

Plan for 2028 & Financial Strategy

Our 3-year plan towards 2028 and
The Financial Strategy to Drive It Forward

FEBRUARY 13, 2026

Kirin Holdings Company, Limited

- Good morning, everyone. This is Akieda from Kirin Holdings.
- I will first outline our three-year plan toward 2028 and the financial strategy for driving it, followed by an overview of our financial results.

The Kirin Group will continue to unlock corporate value through EPS × PER expansion by driving its cash cycle

Cash Cycle of Growth Companies

Cash-Out



Investment in
Growth
Businesses



Cash-In



Returns from
investment

- Will consider share buybacks when sufficient cash is available but investment timing is not optimal
- As the foundation of shareholder returns, we will maintain stable dividends under a progressive dividend policy, targeting a DOE of 5%, and will continue to return growth to shareholders

Unlock valuation

Achieve upside through stronger earnings (**EPS**) and improved **PER**

**Strong EPS
Growth**

Improved PER



- **High-single-digit %** EPS growth
- **ROIC ≥ 10%**
- **Balanced, resilient profit portfolio** across three core businesses

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- Let me begin with the overall approach.
- Kirin Group has been advancing its business portfolio transformation with the aim of achieving long-term, sustainable growth.
- We are confident in our capability to achieve our profit growth by leveraging our strengths in “people and technology.”
- We intend to enhance the efficiency of its existing businesses to generate stable cash flow, which will be reinvested into growth opportunities, creating a virtuous cycle of continued Group-wide value creation.
- Shareholder returns will be anchored by stable, progressive dividends based on DOE, and supplemented by share repurchases when there is a timing mismatch between cash inflows and investment opportunities.
- By strengthening our earnings capability, we aim to consistently deliver high single-digit % EPS growth, and to raise our PER by building investor expectations through disciplined growth investments.
- Through the combined expansion of EPS and PER, Kirin Group aims to deliver sustainable corporate value growth as a true growth company, and we hope to earn the continued expectations of our investors.

Looking ahead to the next 10 years, the business portfolio will be continuously reviewed and the balance sheet optimized. The divestment of Four Roses is part of this initiative.

Approach to
reviewing the
business
portfolio

- The portfolio will shift toward businesses that can leverage the strengths of the Kirin Group to contribute to **mental and physical well-being of consumers worldwide**
- Build a **business portfolio designed to generate higher multiples**, focusing exclusively on businesses where Kirin can be the **best owner**.

We will continue to review all areas without exception, but at this stage, no further major portfolio changes are anticipated

Divestment of Four Roses

- Since our acquisition of Four Roses, the business has achieved strong growth.
- However, the Group's priorities did not allow for sufficient investment, which constrained growth potential..
- The decision was made to transfer the business to another owner who is better positioned to drive its growth

Transfer Price

Up to approx.
JPY 120.0 bn*
by Q2 2026

Closing Scheduled

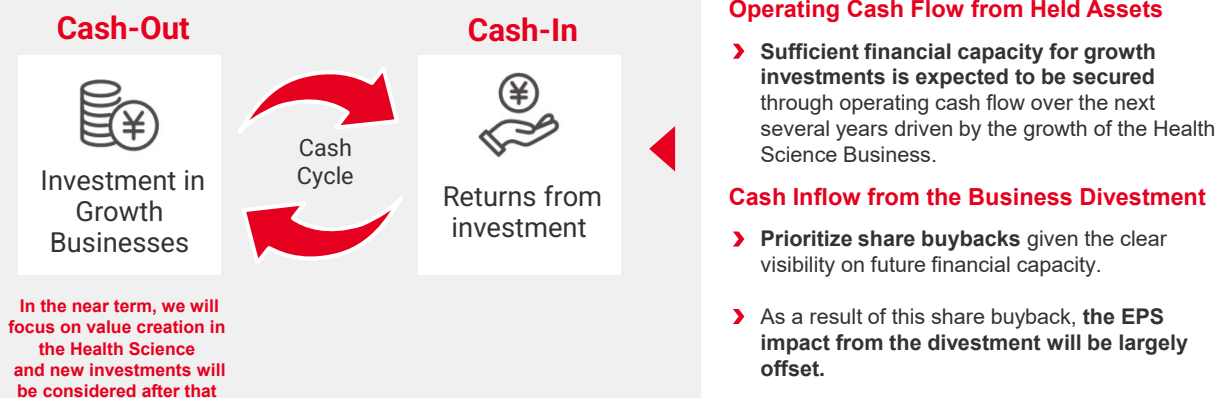
*Of this amount, approx. JPY 8.0 bn represents consideration that may become receivable contingent upon Four Roses achieving certain net revenue targets following the completion of the transfer.

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- I would like to reiterate the Kirin Group's approach to its business portfolio.
- Our portfolio is built on technological synergies derived from fermentation and biotechnology.
- Each year, we reassess cash allocation by considering factors such as the growth potential of each business and our competitive positioning in each market.
- In some cases, it is more suitable to entrust a business to the "best owner" capable of accelerating its growth when we cannot allocate sufficient capital ourselves.
- The divestment of Four Roses aligns exactly with this initiative.
- Since its acquisition in 2002, Four Roses has achieved significant growth by leveraging the Kirin Group's organizational capabilities.
- As Kirin Group increasingly shifts capital toward the Health Science businesses, we determined that Four Roses would generate greater corporate value under Gallo, which is better positioned to drive its next stage of growth.
- While we will continue to conduct ongoing reviews of our business portfolio, we do not currently anticipate major portfolio changes other than smaller adjustments.

- Share Buyback** ➤ Will be executed a JPY 80.0 bn share buyback. Plans to utilize the sale proceeds as additional shareholder returns as there will be a time lag until the next growth investment
- Cancellation of Treasury Stock** ➤ Nearly all of the treasury stock held will be canceled

Current Cash Cycle Status



- This section outlines how Kirin intends to use the cash generated from the divestment of Four Roses.
- We are currently prioritizing the PMI of Blackmores and FANCL and is focusing on integrating the Health Science operations centered around these two businesses.
- While we continue to explore future M&A opportunities in the Health Science business, it expects that additional time is required before these investments can be executed due to capability constraints, including talent.
- Meanwhile, rising operating cash flow has enabled steady debt repayment, and we expect to fully restore its capacity for the next round of investments within next few years.
- Given these conditions, we determined that allocating all cash to debt repayment would not be optimal and concluded that repurchasing its undervalued our shares would be an appropriate use of cash.
- As a result, the share repurchase will also help offset the temporary EPS dilution associated with the divestment.
- We have also resolved to cancel nearly all treasury stocks, including those currently held.

Enhancing Each Business Earning Power through a Long-term & Multi-dimensional Approach

EPS Growth

Improved PER

Joy brings us together
KIRIN

- Enhance business earning power through backcasting from financial models, combined with monitoring across six key perspectives.
- This will enable disciplined decision-making without being driven by short-term P&L considerations.

Long-term perspective

Make cash allocation decisions based on short- and medium- to long-term perspectives, using a 10-year financial model for each business.



Make decisions for the next three years while taking into account a financial model extending 10 years ahead



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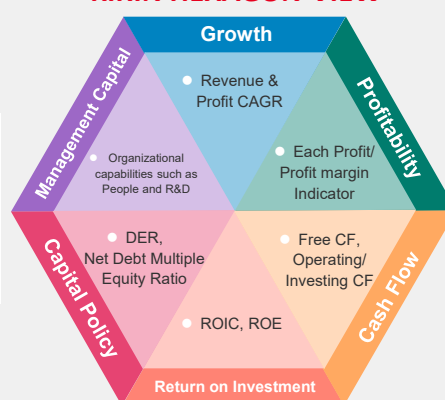
Enhance sustainable Cash generation capacity



Multi-dimensional perspective

Monitor each business from six perspectives to improve the Group's EPS and ROIC

KIRIN HEXAGON-VIEW



Improving EPS Contribution and ROIC by Business

* The graphic lists the key indicators monitored under each of the six perspectives.

- This page introduces our framework for planning and monitoring.
- To avoid short-term P&L thinking, each business develops a 10-year financial model, which serves as the basis for rolling three-year detailed plans that are updated annually.
- By incorporating a high-level schedule for CAPEX and M&A etc., we can formulate our plans aligned with long-term cash allocation.
- In addition, each business applies the “Kirin Hexagon View” to ensure balanced management that does not over-rely on revenue or Normalized OP only, enabling disciplined oversight of investment efficiency.
- These mechanisms have strengthened our organizational capabilities to deliver improvements in EPS and ROIC—two external commitments.

Increase the EPS contribution by driving profit growth for the Health Science Business while ensuring steady EPS growth in the Alcoholic Beverages and Pharmaceuticals Business



Alcoholic Beverages



- Build out a distinctive Kirin Group product portfolio that creates the future of mental and physical well-being
- Establish a competitive advantage through innovation, alongside price optimization and cost control

2028 EPS Contribution

Kirin Brewery

San Miguel

Lion

New Belgium

Other

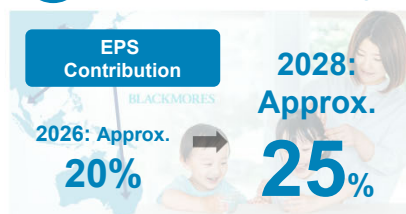
Non-Alcoholic Beverages

Health Science

Kyowa Kirin



Health Science & Non-Alcoholic Beverages



- Begin direct sales operations in China and Southeast Asia
- Create added value in the domestic and overseas market by leveraging the Group's products and sales channels
- Accelerate the shift toward science-based health and transition beyond the highly competitive Non-Alcoholic Beverages Business



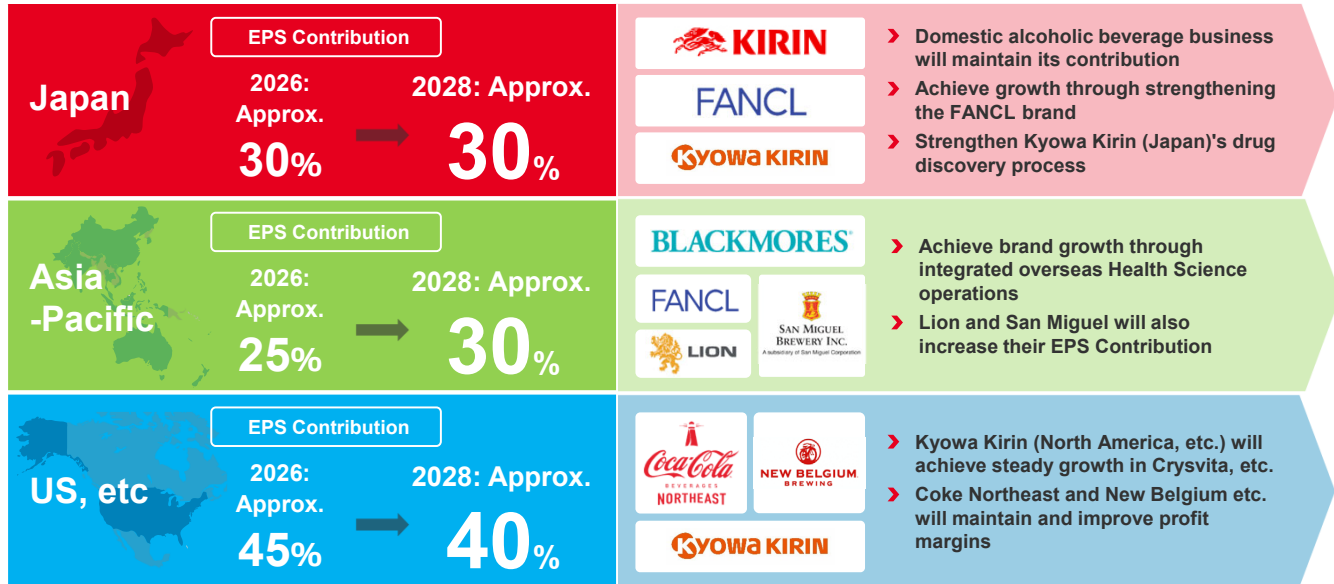
Pharmaceuticals



- Sustained growth of global strategic products and launching rocatinlimab etc. are expected to offset the decrease in royalty income once the U.S. Fasenra agreement concludes in May 2028.

- This section explains EPS contribution by business segment.
- We aim to grow EPS at CAGR 6%, though the contribution mix to EPS across the three business domains will shift.
- Over the next three years through 2028, Health Science and Non-alcoholic Beverage Business will be the key drivers of EPS growth.
- However, this is based on the assumption that our Alcoholic Beverages Business will continue to produce stable profit.
- The Pharmaceuticals Business is expected to remain under pressure through 2028 due to the patent expiry of Fasenra and higher R&D & other expenses associated with changes to the Rocatinlimab scheme.

**Increase the Asia-Pacific contribution
by growing Health Science EPS toward 2028.**



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- This slide presents EPS contribution by region.
- Kirin Group aims to build a balanced business portfolio not only across business segments but also across regions, taking geopolitical risks into account.
- Over the next three years, we expect APAC to increase its contribution of total EPS, driven primarily by the growth of the Health Science Business.

Achieve high-single-digit % EPS growth and improve ROIC
in both the short and medium- to long-term through our unique business portfolio,
contributing to the mental and physical well-being of consumers.

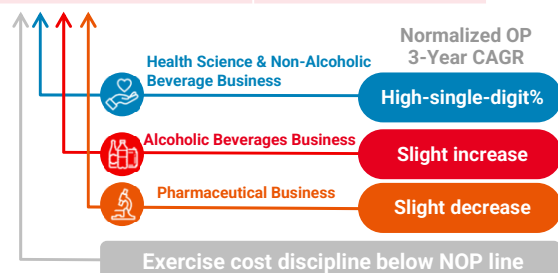
Financial Goals	2025 Actual	2026 Forecast	2028 Target	Long-Term Target
ROIC Aim for ROIC to consistently exceeds the cost of capital (WACC)*	7.6%**	7.7%	8.0% +	10% +
EPS Based on non-normalized EPS to better demonstrate underlying earning power	182 yen	193 yen*** (+6%)	3-year CAGR High-single-digit %**** (6% +)	CAGR High-single-digit %

* The Group's current WACC is approximately 6%

** [Reference] ROE for FY2025 is 12.0%.

*** The 2026 plan of ¥193 represents an average annual growth of 6% over a two-year period compared with the 2024 actual result (¥172).

**** For comparison of the three-year EPS CAGR toward the 2028 target, we use the disclosed 2025 EPS target of ¥185.



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- Next, I outline our financial targets.
- We sets a medium- to long-term ROIC benchmark of 10% to maintain investment discipline.
- However, because the Health Science Business is currently in an investment phase, ROIC for 2028 is expected to be 8%.
- EPS is expected to deliver CAGR 6% over the medium to long term, enabling sustainable growth.
- EPS for 2026 is projected at JPY 193, which represents a two-year average growth rate of 6% based on 2024 as the starting point.
- Normalized operating profit growth rates by business segment toward 2028 are shown in the lower-right section of the slide.

Toward Enhancing Corporate Value

Unlock long-term corporate valuation through stronger EPS and improved PER.

Aim for market cap of 3 trillion yen at an early stage.

Strong EPS Growth

- High-single-digit % EPS growth
- ROIC $\geq 10\%$

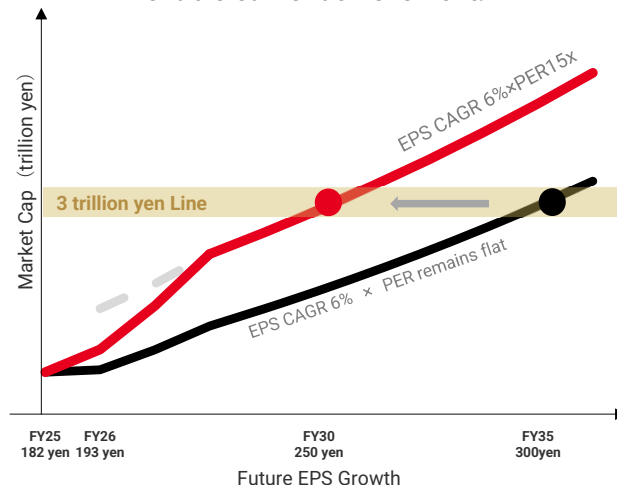
Reach
Around JPY 250
by 2030

Improved PER

- **Balanced, resilient profit portfolio** across three core businesses

Aim for
Approx. 15 x
By growing the Health Science and Non-Alcoholic Beverages Businesses to a scale comparable to other businesses

Even with high-single-digit % EPS growth alone, market cap would reach JPY 3 trillion within 10 years, but multiple valuation expansion would enable earlier achievement.

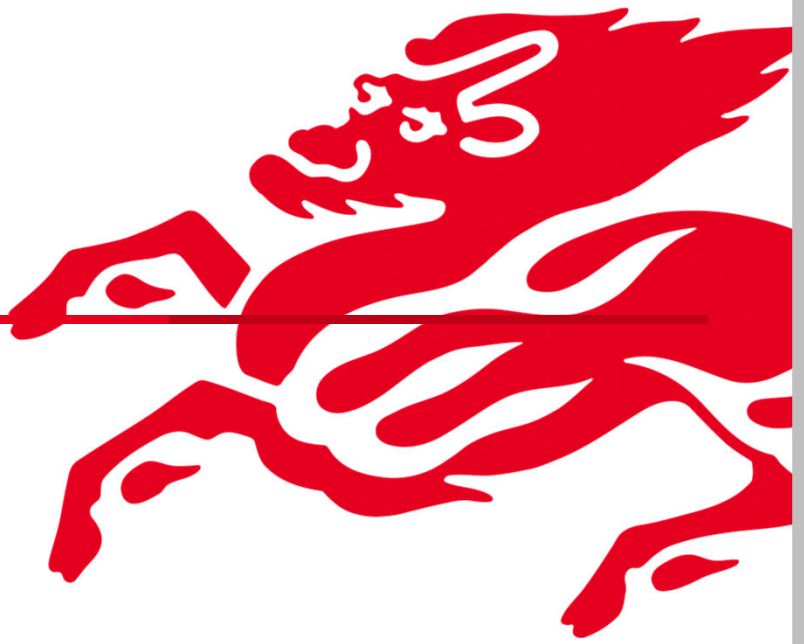


- As reiterated earlier, Kirin Group aims to enhance corporate value by achieving sustainable EPS growth and improving PER.
- With consistent 6% annual EPS growth, our market cap would reach JPY 3 trillion within 10 years, even assuming the current valuation multiple remains unchanged.
- However, we aim to elevate investor expectations, raise our valuation multiple, and achieve a market cap of JPY 3 trillion at an earlier stage.
- Thereafter, Kirin will continue to deliver sustainable corporate value creation and further expand its market cap.



Appendix

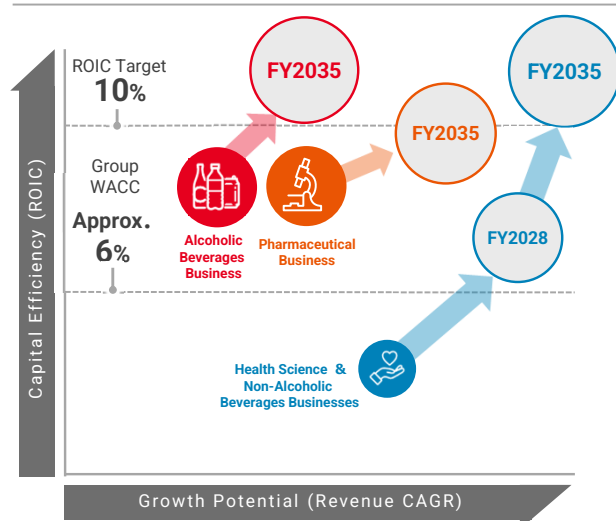
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Achieve ROIC of 10% or Higher

Steadily improve ROIC across each segment, aiming to consistently achieve a level of 10% or higher

Future Milestones for ROIC by Segment



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Alcoholic Beverages Business

Current: 8.6% → Aim for 12% level by 2035

- Business management focused on bottom-line profits
- Streamline small-scale non-core assets



Health Science & Non-Alcoholic Beverages Businesses

Current: 4.4% → Aim for 12% level by 2035

- Rapid growth in profitability (NOP at 15% level)
- Efficient brand management across the entire APAC



Pharmaceuticals Business

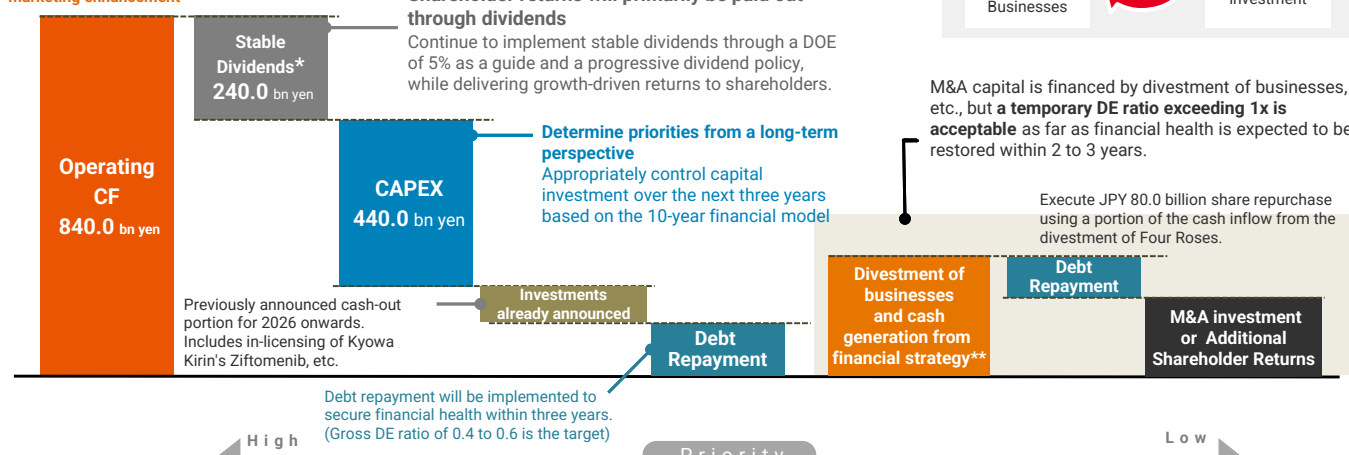
Current: 8.4% → Aim for 10%+ by 2035

- Sustaining growth through new launches and label expansions despite key patent expirations.
- Active use of external resources such as strategic partnerships etc.

Cash Allocation, Investment Discipline, and Shareholder Returns (FY2026 to FY2028)

Post-dividend operating cash flow will be allocated to CAPEX and repaying interest-bearing debt to secure financial health that enables future growth investments (M&A) in the coming years

Improve operating CF after investing in human capital, R&D, ICT, and marketing enhancement



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**Consider BS management, business portfolio replacement, etc. as needed 12

Key non-financial indicators: Indicators and targets (2026&2028)

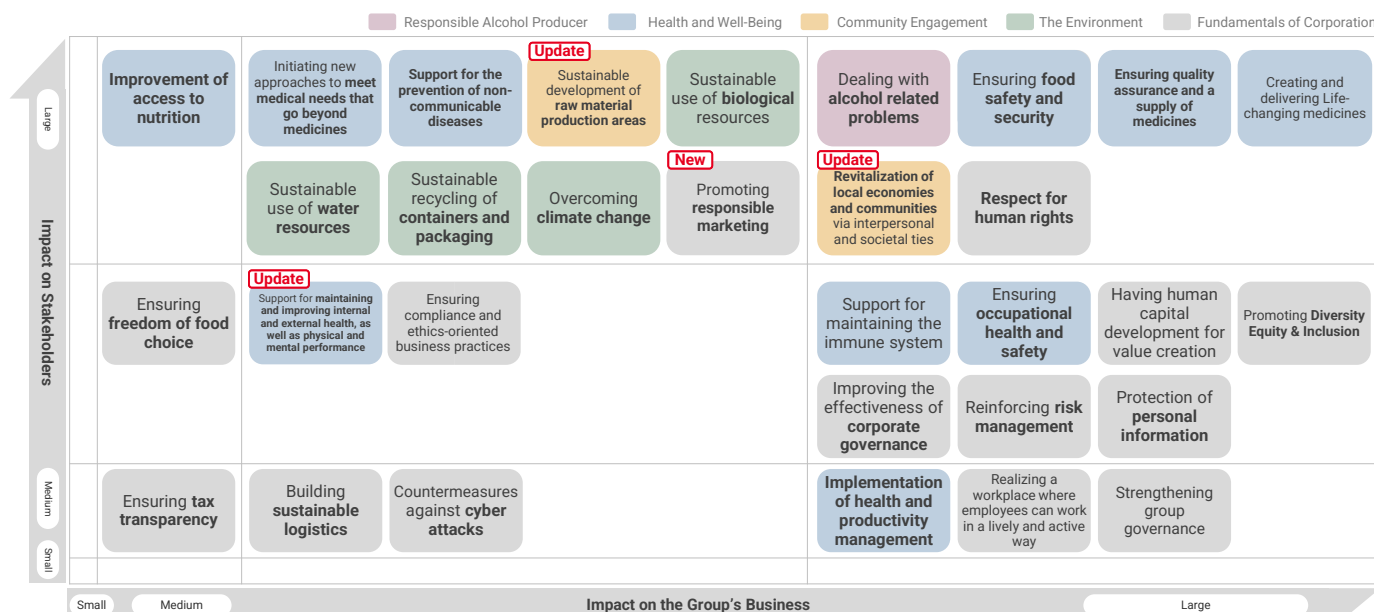


Category	Indicators	2026 target	2028 target
Health & Well-being	Social impact delivered through the Group's health science products (HS domain)	155 million people	175 million people
	Market launch status of global products in key countries (pharmaceuticals domain)	Number of products sold by country and application	Number of products sold by country and application
Environment	GHG reduction rate (Scope 1 & 2 (vs. 2019))	32%	41%
	Water use intensity at manufacturing sites with high water stress (LION)	Less than 2.5 L/L	Less than 2.5 L/L
Community engagement	Achievement level of the business units' community activities	7 out of 9 indicators achieved	8 out of 9 indicators achieved
R&D	Number of ①patent applications, ②published papers, and ③conference presentations	Not disclosed*	Not disclosed*
	Acquisition of hard-to-avoid patents (included in the number of patent applications)	Not disclosed*	Not disclosed*
Digital	Improved operational productivity through the implementation of AI and the automation of operational processes at the individual and organizational levels	15%	25%
Human Capital	Employee engagement score	76	76
	LTIR Score	2.25	1.75
	Percentage of women executives in Japan (KH hired employees)	20%	26%

*Specific indicators and target levels are not disclosed in the strategy because they include content related to intellectual property.

(Reference) Revised Management Issues for Sustainable Growth

➤ Updated management themes based on the Group's business and strategy. Grow our business by creating a sustainable society.



› Kirin Holdings IR Information



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

› Kirin Holdings Investor's Guide*



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

› Kirin Holdings Integrated Report



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

* The "Investor's Guide" is a document for investors that summarizes the Kirin Group's management plan, business overview, and the significance of holding each business.

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