehensive income	-	-	-	-
Comprehensive income	-	-	52,835	-
Dividends from surplus (Note 5)	-	-	(28,755)	-
Acquisition of treasury shares	-	-	-	(9)
Disposal of treasury shares	-	7	-	0
Share-based payments	-	(77)	(61)	392
Changes in the ownership interest in a subsidiary without a loss of control	-	(19,872)	-	-
Transfer from reserves to retained earnings	-	-	(14)	-
Transfer from retained earnings to share premium	-	10,444	(10,444)	-
Total transactions with owners of the Company	-	(9,497)	(39,274)	384
Balance at June 30, 2025	¥102,046	¥ -	¥1,133,761	¥(250,993)

	Equity attributable to owners of the Company							
	Reserves							
	Net change in equity instruments measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Foreign currency translation differences on foreign operations	Cash flow hedges	Total	Total	Non-controlling interests	Total equity
Balance at January 1, 2025	19,676	¥ -	¥169,311	¥1,440	¥190,427	¥1,181,525	¥352,189	¥1,533,714
Effect of changes in accounting policies (Note 3)	-	-	-	-	-	(10,731)	-	(10,731)
Balance at January 1, 2025 reflecting changes in accounting policies	19,676	-	169,311	1,440	190,427	1,170,794	352,189	1,522,984
Profit	-	-	-	-	-	52,835	7,633	60,467
Other comprehensive income	1,717	(80)	(53,792)	(1,380)	(53,535)	(53,535)	(4,650)	(58,185)
Comprehensive income	1,717	(80)	(53,792)	(1,380)	(53,535)	(700)	2,982	2,282
Dividends from surplus (Note 5)	-	-	-	-	-	(28,755)	(6,997)	(35,752)
Acquisition of treasury shares	-	-	-	-	-	(9)	-	(9)
Disposal of treasury shares	-	-	-	-	-	8	-	8
Share-based payments	-	-	-	-	-	254	(27)	227
Changes in the ownership interest in a subsidiary without a loss of control	-	-	-	-	-	(19,872)	(62,612)	(82,484)
Transfer from reserves to retained earnings	(66)	80	-	-	14	-	-	-
Transfer from retained earnings to share premium	-	-	-	-	-	-	-	-
Total transactions with owners of the Company	(66)	80	-	-	14	(48,374)	(69,636)	(118,011)
Balance at June 30, 2025	¥21,327	¥ -	¥115,519	¥59	¥136,906	¥1,121,720	¥285,535	¥1,407,255

Condensed Semi-Annual Consolidated Statement of Cash Flows

Kirin Holdings Company, Limited and Consolidated Subsidiaries
For six months ended June 30, 2025 and 2024

(¥ millions)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from operating activities		
Profit before tax	¥ 108,541	¥ 83,761
Depreciation and amortization	43,597	50,062
Impairment losses	3,244	674
Interest and dividends received	(6,426)	(4,103)
Share of profit of equity-accounted investees	(20,301)	(19,392)
Interest paid	3,345	4,891
Gain on sale of property, plant and equipment and intangible assets	(2,498)	(464)
Loss on disposal and sale of property, plant and equipment and intangible assets	2,190	807
(Increase) decrease in trade receivables	24,222	56,520
(Increase) decrease in inventories	(24,236)	(18,509)
Increase (decrease) in trade payables	(553)	(38,812)
Increase (decrease) in liquor taxes payable	3,062	(26,744)
Increase (decrease) in deposits received	(4,754)	574
Other	(17,040)	(21,889)
Sub-total	112,393	67,377
Interest and dividends received	19,214	17,662
Interest paid	(2,594)	(4,289)
Income taxes paid	(20,302)	(13,497)
Cash flows from (used in) operating activities	108,711	67,253
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(68,465)	(72,241)
Proceeds from sale of property, plant and equipment and intangible assets	3,763	1,221
Acquisition of investments	(1,419)	(674)
Proceeds from sale of investments	1,585	315
Acquisition of shares of subsidiaries, net of cash acquired	(48,196)	-
Acquisition of equity-accounted investees	(5)	-
Considerations from business transfer (Note 11)	-	16,872
Payments of cash segregated as deposits	-	(7,700)
Other	(3,288)	650
Cash flows from (used in) investing activities	(116,025)	(61,556)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	491	101
Increase (decrease) in commercial paper	20,000	107,976
Proceeds from long-term borrowings	103,432	-
Repayment of long-term borrowings	(53,646)	(20,000)
Proceeds from issuance of bonds	-	100,000
Payment for redemption of bonds	-	(25,000)
Payment for redemption of bonds with subscription rights to shares (Note 11)	(9,621)	-
Repayment of lease liabilities	(9,398)	(9,506)
Payment for acquisition of treasury shares	(22)	(9)
Payment for acquisition of treasury shares by a consolidated subsidiary	(27,047)	(4)
(Increase) decrease in segregated deposits for purchase of treasury shares by a consolidated subsidiary	(8,959)	-
Dividends paid	(29,560)	(28,755)
Dividends paid to non-controlling interests	(7,215)	(6,988)
Payments for acquisition of non-controlling interests (Note 14)	-	(81,605)
Other	(22)	(385)
Cash flows from (used in) financing activities	(21,568)	35,825
Effect of exchange rate changes on cash and cash equivalents	35,889	(3,926)
Net increase (decrease) in cash and cash equivalents	7,008	37,596
Cash and cash equivalents at beginning of period	131,399	118,617
Effect of changes in accounting policies (Note 3)	-	(10,731)
Cash and cash equivalents at beginning of period reflecting changes in accounting policies	131,399	107,886

Net increase (decrease) in cash and cash equivalents resulting from transfers to assets held for sale (Note 15)	-	(13,074)
Cash and cash equivalents at end of period (Note 11)	¥138,406	¥132,408

1. REPORTING ENTITY

Kirin Holdings Company, Limited (“the Company”) is a corporation domiciled in Japan. Its registered address is disclosed on the Company’s website (<https://www.kirinholdings.com/en/>).

The Company and its subsidiaries (“the Group”) are involved in the production and sale of alcoholic beverages, non-alcoholic beverages, pharmaceutical products and health food products, and other related businesses.

2. BASIS OF PREPARATION

(1) COMPLIANCE WITH IFRS

In accordance with Article 312 of the Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements, the Group’s condensed semi-annual consolidated financial statements have been prepared in conformity with IAS 34 as the Group meets the requirements concerning the “Specified Company Complying with Designated International Accounting Standards” prescribed in item (ii) of Article 1-2 of the Ordinance.

The condensed semi-annual consolidated financial statements do not contain all the information required for annual consolidated financial statements and thus should be used together with consolidated financial statements for the previous fiscal year ended December 31, 2024.

(2) AUTHORIZATION OF THE CONDENSED SEMI-ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

The Group’s condensed semi-annual consolidated financial statements were authorized for issue by Takeshi Minakata, President & COO of the Company, and Shinjiro Akieda, Director of the Board and Senior Executive Officer of the Company, on August 8, 2025.

(3) KEY ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The Group’s condensed semi-annual consolidated financial statements include accounting judgments by management and management’s estimates and assumptions concerning the measurement of income, expenses, assets and liabilities and the disclosure of contingencies at the reporting date. By their nature, actual results may differ from these estimates and assumptions.

Estimates and assumptions are reviewed by management on an ongoing basis. The effects of any revisions to these estimates and assumptions are recognized in the period of the revisions and subsequent periods.

Estimates and assumptions that have significant effects on the amounts recognized in the Group’s condensed semi-annual consolidated financial statements are generally the same as in the previous fiscal year.

3. MATERIAL ACCOUNTING POLICIES

Except for the matters described below, material accounting policies to be applied in the Group’s condensed semi-annual consolidated financial statements are the same as the accounting policies applied in the consolidated financial statements for the previous fiscal year.

(1) REVISION OF IAS 21 “THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES”

In the first six months of the fiscal year under review, the Group implemented IAS 21 “The Effects of Changes in Foreign Exchange Rates” (revised in August 2023).

The amendment clarifies a consistent approach in assessing whether a currency can be exchanged for another currency, and in determining the exchange rate to be used and disclosures to be provided if it cannot be exchanged. In accordance with this clarified approach, changes have been made to the foreign exchange rates used for the translation of cash and cash equivalents for the following transactions..

1) Currency in question and the reason why the currency is no longer exchangeable

Kirin Holdings Singapore Pte, Ltd., a consolidated subsidiary of the Company, holds Myanmar Kyat deposit balances in the Myanmar branch of a bank in Japan. The subsidiary is subject to restrictions which requires approval to be obtained from the relevant authority in order to exchange Myanmar Kyat (“MMK”) for another currency and to remit overseas due to foreign currency convertibility regulations issued by the Central

Bank of Myanmar in April 2022.

2) Carrying amount of affected assets and liabilities

(Thousands of kyats)

	Balance at January 1, 2025	Balance at June 30, 2025
Cash and cash equivalents	343,431,695	343,572,291

3) Spot exchange rate used

Previously, the official exchange rate set by the Central Bank of Myanmar was used to convert such cash and cash equivalents, but this has been changed to the market trading rate offered by the Central Bank of Myanmar for currency conversion.

The exchange rate used January 1, 2025 was 3,588 MMK/USD.

In accordance with the required transitional approach, the Group recognized the effect of the change at the start of application as an adjustment to the balance of retained earnings at the beginning of the first six months of the current fiscal year. As a result, the balance of retained earnings at January 1, 2025 in the condensed semi-annual consolidated statement of changes in equity and the balance of cash and cash equivalents at the beginning period in the semi-annual consolidated statement of cash flows were each reduced by ¥10,731 million as "Effect of change in accounting policies".

4. OPERATING SEGMENTS

(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 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, "Alcoholic Beverages Business," "Non-alcoholic Beverages Business," "Pharmaceuticals Business" and "Health Science Business."

"Alcoholic Beverages Business," for which Kirin Brewery Company, Limited, Lion Pty Limited and other entities operate businesses in Japan and overseas. Kirin Brewery Company, Limited conducts production and sale of alcoholic beverages such as beer and low alcohol drinks in Japan while Lion Pty Limited conducts production and sale of products such as beer and low alcohol drinks in the Oceania region, as well as production and sale of products such as craft beer in North America.

"Non-alcoholic Beverages Business," for which Kirin Beverage Company, Limited and Coca-Cola Beverages Northeast, Inc. and other entities operate businesses in Japan and overseas. Kirin Beverage Company, Limited conducts production and sale of soft drinks in Japan while Coca-Cola Beverages Northeast, Inc. conducts production and sale of Coca-Cola products in the U.S.

"Pharmaceuticals Business," for which Kyowa Kirin Co., Ltd. and other entities conduct production and sale of pharmaceutical products in Japan and overseas.

"Health Science Business," for which FANCL Corporation, Blackmores Limited, Kyowa Hakko Bio Co., Ltd. and other entities operate business such as natural health in Japan and overseas. FANCL Corporation conducts research and development, production and sale of health food and cosmetics. Blackmores Limited conducts production and sale of nutritional supplements and related products in Australia, Southeast Asia, China and other regions, while Kyowa Hakko Bio Co., Ltd. conducts production and sale of active pharmaceutical ingredients, amino acid and natural health products. The Company acquired FANCL Corporation in the third quarter of the previous fiscal year, which is categorized and reported in the "Health Science Business."

Accounting policies for segment information are generally the same as those for 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.

For the six months ended June 30, 2024

(¥ millions)

	Reportable segment				Others (Note 1)	Adjustment (Note 2)	Consolidated
	Alcoholic Beverages	Non-alcoholic Beverages	Pharma- ceuticals	Health Science			
Revenue from unaffiliated customers	512,499	270,044	232,842	69,564	10,874	—	1,095,823
Inter-segment revenue	1,193	1,471	132	1,571	34,173	(38,540)	—
Total revenue	513,692	271,514	232,974	71,135	45,048	(38,540)	1,095,823
Segment income (loss) (Note 3)	50,314	30,131	41,070	(1,592)	(331)	(26,524)	93,069
					Other operating income		4,402
					Other operating expenses		16,581
					Finance income		11,719
					Finance costs		4,369
					Share of profit of equity-accounted investees		20,301
					Profit before tax		108,541

- Notes:
1. "Others" includes segments which are not included in the reportable segments.
 2. Adjustments are as follows:
Adjustment in segment income (loss) 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 multiple reportable segments incurred by shared services companies.
 3. Segment income (loss) represents normalized operating profit which is calculated by deducting the total of cost of sales and selling, general and administrative expenses from revenue.

For the six months ended June 30, 2025

(¥ millions)

	Reportable segment				Others (Note 1)	Adjustment (Note 2)	Consolidated
	Alcoholic Beverages	Non-alcoholic Beverages	Pharma- ceuticals	Health Science			
Revenue from unaffiliated customers	492,628	271,805	230,498	127,247	14,132	—	1,136,309
Inter-segment revenue	1,159	1,598	156	2,489	32,889	(38,291)	—
Total revenue	493,787	273,403	230,654	129,736	47,021	(38,291)	1,136,309
Segment income (loss) (Note 3)	53,162	29,537	33,503	8,615	(591)	(29,981)	94,245
					Other operating income		2,135
					Other operating expenses		27,658
					Finance income		4,644
					Finance costs		8,998
					Share of profit of equity-accounted investees		19,392
					Profit before tax		83,761

- Notes:
1. "Others" includes segments which are not included in the reportable segments.
 2. Adjustments are as follows:
Adjustment in segment income (loss) 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 multiple reportable segments incurred by shared services companies.
 3. Segment income (loss) represents normalized operating profit which is calculated by deducting the total of cost of sales and selling, general and administrative expenses from revenue.

5. EQUITY

(1) DIVIDENDS

1) Dividend payments were as follows:

Resolution	Type of shares	Total amount of dividend (¥ millions) (Note)	Dividend per share (Yen)	Record date	Effective date
March 28, 2024 Ordinary General Meeting of Shareholders	Ordinary shares	¥ 29,630	¥ 36.50	December 31, 2023	March 29, 2024
August 6, 2024 Board of Directors' Meeting	Ordinary shares	28,818	35.50	June 30, 2024	September 4, 2024
March 28, 2025 Ordinary General Meeting of Shareholders	Ordinary shares	28,817	35.50	December 31, 2024	March 31, 2025

Note: The total amount of dividend includes dividends on shares held in the Board Incentive Plan Trust, which amount to ¥70 million for the dividend resolved by the Ordinary General Meeting of Shareholders on March 28, 2024, ¥63 million for the dividend resolved by the Board of Directors' Meeting on August 6, 2024, and ¥63 million for the dividend resolved by the Ordinary General Meeting of Shareholders on March 28, 2025.

2) Dividends for which the record date is attributable to, but to be effective after, the first six months of the fiscal year under review are as follows:

Resolution	Type of shares	Total amount of dividend (¥ millions) (Note)	Dividend per share (Yen)	Record date	Effective date
August 7, 2025 Board of Directors' Meeting	Ordinary shares	¥ 29,976	¥ 37.00	June 30, 2025	September 4, 2025

Note: The total amount of dividend includes dividends of ¥59 million on shares held in the Board Incentive Plan Trust.

6. REVENUE

The Group disaggregates the segment revenue of its four reportable segments, namely, “Alcoholic Beverages Business,” “Non-alcoholic Beverages Business,” “Pharmaceuticals Business” and “Health Science Business,” into units used by the Board of Directors for the purpose of deciding the allocation of management resources and evaluating the business results. Note that amounts for Kirin Brewery Company, Limited and Coca-Cola Beverages Northeast, Inc. are shown on a non-consolidated basis, while figures for other companies are shown on a consolidated basis.

(¥ millions)

	Six months ended June 30, 2024, Actual	Six months ended June 30, 2025, Actual
Alcoholic Beverages		
Kirin Brewery	308,155	298,958
Lion	143,294	131,145
Australia & NZ	95,156	86,988
US Craft etc.	48,138	44,157
Other	61,050	62,525
Total	512,499	492,628
Non-alcoholic Beverages		
Kirin Beverage	122,260	123,696
Coke Northeast	141,718	142,305
Other	6,065	5,804
Total	270,044	271,805
Pharmaceuticals	232,842	230,498
Health Science		
FANCL	—	53,894
Blackmores	33,376	32,938
Kyowa Hakko Bio	24,464	27,947
Other	11,725	12,468
Total	69,564	127,247
Other	10,874	14,132
Consolidated revenue	1,095,823	1,136,309

7. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses consisted of the following:

(¥ millions)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Sales promotion and advertising	¥ 80,203	¥ 84,735
Employee benefit expenses	129,457	133,003
Freight	28,364	31,338
Research and development	55,070	59,680
Depreciation and amortization	23,620	26,526
Other	91,900	102,849
Total	408,614	438,131

8. OTHER OPERATING INCOME

Other operating income consisted of the following:

	(¥ millions)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Gain on sale of property, plant and equipment and intangible assets	¥ 2,498	¥ 464
Other	1,904	1,671
Total	4,402	2,135

9. OTHER OPERATING EXPENSES

Other operating expenses consisted of the following:

	(¥ millions)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Impairment losses	¥ 3,244	¥ 674
Business restructuring expenses (Note)	777	18,158
Loss on disposal and sale of property, plant and equipment and intangible assets	2,337	1,126
Loss on sale of shares of subsidiaries	—	0
Other	10,224	7,699
Total	16,581	27,658

Note: The business restructuring expenses are additional employees' retirement benefits to be paid upon business restructuring. In addition, for the six months ended June 30, 2025, the Group recorded one-off expenses incurred upon the conclusion of the agreement to transfer the amino acid and human milk oligosaccharide (HMO) businesses of the Company's subsidiary, Kyowa Hakko Bio Co., Ltd.

10. FINANCE INCOME AND FINANCE COSTS

Finance income and finance costs consisted of the following:

	(¥ millions)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Interest income (Note 1)	¥ 5,951	¥ 3,114
Dividend income (Note 2)	475	989
Foreign exchange gains (net)	4,799	—
Other	494	541
Total finance income	11,719	4,644
Interest paid (Note 1)	3,345	4,891
Foreign exchange losses (net)	—	2,298
Other	1,024	1,809
Total finance costs	4,369	8,998

Notes:

1. Interest income and interest paid were generated mainly from financial assets and financial liabilities measured at amortized cost.

2. Dividend income was generated from equity instruments measured at fair value through other comprehensive income.

11. CASH FLOWS

(1) RESTRICTION ON CASH AND CASH EQUIVALENTS

Kirin Holdings Singapore Pte, Ltd., a consolidated subsidiary of the Company, is subject to certain restrictions on the use of some cash and cash equivalents it holds due to the effects of the restriction on deposit withdrawals based on a notice issued by the Central Bank of Myanmar. The amount of such restricted cash and cash equivalents at the end of June 30, 2024 and June 30, 2025 is ¥26,371 million and ¥13,759 million, respectively. These are included in cash and cash equivalents.

(2) PROCEEDS FROM SALE OF BUSINESSES

On November 22, 2024, the Company entered into a contract for the transfer of the amino acid and human milk oligosaccharide (HMO) businesses of Kyowa Hakko Bio Co., Ltd., its consolidated subsidiary, to a special purpose company that is a subsidiary of Meihua Holdings Group Co., Ltd., a leading bio-industry company in China. The transfer procedures were completed, effective July 1, 2025. The transfer price is ¥16,872 million, and proceeds from the transfer were received before the completion of the transfer during the six months ended June 30, 2025 and recorded as "Considerations from business transfer" on the condensed semi-annual consolidated statement of cash flows. The transfer price is an approximate amount as of the date of payment and may therefore change as it is to be finalized after the end of the third quarter of the 2025 under the terms and conditions of the business transfer agreement.

(3) PAYMENT FOR REDEMPTION OF BONDS WITH SUBSCRIPTION RIGHTS TO SHARES

"Payment for redemption of bonds with subscription rights to shares" of ¥9,621 million in the six months ended June 30, 2024 relates to bonds with share subscription rights to share issued by Orchard Therapeutics plc (currently Orchard Therapeutics Limited) before its acquisition by Kirin Group.

12. EARNINGS PER SHARE

(1) BASIS OF CALCULATION OF BASIC EARNINGS PER SHARE

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

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

	(¥ millions)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit attributable to owners of the Company	¥ 57,220	¥ 52,835
Profit not attributable to ordinary shareholders of the Company	—	—
Profit attributable to ordinary shareholders of the Company	57,220	52,835

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

	(Thousands of shares)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Weighted-average number of ordinary shares	809,892	810,015

(2) BASIS OF CALCULATION OF DILUTED EARNINGS PER SHARE

Diluted earnings per share were 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)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit attributable to ordinary shareholders of the Company	¥ 57,220	¥ 52,835
Adjustments for potential ordinary shares issued by subsidiary and associates	(3)	(2)
Profit attributable to ordinary shareholders of the Company (diluted)	57,217	52,833

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

	(Thousands of shares)	
	Six months ended June 30, 2024	Six months ended June 30, 2025
Weighted-average number of ordinary shares (basic)	809,892	810,015
Effect of dilution	—	—
Weighted-average number of ordinary shares (diluted)	809,892	810,015

13. FINANCIAL INSTRUMENTS

Fair Value of Financial Instruments

The fair value hierarchy of financial instruments is categorized from Level 1 to Level 3 as follows:

Level 1: Fair value measured at the quoted price in the active market

Level 2: Fair value determined, either directly or indirectly, using observable prices other than Level 1

Level 3: Fair value determined using valuation techniques including inputs not based on observable market data

Transfers between the levels of the fair value hierarchy are recognized as if they have occurred at the end of the reporting period.

(1) FINANCIAL INSTRUMENTS MEASURED AT AMORTIZED COST

The carrying amount and fair value of financial instruments measured at amortized cost by level in the fair value hierarchy were as follows:

At December 31, 2024

		(¥ millions)			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Long-term borrowings (Notes 1, 2)	¥ 577,174	¥ –	¥ –	¥ 571,900	¥ 571,900
Bonds (Notes 1, 3)	267,389	–	262,757	–	262,757

At June 30, 2025

		(¥ millions)			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Long-term borrowings (Notes 1, 2)	¥ 557,217	¥ –	¥ –	¥ 549,098	¥ 549,098
Bonds (Notes 1, 3)	342,107	–	336,446	–	336,446

Notes:

1. The balance of current portion is included.
2. The fair value of long-term borrowings is determined as the present value calculated by discounting the combined total of principal and interest with an assumed interest rate for similar new borrowings.
3. The fair value of bonds is determined as the present value calculated by discounting the combined total of principal and interest with an interest rate that reflects the current maturity and credit risk.

The carrying amount of short-term financial assets and liabilities measured at amortized cost is approximately equal to the fair value.

(2) FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

The level in the fair value hierarchy of financial instruments measured at fair value was as follows:

At December 31, 2024

	(¥ millions)			
	Fair value			
	Level 1	Level 2	Level 3	Total
Assets:				
Derivative assets	¥ –	¥ 2,985	¥ –	¥ 2,985
Shares	28,974	–	29,418	58,392
Other	–	79	3,197	3,276
Total	28,974	3,064	32,615	64,653
Liabilities:				
Derivative liabilities	–	1,454	6,184	7,638
Other	–	–	17,400	17,400
Total	–	1,454	23,584	25,037

At June 30, 2025

	(¥ millions)			
	Fair value			
	Level 1	Level 2	Level 3	Total
Assets:				
Derivative assets	¥ –	¥ 1,004	¥ –	¥ 1,004
Shares	32,344	–	28,779	61,123
Other	–	78	2,642	2,720
Total	32,344	1,082	31,421	64,847
Liabilities:				
Derivative liabilities	–	876	6,085	6,961
Other	–	–	15,336	15,336
Total	–	876	21,421	22,297

Notes:

1. There were no transfers between Level 1 and Level 2.

2. The measurement of fair value of shares in Level 3 is conducted in accordance with the relevant internal policy, using valuation techniques and inputs that most appropriately reflect their nature, characteristics, and risks.

The significant unobservable inputs associated with the fair value measurement of shares which are measured at fair value on a recurring basis and are categorized in Level 3 are operating margin and illiquidity discount. The fair value increases (decreases) with higher (lower) operating margin and decreases (increases) with higher (lower) illiquidity discount.

Changes in the fair value of shares categorized in Level 3 are not material if the unobservable inputs are replaced by reasonable alternative assumptions.

14. CHANGES IN THE OWNERSHIP INTEREST OF A SUBSIDIARY

The Company acquired additional shares in FANCL Corporation, a consolidated subsidiary, during the six months ended June 30, 2025.

The sale to the Company of the fractional shares resulting from the share consolidation that took effect on December 20, 2024 was completed on March 14, 2025, and the Company's ownership interest in FANCL Corporation was increased from 75.62% to 100% when the share transfer agreement came into effect on the same date.

The consideration for the acquisition was ¥82,573 million in cash (including Non-trade accounts payable) and is presented as "Payments for acquisition of non-controlling interests" in the condensed semi-annual consolidated statement of cash flows. In addition, non-controlling interests and share premium decreased by ¥62,814 million and ¥19,814 million, respectively, as a result of the additional acquisition.

15. ASSETS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED

Assets held for sale and liabilities directly associated with assets held for sale at June 30, 2025 consist of assets and liabilities for the amino acid and human milk oligosaccharide (HMO) businesses of Kyowa Hakko Bio Co., Ltd., a consolidated subsidiary of the Company. They are classified into assets held for sale and liabilities directly associated with assets held for sale because transfer of the businesses became highly probable during the six months ended June 30, 2025 based on the transfer agreement for the business concluded in the previous fiscal year.

Assets held for sale and liabilities directly associated with assets held for sale at June 30, 2025 are ¥32,154 million and ¥17,033 million, respectively, which consist of ¥27,970 million in current assets, ¥4,183 million in non-current assets, ¥16,860 million in current liabilities, and ¥173 million in non-current liabilities.

The reportable segment to which the disposal groups classified as held for sale belong is the Health Science Business. The procedures for the transfer of business were completed on July 1, 2025. For details of the transfer of business, please refer to Note 11. CASH FLOWS, (2) PROCEEDS FROM SALE OF BUSINESSES.

16. SUBSEQUENT EVENTS

For the status of the transfer of amino acid and human milk oligosaccharide business of Kyowa Hakko Bio Co., Ltd., please refer to Note 11. CASH FLOWS, (2) PROCEEDS FROM SALE OF BUSINESSES.

2. OTHER

At the Board of Directors' meeting held on August 7, 2025, the interim dividend for the fiscal year under review was decided as follows:

- (a) Total amount of interim dividends ¥29,976 million
- (b) Amount per share ¥37
- (c) Effective date of payment claims, and payment start date..... September 4, 2025

Note: Payments are made to shareholders included or recorded in the list of shareholders as of June 30, 2025.

PART 2 INFORMATION ABOUT REPORTING COMPANY'S GUARANTOR, ETC.

Not applicable.

Independent Auditor's Report on Review of Condensed Interim Consolidated Financial Statements

August 8, 2025

To the Board of Directors of Kirin Holdings Company, Limited.:

KPMG AZSA LLC
Tokyo Office, Japan

Isao Kamizuka
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Masahiro Sasaki
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Yoshihiro Fujioka
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Conclusion

We have reviewed the accompanying condensed interim consolidated financial statements of Kirin Holdings Company, Limited. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group") provided in the "Financial Information" section in the Semiannual Report, which comprise the condensed interim consolidated statement of financial position as at June 30, 2025, the condensed interim consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month periods then ended, and notes to the condensed interim consolidated financial statements, in accordance with Article 193-2(1) of the Financial Instruments and Exchange Act of Japan.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2025, and its consolidated financial performance and its consolidated cash flows for the six-month periods then ended in accordance with IAS 34, 'Interim Financial Reporting' pursuant to the Article 312 of the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements.

Basis for Conclusion

We conducted our review in accordance with interim review standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Review of the Condensed Interim Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements in Japan (including those that are relevant to audits of the financial statements of public interest entities), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Condensed Interim Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the condensed interim consolidated

financial statements in accordance with IAS 34, 'Interim Financial Reporting', and for such internal control as management determines is necessary to enable the preparation of the condensed interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the condensed interim consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with paragraph 4 of IAS 1, 'Presentation of Financial Statements' and using the going concern basis of accounting.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Review of the Condensed Interim Consolidated Financial Statements

Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review in our report on the review of condensed interim consolidated financial statements.

As part of our review in accordance with interim review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other review procedures. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude, based on the evidence obtained, that nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements do not present fairly in accordance with paragraph 4 of IAS 1, 'Presentation of Financial Statements', if a material uncertainty relating to events or conditions comes to our attention that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report on the review of condensed interim consolidated financial statements to the related disclosures in the condensed interim consolidated financial statements or, if such disclosures are inadequate, to express a qualified conclusion or an adverse conclusion. Our conclusions are based on the evidence obtained up to the date of our report on the review of condensed interim consolidated financial statements; however, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate that nothing has come to our attention that causes us to believe that the presentation and disclosures in the condensed interim consolidated financial statements are not in accordance with IAS 34 'Interim Financial Reporting', the overall presentation, structure and content of the condensed interim consolidated financial statements, including the disclosures, and that nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements do not represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group as a basis for forming a conclusion on the condensed interim consolidated financial statements. We are responsible for the direction, supervision and review of the interim review on the condensed interim consolidated financial statements. We remain solely responsible for our review conclusion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, the planned scope and timing of the review, significant review findings that we identify during our review.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company and its subsidiaries

which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Review Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report on Review of Condensed Interim Consolidated Financial Statements as required by the Financial Instruments and Exchange Act of Japan.

