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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

Cash Allocation for Enhancing Corporate Value

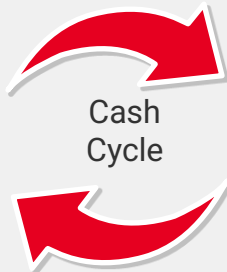
The Kirin Group will continue to unlock corporate value through EPS × PER expansion by driving its cash cycle

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**

- High-single-digit % EPS growth
- ROIC ≥ 10%



Improved PER

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

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**.

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

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

Transfer Price

Up to approx.
JPY 120.0 bn*

Closing Scheduled

by Q2 2026

*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.

Use of One-time Cash Proceeds from Business Divestment

EPS growth

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

Cash-Out



Investment in
Growth
Businesses

In the near term, we will focus on value creation in the Health Science and new investments will be considered after that



Cash-In



Returns from
investment

Operating Cash Flow from Held Assets

> Sufficient financial capacity for growth investments is expected to be secured through operating cash flow over the next several years driven by the growth of the Health Science Business.

Cash Inflow from the Business Divestment

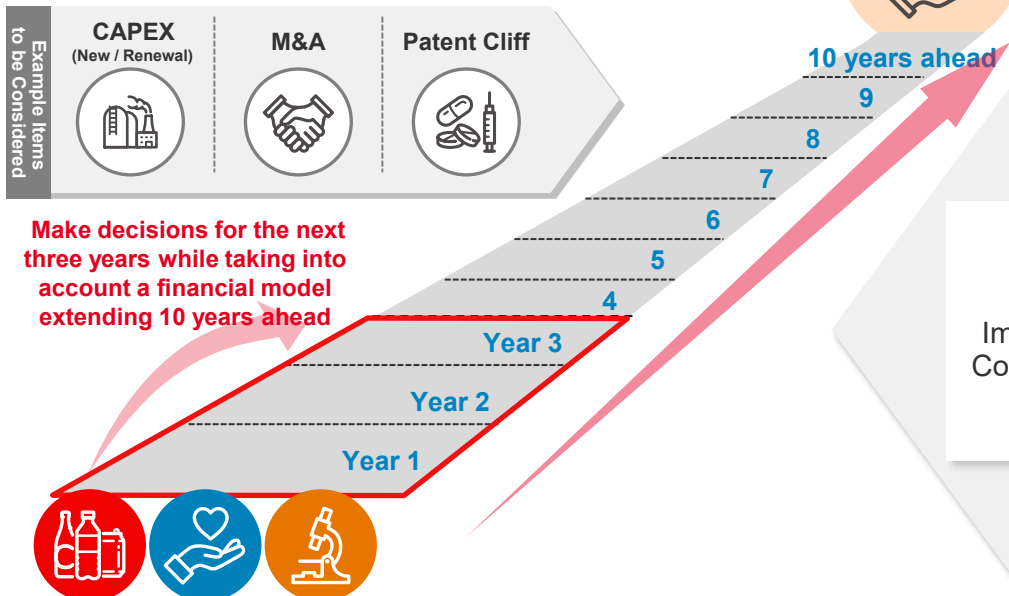
- > Prioritize share buybacks given the clear visibility on future financial capacity.
- > As a result of this share buyback, the EPS impact from the divestment will be largely offset.

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

- 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.



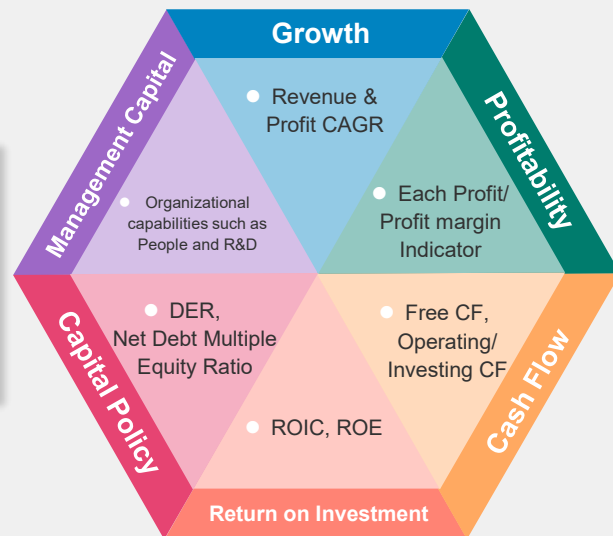
EPS Growth

Improved PER

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

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

EPS Contribution

2026: Approx. **55%** → 2028: Approx. **55%**

- 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



Health Science & Non-Alcoholic Beverages

EPS Contribution

2026: Approx. **20%** → 2028: Approx. **25%**

BLACKMORES

- 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

EPS Contribution

2026: Approx. **25%** → 2028: Approx. **20%**

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

2028 EPS Contribution



EPS Contribution by Region

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

EPS growth

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KIRIN



Financial Targets: EPS/ROIC Targets

EPS growth

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.

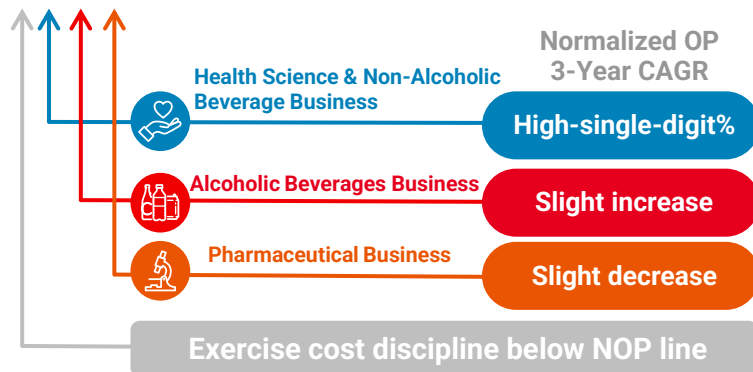
Financial Goals	2025 Actual	2026 Forecast	2028 Target	Long-Term Target
ROIC Aim for ROIC to consistently exceeds the cost of capital (WACC)*	7.6%**	7.7%	8.0% +	10% +
EPS Based on non-normalized EPS to better demonstrate underlying earning power	182 yen	193 yen*** (+6%)	3-year CAGR High-single-digit %****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



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



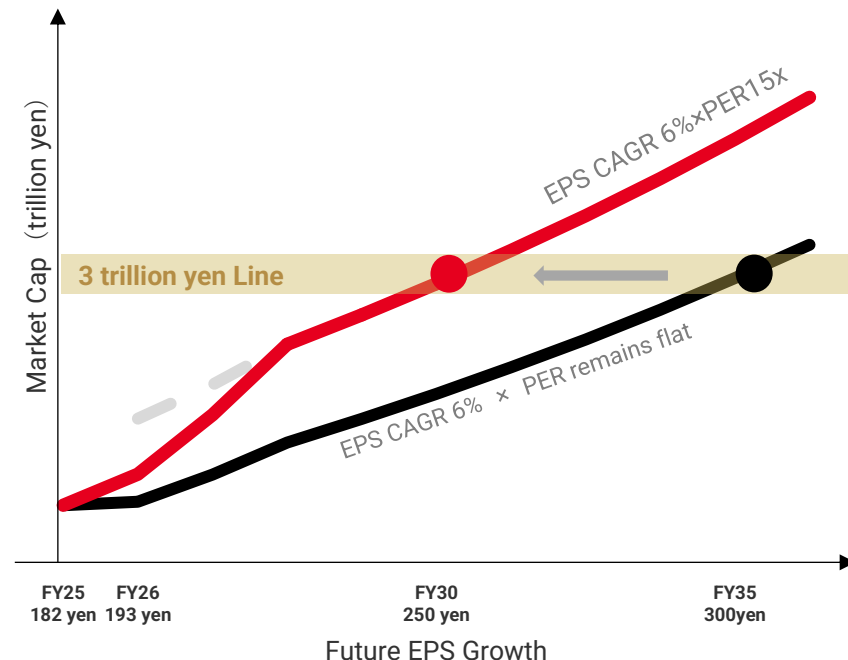
Improved PER

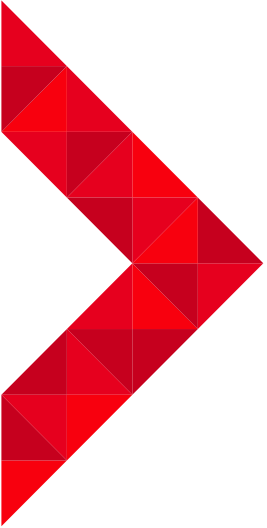
- **Balanced, resilient profit portfolio** across three core businesses

Aim for
Approx. 15x

By growing the Health Science and Non-Alcoholic Beverages Businesses to a scale comparable to other businesses

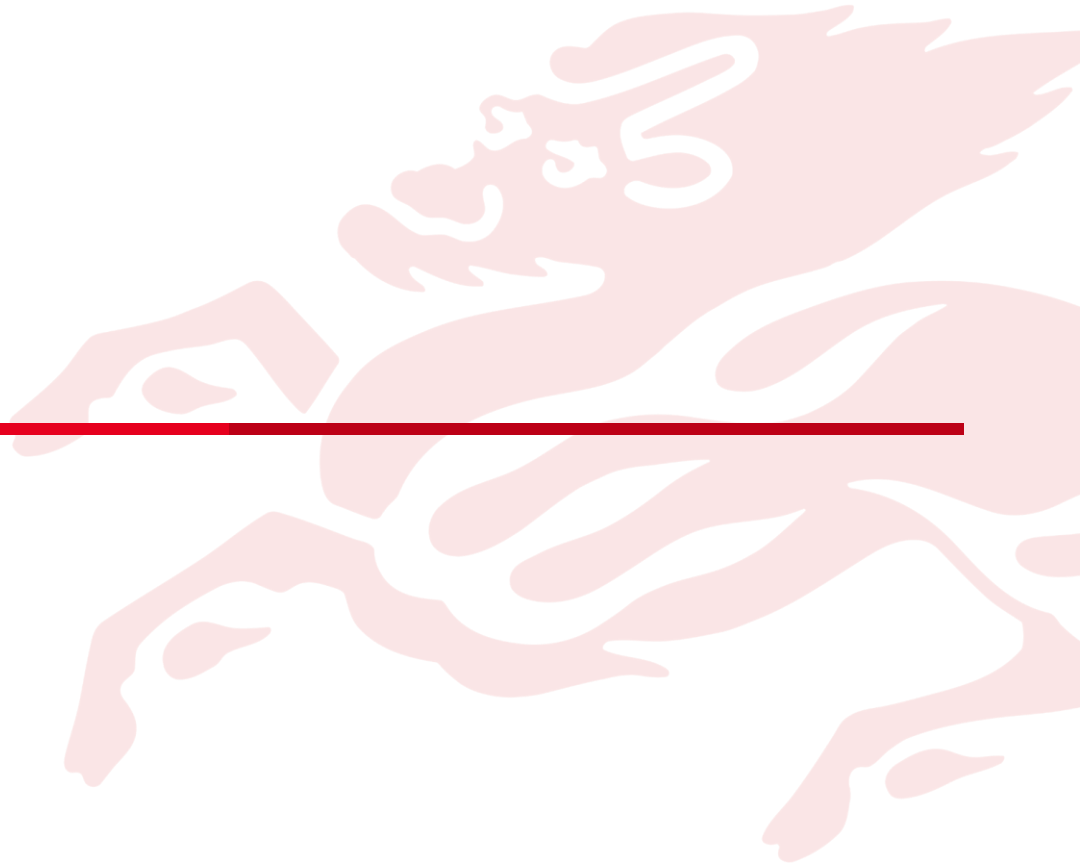
Even with high-single-digit % EPS growth alone, market cap would reach JPY 3 trillion within 10 years, but multiple valuation expansion would enable earlier achievement.





Appendix

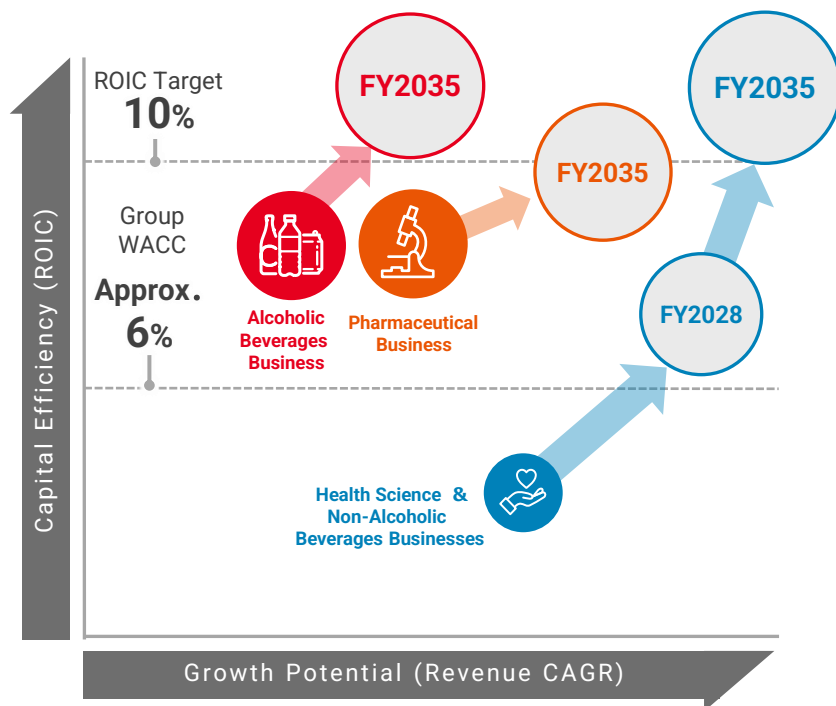
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Achieve ROIC of 10% or Higher

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

Future Milestones for ROIC by Segment



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

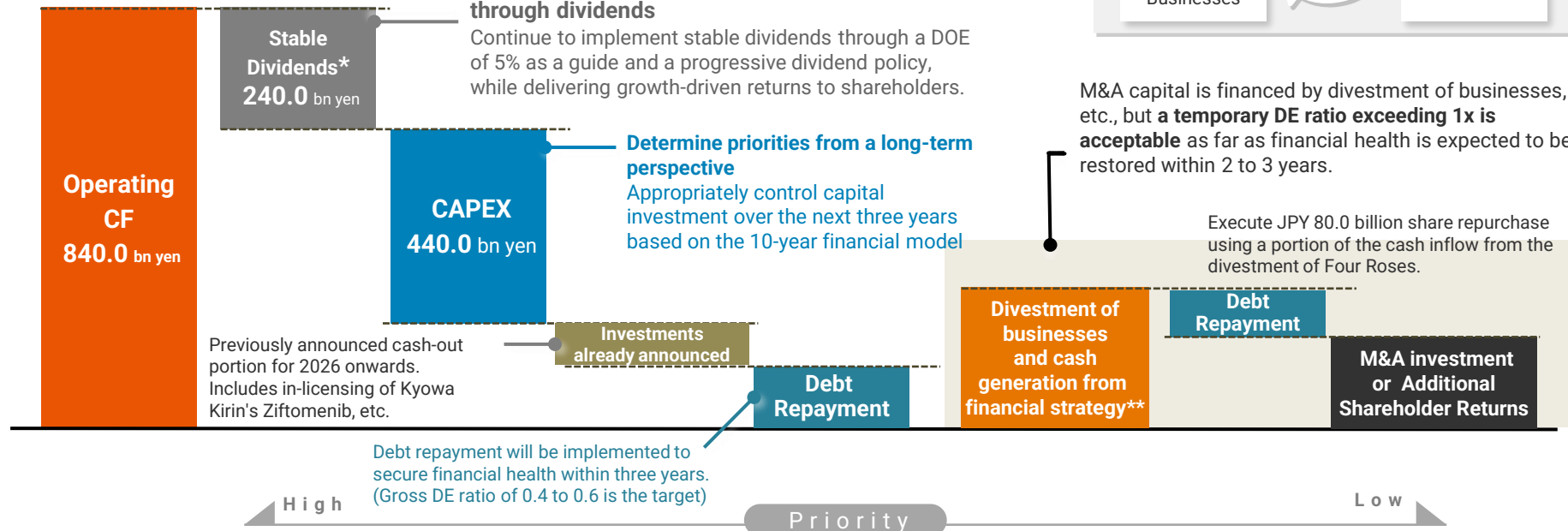
Current: 8.4% → Aim for 10%+ by 2035

- 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



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.

Responsible Alcohol Producer
Health and Well-Being
Community Engagement
The Environment
Fundamentals of Corporation

Impact on Stakeholders	Large	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px; text-align: center;">Improvement of access to nutrition</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Initiating new approaches to meet medical needs that go beyond medicines</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Support for the prevention of non-communicable diseases</div>	<div style="background-color: #fff2cc; border: 1px solid #ccc; padding: 5px; text-align: center;">Update</div> <div style="background-color: #fff2cc; border: 1px solid #ccc; padding: 5px;">Sustainable development of raw material production areas</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Sustainable use of biological resources</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px; text-align: center;">Update</div> <div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Dealing with alcohol related problems</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Ensuring food safety and security</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Ensuring quality assurance and a supply of medicines</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Creating and delivering Life-changing medicines</div>
			<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Sustainable use of water resources</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Sustainable recycling of containers and packaging</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Overcoming climate change</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px; text-align: center;">New</div> <div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Promoting responsible marketing</div>	<div style="background-color: #fff2cc; border: 1px solid #ccc; padding: 5px; text-align: center;">Update</div> <div style="background-color: #fff2cc; border: 1px solid #ccc; padding: 5px;">Revitalization of local economies and communities via interpersonal and societal ties</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Respect for human rights</div>		
	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px; text-align: center;">Update</div> <div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Support for maintaining and improving internal and external health, as well as physical and mental performance</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Ensuring compliance and ethics-oriented business practices</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Support for maintaining the immune system</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Ensuring occupational health and safety</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Having human capital development for value creation</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Promoting Diversity Equity & Inclusion</div>				
Medium	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px; text-align: center;">Update</div> <div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Support for maintaining and improving internal and external health, as well as physical and mental performance</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Ensuring compliance and ethics-oriented business practices</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Improving the effectiveness of corporate governance</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Reinforcing risk management</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Protection of personal information</div>					
	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Ensuring tax transparency</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Building sustainable logistics</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Countermeasures against cyber attacks</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px; text-align: center;">Update</div> <div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Implementation of health and productivity management</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Realizing a workplace where employees can work in a lively and active way</div>	<div style="background-color: #d9ead3; border: 1px solid #ccc; padding: 5px;">Strengthening group governance</div>				
Small										

Small

Medium

Impact on the Group's Business

Large

Reference Information Links

➤ 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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