



February 16, 2022

To Whom It May Concern:

Company Name: KIRIN HOLDINGS COMPANY, LIMITED
Name and Title of Representative: Yoshinori Isozaki, President & CEO
Code Number: 2503
Head Office:
4-10-2, Nakano, Nakano-ku, Tokyo 164-0001, Japan
Name and Title of Contact Person:
Nobuhiko Hori
General Manager of Corporate Communications Department
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**Notice Regarding Change in Equity Method Affiliate (Transfers of Shares) and
Recording gain on sale of shares**

Kirin Holdings Company, Limited (President and CEO: Yoshinori Isozaki, hereafter, “Kirin”) today announces that Kirin agreed with Plateau Consumer Limited (CEO: Dong Yi, hereafter, “Plateau”) to transfer its equity interest in CHINA RESOURCES KIRIN BEVERAGES (GREATER CHINA) COMPANY LIMITED (Chairman of the Board: Chen Ying, hereafter, “CR Kirin”), the holding company of China Resources C’estbon Beverage (China) Investment Company Limited (CEO: Zhang Weitong, hereafter, “CR C’estbon”) which operates a beverage business centered on water in China, joint venture with China Resources Enterprise, Limited (Chairman of the Board: Chen Ying, hereafter, “China Resources”), to Plateau (hereafter the “Transfer of Shares”) and executed a share purchase agreement.

1. Reasons for the Transfer of Shares

In 2011, Kirin agreed to establish a joint venture for soft drink business in China with China Resources, which operates retail, beer, food and soft drink businesses in China. Over the past 10 years, CR C’estbon has been expanding its business across China.

Although CR C’estbon has achieved steady growth primarily in water business, Kirin has entered into an agreement to transfer its equity interest in CR Kirin to Plateau after careful consideration, including from the perspective of balance sheet portfolio management as set forth in the 2022 Medium-Term Business Plan.

After the completion of the Transfer of Shares, business alliance including intellectual property licensing with China Resources Group for soft drink business in China will continue.

Kirin aims to accelerate further growth by business restructuring including the Transfer of Shares and additional value creation.

2. Overview of CR Kirin

(1) Name	CHINA RESOURCES KIRIN BEVERAGES (GREATER CHINA) COMPANY LIMITED
(2) Address	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
(3) Title and Name of Representative	Chairman of the Board: Chen Ying
(4) Business	Manufacture and sale of beverages in China
(5) Share Capital	Approximately 8,000 HKD (approximately 112 thousand yen*)

(6) Establishment	August 19, 2011	
(7) Major shareholders and percentage of shares	China Resources 60% Kirin 40%	
(8) Relationship with Kirin	Capital relationship	CR Kirin is an equity-method affiliate.
	Personnel relationship	Some employees of Kirin are seconded to CR Kirin as members of the board of the directors or others.
	Business relationship	Kirin provides management services and business supports to CR Kirin. CR Kirin acts as a distributor of Kirin for the sale of beverage products in Hong Kong.

Note*: 1HKD = 14.00yen

3. Overview of Plateau

(1) Company Name	Plateau Consumer Limited	
(2) Address	4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands	
(3) Title and Name of Representative	CEO: Dong Yi	
(4) Business	Investment Holding Company	
(5) Share Capital	US\$50,000	
(6) Establishment	January 12, 2022	
(7) Net Assets	US\$50,000	
(8) Total Assets	US\$50,000	
(9) Major Shareholders and Ownership Ratios	Plateau Consumer Fund L.P., 100%	
(10) Relationship between Kirin and Plateau	Capital relationship	There are no capital relationships which should be noted between the parties.
	Personnel relationship	There are no personnel relationships which should be noted between the parties.
	Business relationship	There are no business relationships which should be noted between the parties.
	Situation regarding related parties	Plateau is not a related party of Kirin. There are also no persons or affiliates of Plateau that are related parties of Kirin

4. Number of shares to be transferred and transfer price

Kirin will transfer all of its equity interest in CR Kirin to Plateau.

Transfer price is approximately 115.0 billion yen* (US\$1,000 million).

Note*: US\$1 = 115.00yen

5. Number of shares and percentage of shareholding before and after the Transfer of Shares

(1) Shares owned before change	400 shares (Voting rights ownership percentage: 40%)
(2) Number of shares to be transferred	400 shares
(3) Shares owned after change	0 shares (Voting rights ownership percentage: 0%)

6. Schedule

(1)	Date of decision on the Transfer of Shares by the Director delegated by the board of directors	February 16, 2022
(2)	Date of the share purchase agreement	February 16, 2022

Note: The date of the share transfer is yet to be determined.

7. Financial Impact

Kirin expects to recognize gain on sale of equity-accounted investees at approximately 39.0 billion yen in the fiscal year ending December 31, 2022.

Noted that Kirin is currently reviewing the impact of the Transfer of Shares on the consolidated financial results for the fiscal year ending December 31, 2022 and will promptly announce any items that require the disclosure regarding the future outlook.

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