

**KIRIN**

*English ver.*



**Kirin Group**  
**Investor's Guide**

April 2026

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## Main updates this time

- Update on Business Performance and Other Results.
- Various information updated with the announcement of the plan for 2028.
- Various information mainly related to Health Science business.

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## Basic Information

### Company Name

**Kirin Holdings Company,  
Limited**

### Date of Establishment

February 23, 1907

### Capital Stock

102.0 billion yen

### Representative

Representative Director of the Board & CEO

**Yoshinori Isozaki**

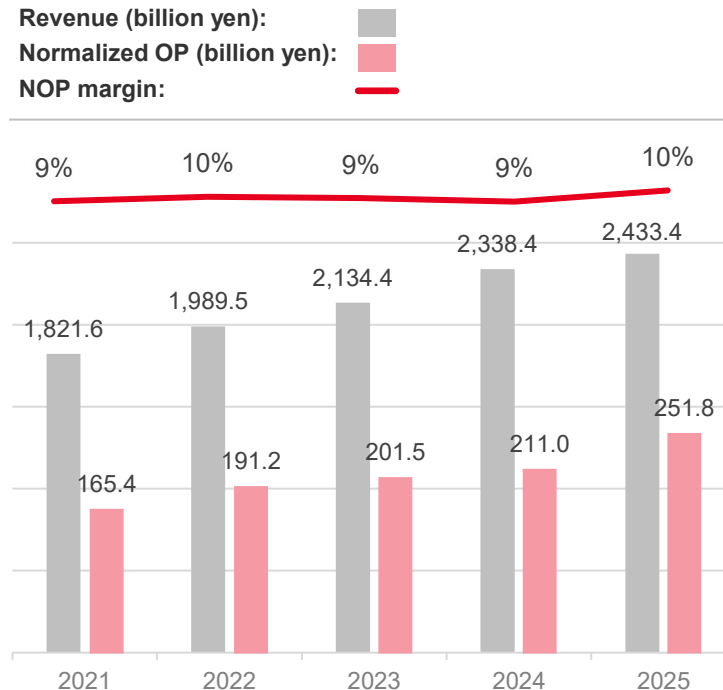
Representative Director of the Board, President &  
COO

**Takeshi Minakata**

### Sales Revenue and Normalized Operating Profit (2024)

Sales revenue: 2,433.4 billion yen

Normalized OP: 251.8 billion yen



### Accounting period

December

### Number of Group Companies

Consolidated subsidiaries: 172

Equity method affiliates: 26

### Head Office Location

4-10-2 Nakano, Nakano-ku, Tokyo

### Number of employees (consolidated)

31,144 employees

## Group Management Philosophy

Kirin's enduring, long-term significance in society

**KIRIN brings joy to society by crafting food and healthcare products inspired by the blessing of nature and the insights of our customers.**

Our manufacturing technology is designed to meet the needs of our customers, to draw out the full potential of nature, and to create a reliable form. We have been pursuing high quality that meets the expectations of our customers through these technologies. With "dreams" and "aspirations," we will continue to propose new styles of "food and health" that lead to new joys, and contribute to the health, enjoyment, and comfort of people around the world.

## Corporate Slogan

A simple expression of Kirin's raison d'etre  
in the eyes of customers and society

## Joy Brings us Together

It is a motto that expresses the significance of our existence to customers and society, while encouraging each employee to continuously take on new challenges.



# Unique Business Portfolio

## Leveraging Fermentation and Biotechnology Cultivated in The Beer Business

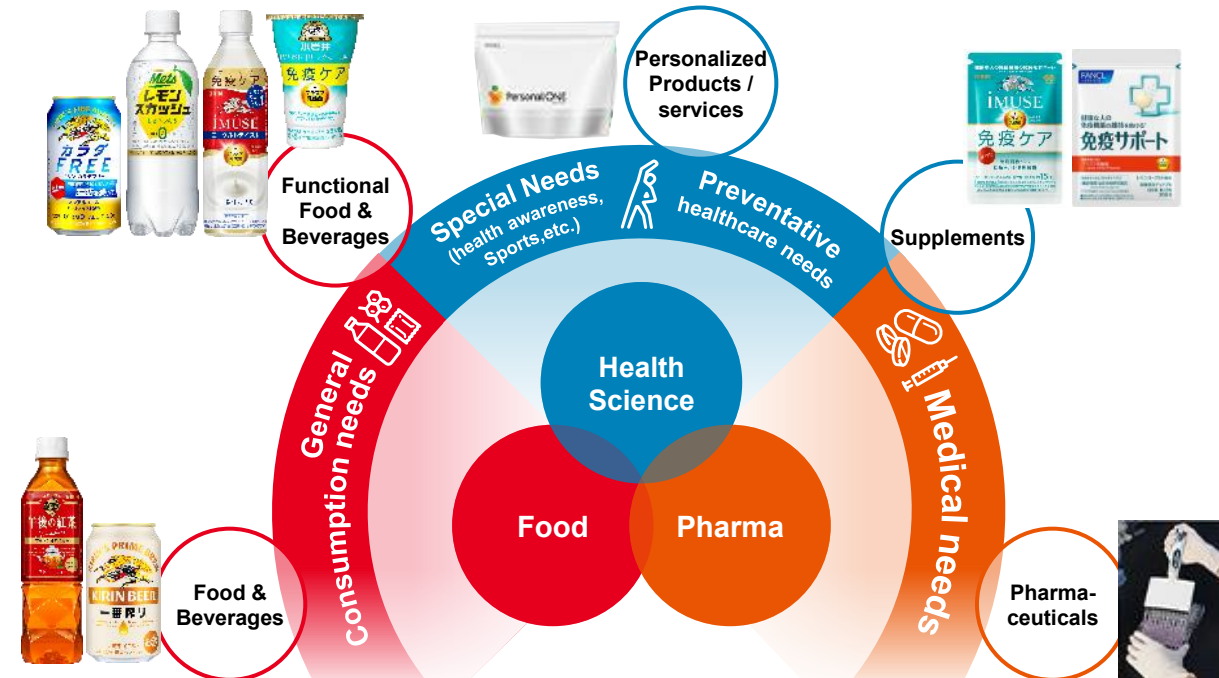
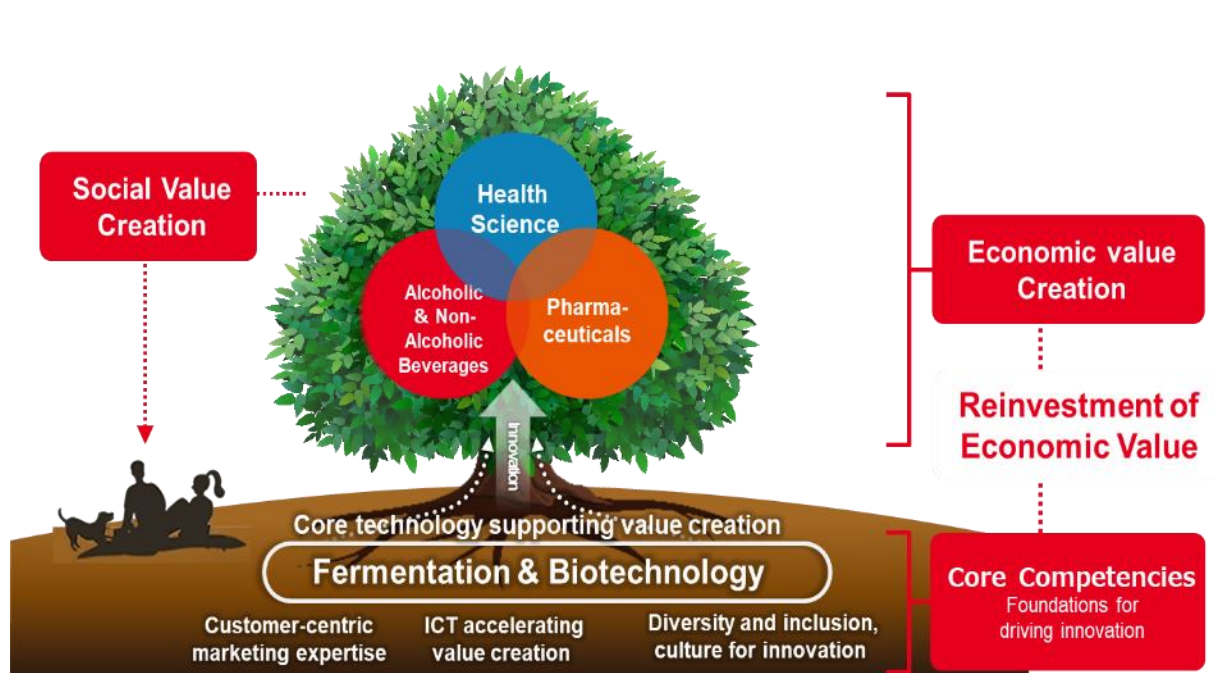
Joy brings us together



- The Kirin Group aims to create value in three business domains (Food, Health Science, and Pharmaceuticals) with fermentation biotechnology as our core competence.
- Although we are diversifying our business, we are not trying to diversify into enclaves, but all of our business areas are based on fermentation and biotechnology.
- Across each business, KIRIN will "create a future of mental and physical well-being for consumers," thereby contributing to people's health and sustainably maximizing corporate value.

Fermentation and biotechnology are the core competencies linking the domains

Encompass consumer needs for health and well-being, pre-disease and medical treatment



### Innovation across Food and Pharma

- Pursuing four core purposes: "Responsibility as an alcoholic beverage manufacturer," "Health," "Community," and "Environment".
- The brewing philosophy of "Reverence for Life" is the foundation of the Kirin Group's unique CSV management.

## CSV Purpose



## Reverence for Life

Reverence for Life



Fermentation and Biotechnology



Craftmanship



Environmental Management



Health

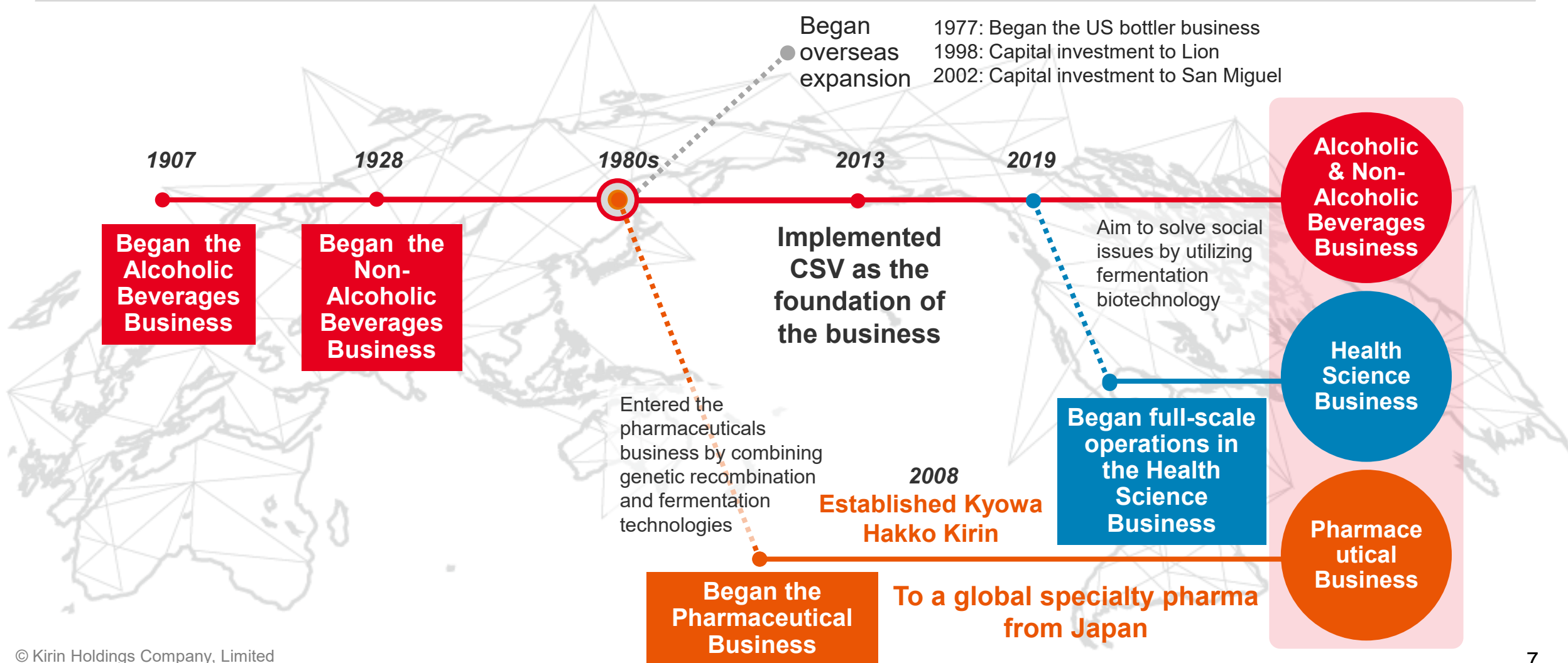
Community

Environment

**CSV Purpose**

# Business Portfolio Management

➤ In light of the changing environment, we promoted ambidextrous management and globalization to build an optimum business portfolio.



# Business portfolio approach in the short, medium, and long term



➤ Aim for sustainable growth with an optimal business portfolio by allocating resources adequately according to the stages of each business

Until Now		Short Term (2025)	Medium Term (~2028)	Long Term (After 10 Years~)
Market environment has changed due to population decline and diversification of tastes and preferences	<b>Alcoholic &amp; Non-Alcoholic Beverages Business</b>	Improve profit contribution by increasing unit price to increase revenue and improving productivity		Aim for long-term growth, but there are uncertainties of market decline and risks of new drug development
Entered 40 years ago, considering the future of the Alcoholic business	<b>Pharmaceuticals Business</b>	Aim to maximize the value of global strategic products and launch products in the final phase of development, while expanding the pipeline		
	<b>Health Science Business</b>	Efforts to expand scale and improve profitability to make it a future source of profit		

Expand profit contribution



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➤ Deliver Sustainable Value Creation While Contributing to People's Well-Being Guided by Our Management Philosophy & Our Commitment to CSV



## 2035 Long-Term Vision

The Kirin Group will create the future of mental and physical well-being for people



### Financial Targets

- High single-digit % EPS growth
- ROIC  $\geq$  10%
- Balanced, resilient profit portfolio across 3 core businesses
- Unlock valuation

Current Long-Term Vision

**KV2027**

A global leader in CSV, creating value across Food & Beverages to Pharmaceutical



### Realize Management Philosophy

Bring joy to society by crafting food and healthcare products inspired by nature and customer insights.

### Toward becoming a CSV leader

Become a global CSV leader by creating social and economic value and achieving sustainable growth with society



## Financial Targets

### 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

**Unlock long-term corporate valuation**

Aim for market cap of 3 trillion-yen



# Innovation as Growth and Profit Driver

- Building up innovations across all three businesses is key to maintaining our position as customers' preferred choice and to realizing mental and physical well-being



## Alcoholic Beverages



### INNOVATIVE PRODUCTS & SERVICES

- Break away from hypercompetition
- Create products that transform drinking behavior and contribute to mental well-being
- Move toward a high-profit structure through value propositions



## Health Science & Non-Alcoholic Beverages



### INNOVATIVE PRODUCTS & SERVICES

- Acquire Southeast Asian and Chinese sales rights
- Manage brands across APAC
- Leverage AI to launch new products
- Integrate Non-Alcoholic Beverages into Health Science within the next 10 years



## Pharmaceuticals



### CREATING LIFE-CHANGING VALUE

- In addition to antibody therapeutics, we will further advance cell and gene therapies to develop medicines that can change people's lives.

# Driving Lifestyle-Changing Innovations for Healthier Living



➤ These innovations will differentiate Kirin and elevate people's well-being

## Alcoholic Beverages



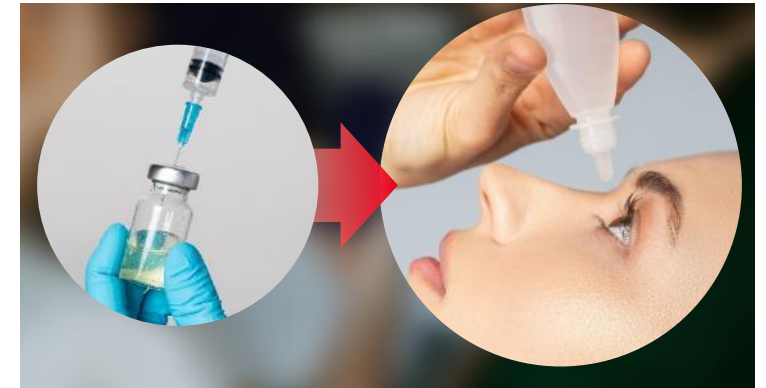
Beverages require localization tailored to each region.  
Set up APAC Innovation Center to **Build RTD consumption habits through No. 1 brand Hyoketsu**

## Health Science & Non-Alcoholic Beverages



The anti-aging market is experiencing significant growth driven by high social demand.  
**Deploy proprietary ingredients (LC-Plasma, citicoline) to help people worldwide realize their dreams**

## Pharmaceuticals



Whereas current therapies involve injections directly into the eye, we are developing “KHK4951” with the goal of achieving a non-invasive, eye drop-based treatment.  
**Aim to improve patients' quality of life significantly**

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# Financial Targets: EPS/ROIC Targets

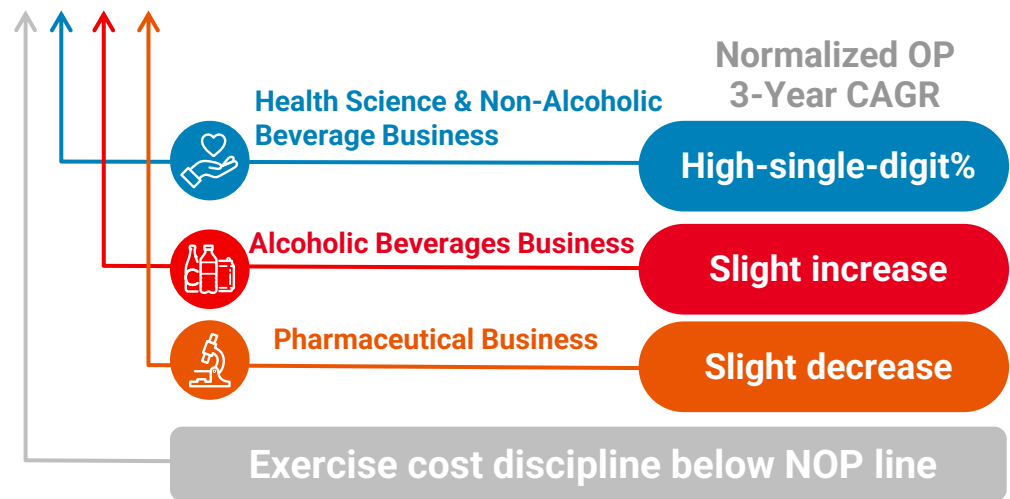
**EPS growth**



➤ 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
<b>ROIC</b> Aim for ROIC to consistently exceeds the cost of capital (WACC)*	7.6%**	7.7%	8.0% +	10% +
<b>EPS</b> 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 %

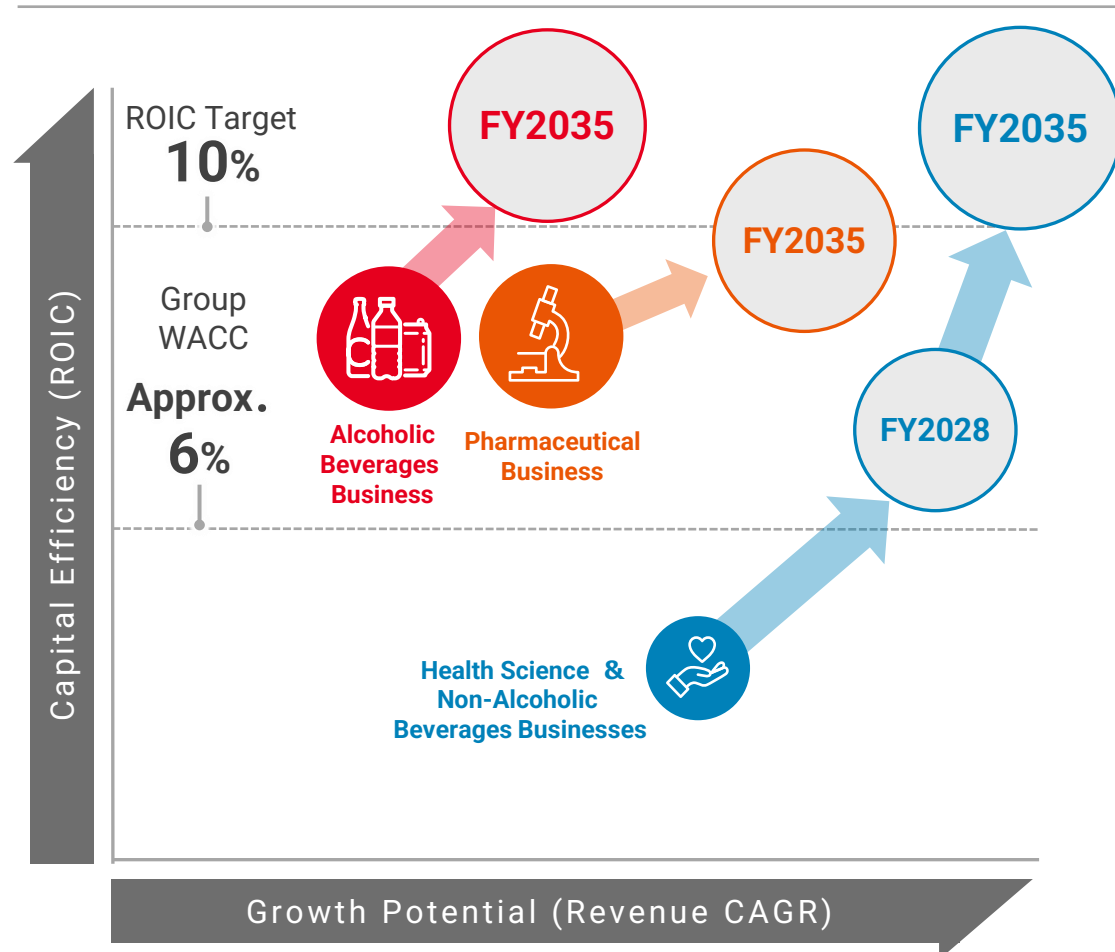
\* The Group's current WACC is approximately 6%  
 \*\* [Reference] ROE for FY2025 is 12.0%.  
 \*\*\* The 2026 plan of ¥193 represents an average annual growth of 6% over a two-year period compared with the 2024 actual result (¥172).  
 \*\*\*\* For comparison of the three-year EPS CAGR toward the 2028 target, we use the disclosed 2025 EPS target of ¥185.



# 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 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**

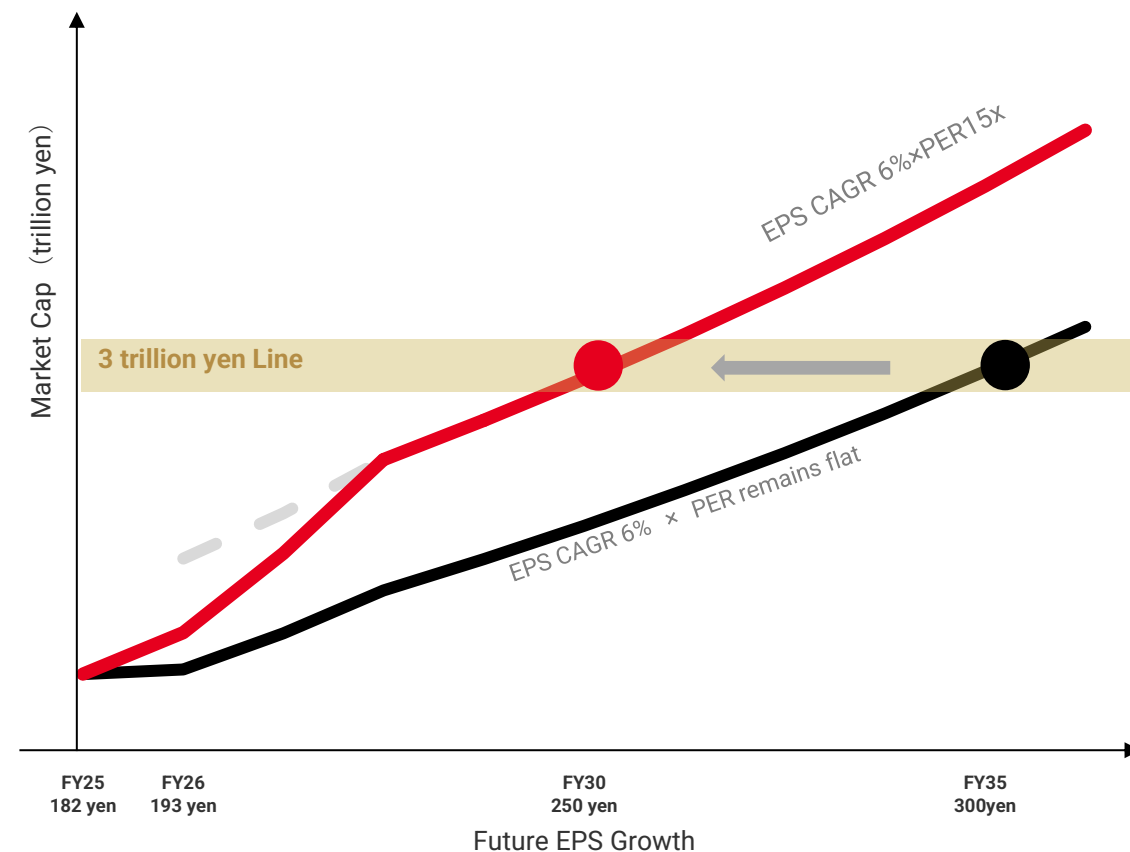
- **Balanced, resilient  
profit portfolio**  
across three core  
businesses

# 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.



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.



# EPS Growth by Segment Toward 2028

EPS Growth

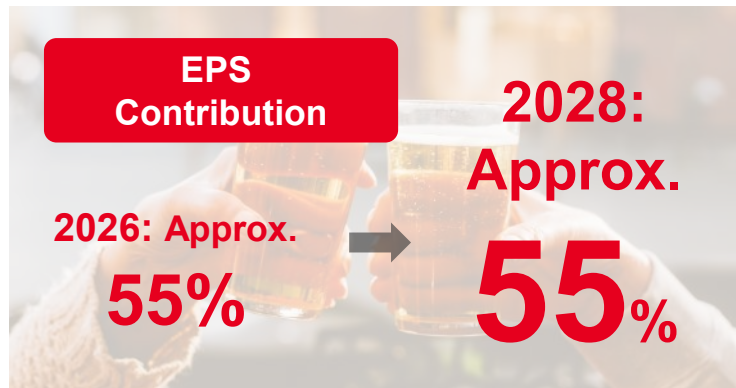
Improved PER



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



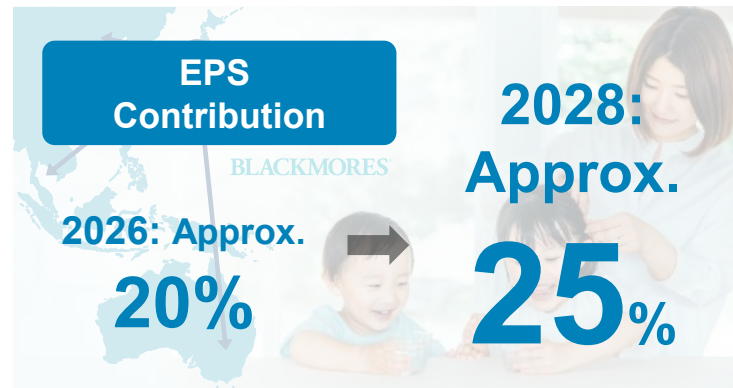
## Alcoholic Beverages



- 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



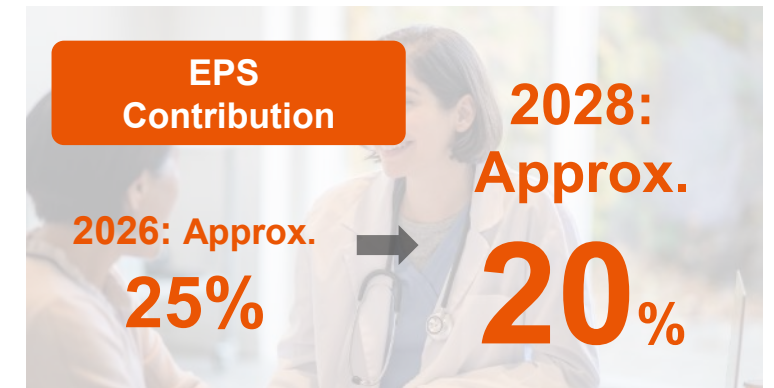
## Health Science & Non-Alcoholic Beverages



- 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.

### 2028 EPS Contribution

Kirin Brewery

San Miguel

Lion

New Belgium

Other

Non-Alcoholic Beverages

Health Science

Kyowa Kirin

# EPS Contribution by Region

EPS growth



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

**Japan**

EPS Contribution

2026: Approx. 30% → 2028: Approx. 30%



- Domestic alcoholic beverage business will maintain its contribution
- Achieve growth through strengthening the FANCL brand
- Strengthen Kyowa Kirin (Japan)'s drug discovery process

**Asia-Pacific**

EPS Contribution

2026: Approx. 25% → 2028: Approx. 30%



- Achieve brand growth through integrated overseas Health Science operations
- Lion and San Miguel will also increase their EPS Contribution

**US, etc**

EPS Contribution

2026: Approx. 45% → 2028: Approx. 40%



- Kyowa Kirin (North America, etc.) will achieve steady growth in Crysvida, etc.
- Coke Northeast and New Belgium etc. will maintain and improve profit margins

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

**EPS Growth**

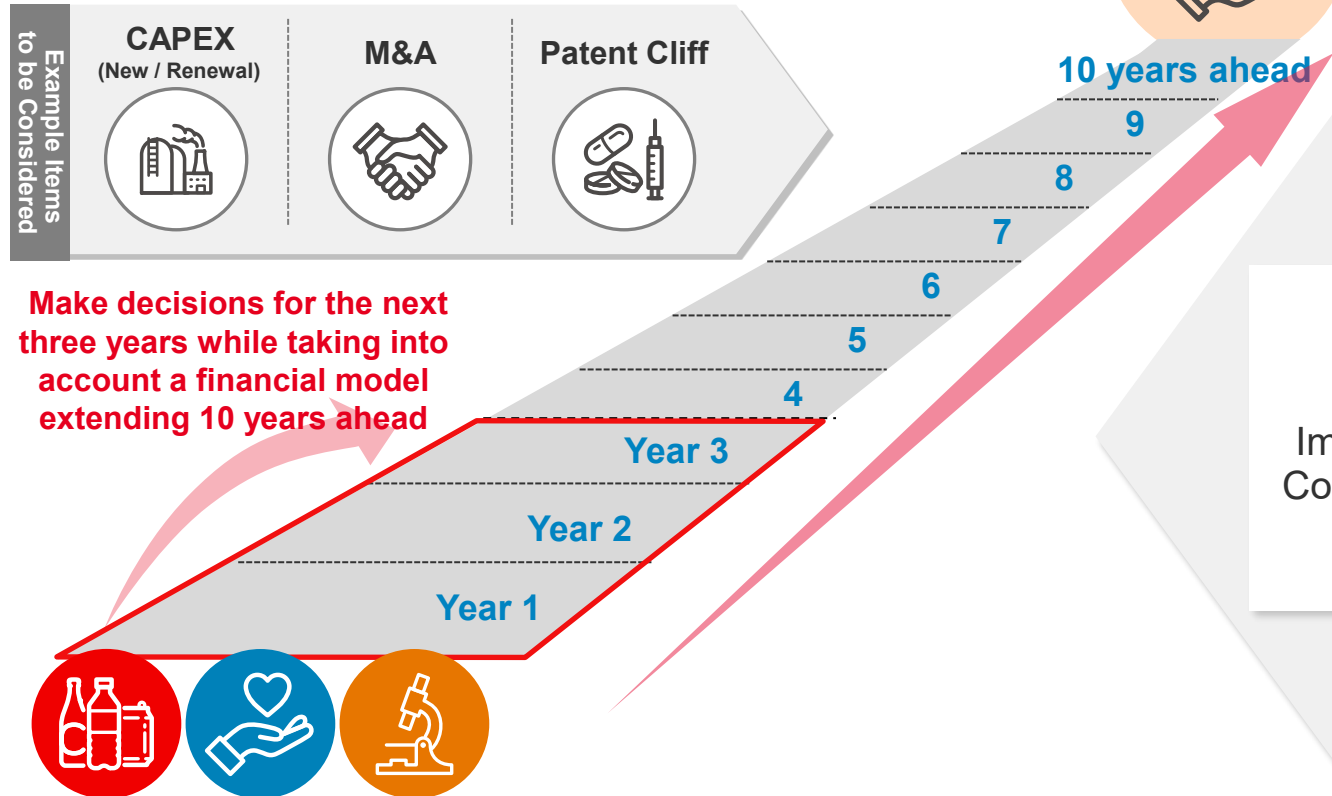
**Improved PER**



- 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.

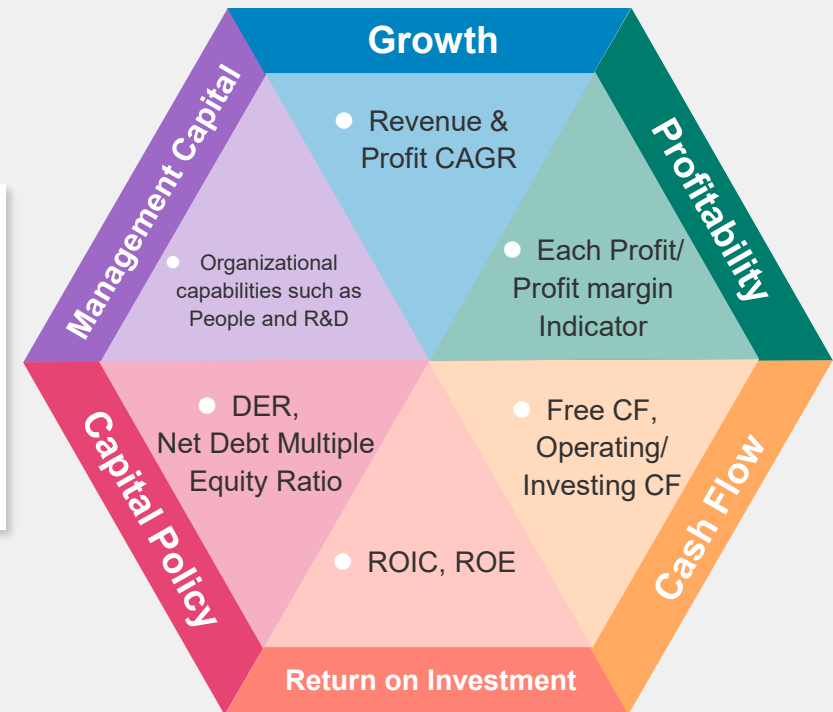


## Multi-dimensional perspective

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

Improving EPS Contribution and ROIC by Business

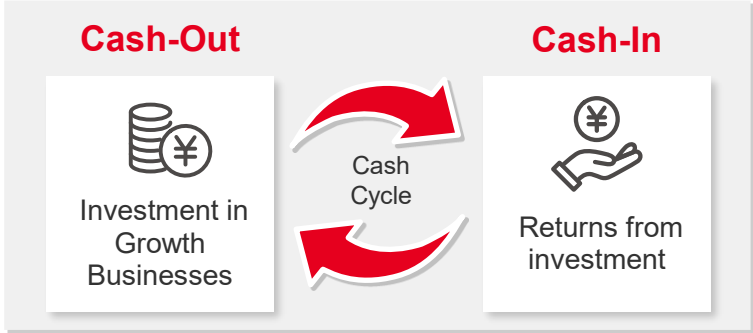
## KIRIN HEXAGON-VIEW



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

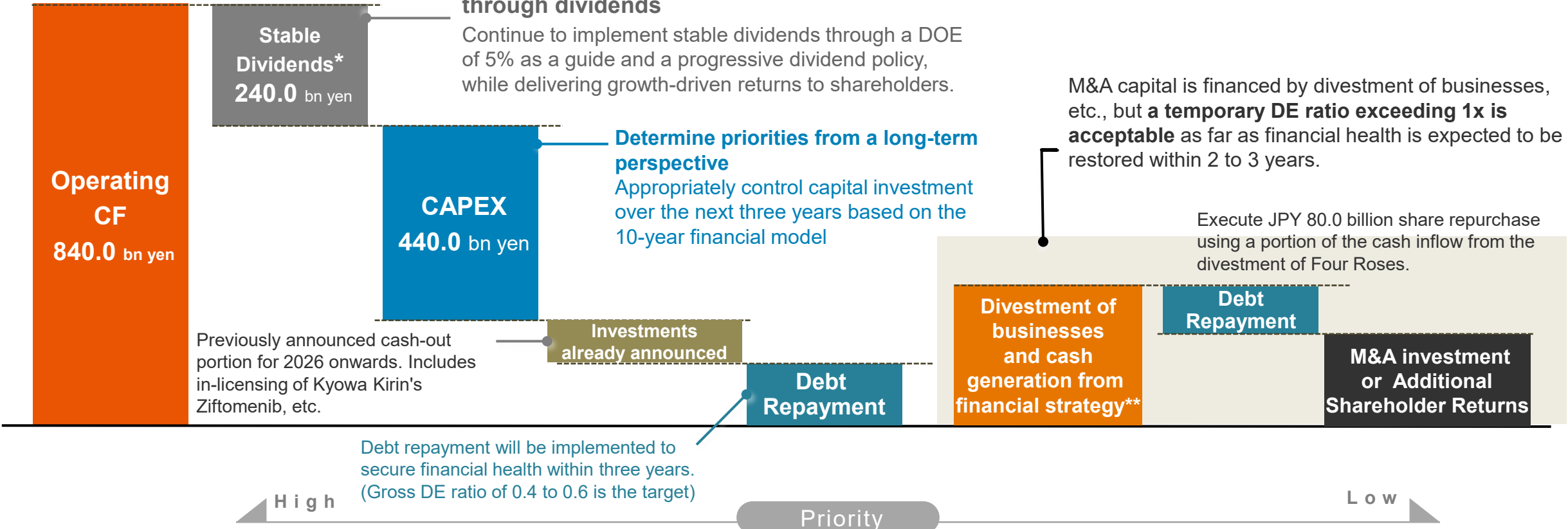


➤ Post-dividend operating cash flow will be allocated to CAPEX and repaying interest-bearing debt to secure financial health that enables future growth investments (M&A) in the coming years



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

**Shareholder returns will primarily be paid out through dividends**  
Continue to implement stable dividends through a DOE of 5% as a guide and a progressive dividend policy, while delivering growth-driven returns to shareholders.



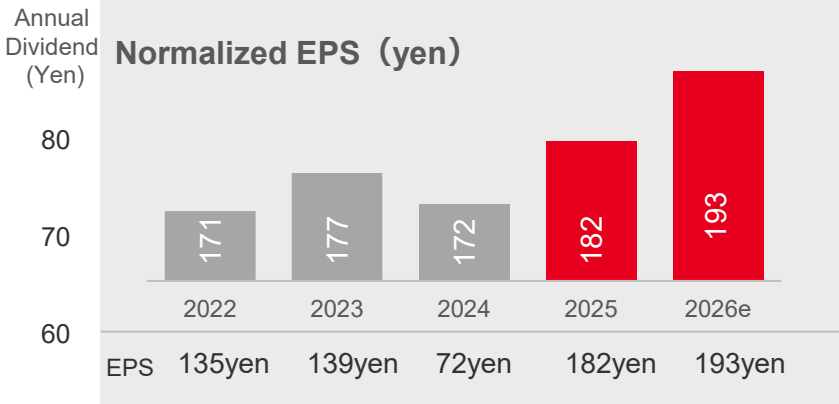
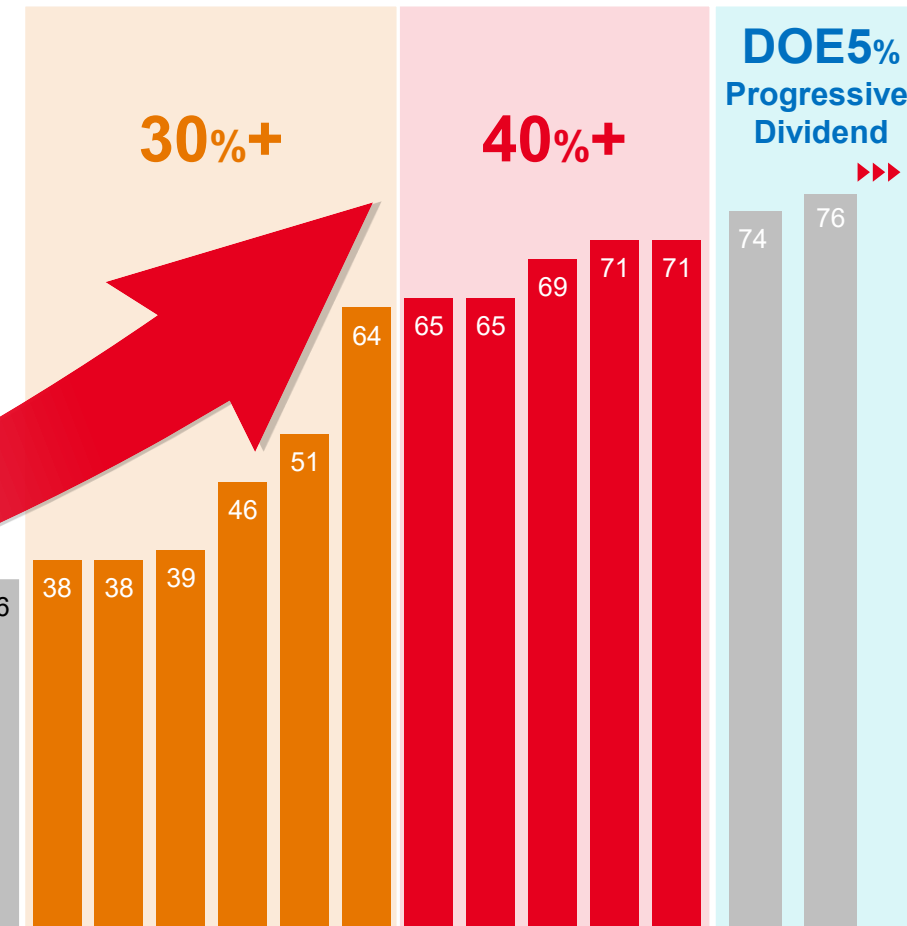
# Shareholder Return

➤ Starting in 2025, KIRIN will shift its dividend policy from the Consolidated payout ratio of 40%+ against normalized EPS to a new policy targeting a 5% Dividend on Equity (DOE), which is more conscious of the cost of capital. At the same time, KIRIN is introducing a progressive dividend policy.

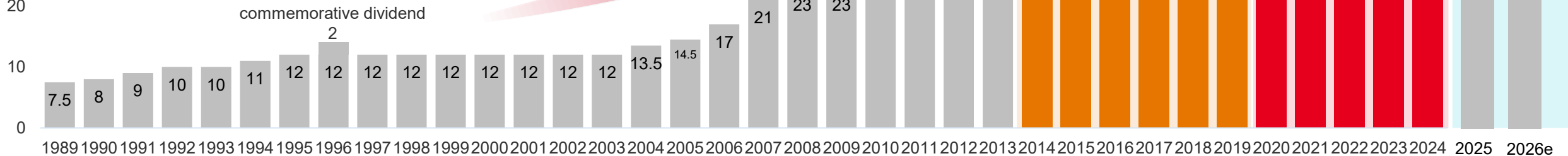
## 【 Repurchase of treasury stock 】

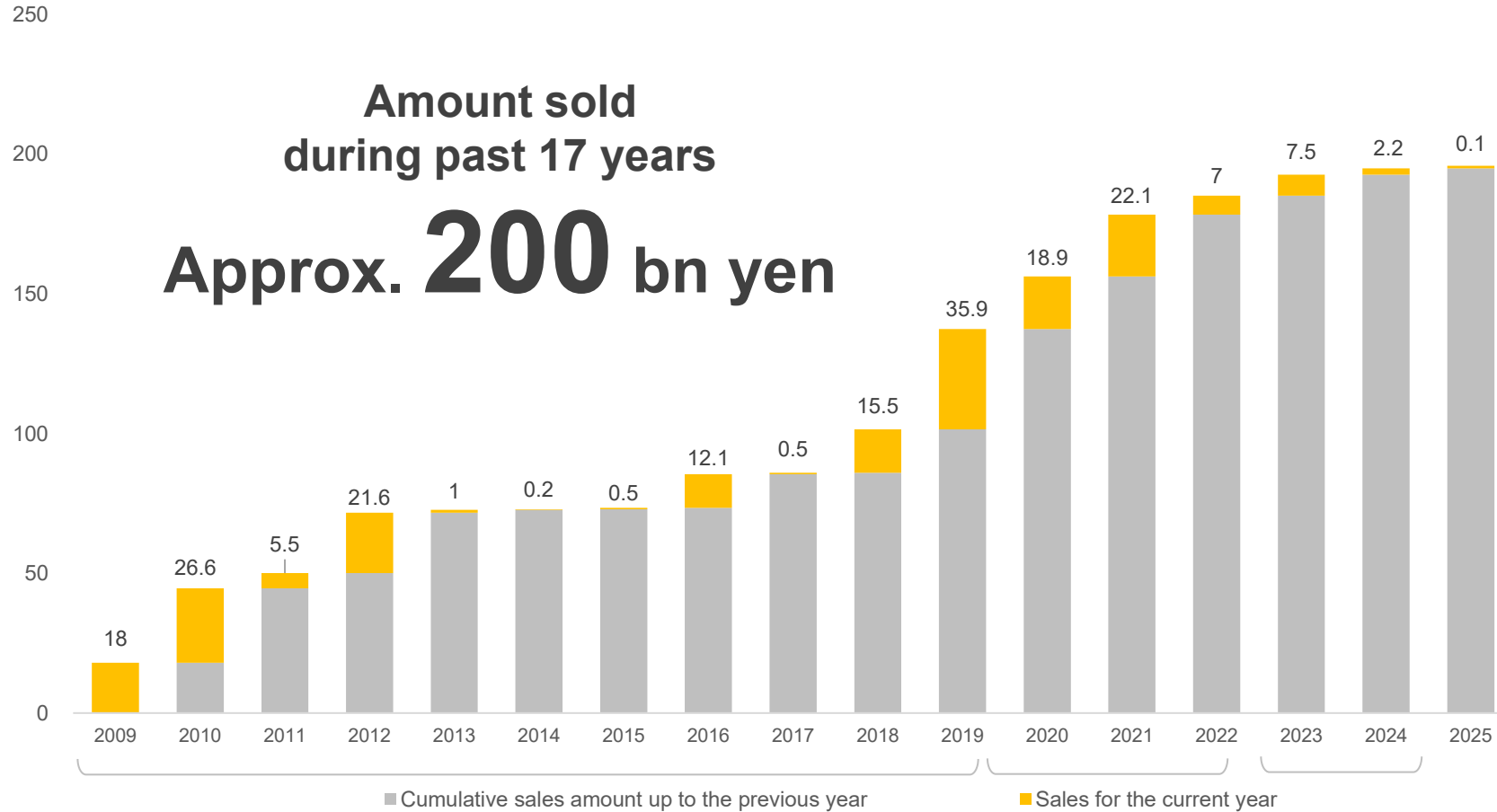
Repurchase period	Total repurchase amount
March 2013 – December 2013	Approx. 50 bn yen
March 2014 – April 2014	Approx. 20 bn yen
February 2018 - September 2018	Approx. 100 bn yen
November 2019 - April 2020	Approx. 100 bn yen
May 2022 - September 2022	Approx. 50 bn yen
Mar 2026 – February 2027	Approx. 80 bn yen

## Consolidated Dividend Payout Ratio



**No dividend cut ever!**





Amount sold during past 17 years

**Approx. 200 bn yen**

Amount sold during 2009 - 2018

**101.5 bn yen**

Amount sold during 2019 -2021

**76.8 bn yen**

Amount sold during 2022 -2024

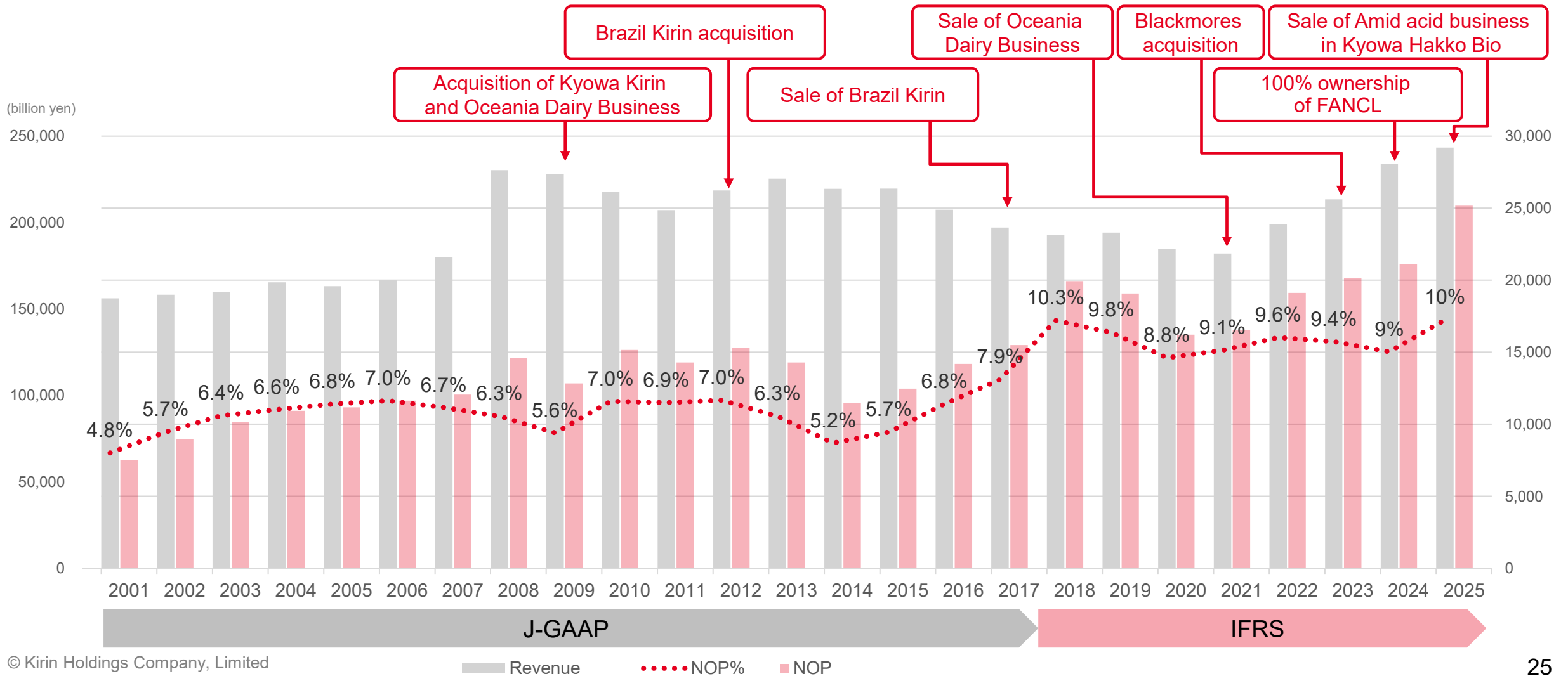
**16.5 bn yen**

**[As of the end of December 2025]**

$$\frac{\text{Balance of cross-shareholdings}}{\text{Consolidated net assets}} = 4.1\%$$

# Sales Revenue and Normalized Operating Profit Trends

➤ Steady increase in profit margin from the past. Aiming to recover and grow profits that declined due to COVID-19.



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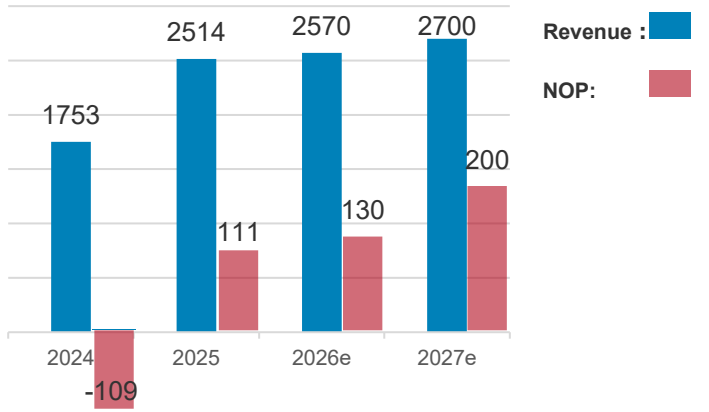
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マーケティング戦略

# Health Science Business

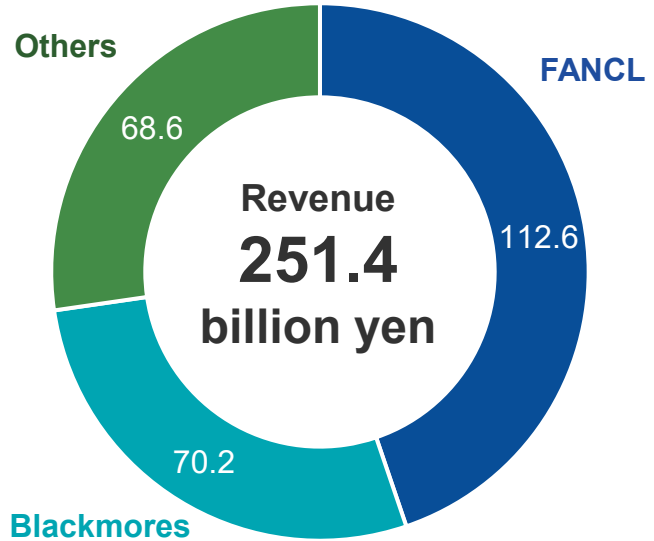
## History

- 2010: Discovered "*Lactococcus lactis* strain Plasma"
- 2019: Began full-scale operation in the Health Science; Made Kyowa Hakko Bio a subsidiary; Entered into a capital and business alliance with FANCL
- 2023: Makes Blackmores Limited a wholly owned subsidiary.
- 2024: Made FANCL a wholly-owned subsidiary
- 2025: Completed the transfer of Kyowa Hakko Bio's amino acid business, etc.

## Revenue and Normalized Operating Profit (billion yen)



## Composition ratio of business companies (2025)



## Quantitative target



### Revenue

Aim for **500 bn yen** in the future through creating added value in the group



### Normalized Operating Profit Margin

Aim for **15%** in the future by first achieving our target of 10% or more by 2030



### ROIC

Move from the investment phase to a stage of increasing capital efficiency and exceeding capital cost (WACC)

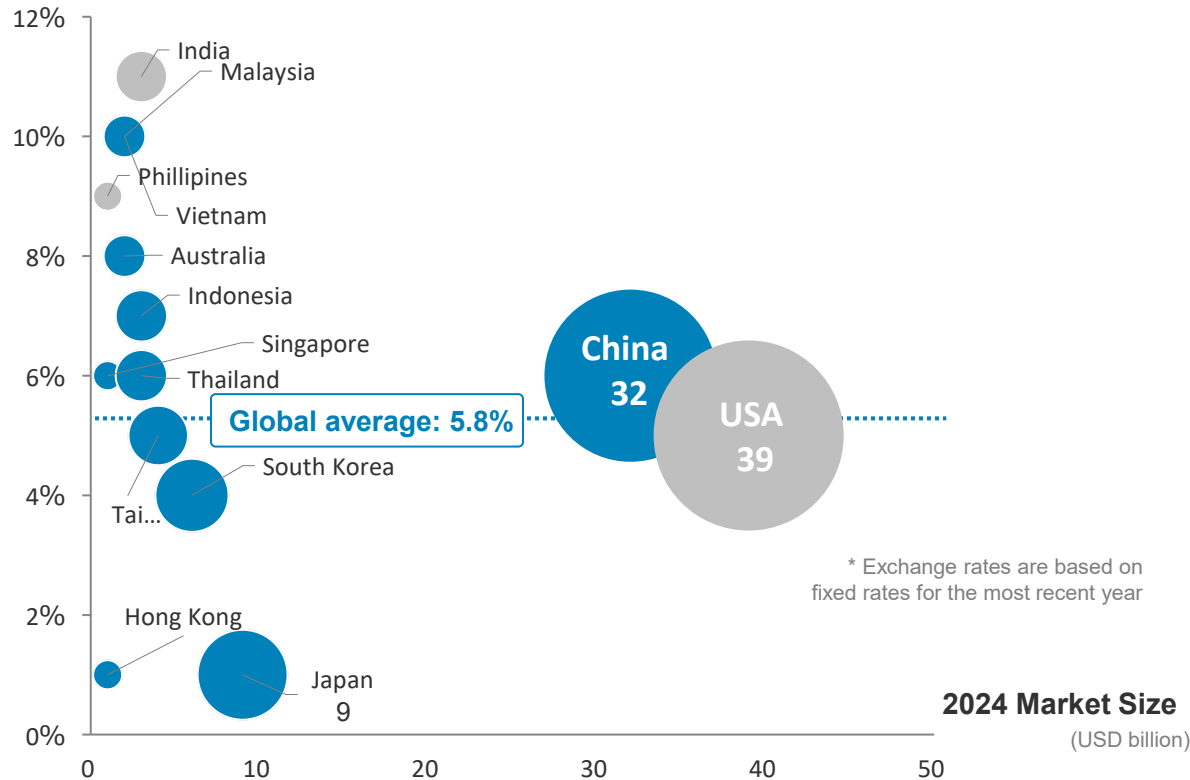
Achieve **10%** in the future



➤ The supplement market continues to grow steadily in various countries and regions and is expanding globally. The Kirin Group already operates in major APAC countries, and the Japanese market is expected to continue growing steadily. Future growth drivers include China, with its large market size, and Southeast Asia, where high growth rates are anticipated.

## [VDS\*] Market Size and 5-Year CAGR

### CAGR (2024–2029)



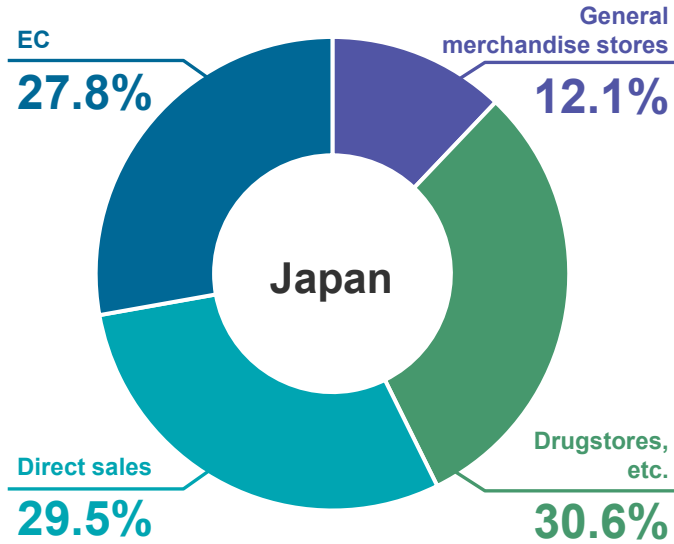
\*Circle size indicates market size, Blue: Countries where operations are already underway; Gray: Countries where operations have not yet begun

## Overview of Key Markets

<b>Japan</b>	<p><b>Driven by an aging population and a growing focus on health in the post-COVID era, the supplement market is showing a gradual upward trend</b></p> <ul style="list-style-type: none"> <li>● Demand for daily immune support, protein, and beauty products is also increasing</li> <li>● Against the backdrop of past quality issues and a cycle of health needs, demand for reliable quality is on the rise. It has become crucial to strengthen the promotion of efficacy and ingredient value, as well as to restore trust in foods with functional claims.</li> </ul>
<b>Australia</b>	<p><b>Despite a challenging consumer environment due to inflation, the market has achieved steady growth</b></p> <ul style="list-style-type: none"> <li>● The habit of taking supplements on a daily basis is well-established, and there is particular demand for highly reliable products for immune support</li> <li>● With an aging population, there is a high demand for health solutions related to aging, such as joint care and bone health maintenance, and an increasing number of people are turning to supplements as a solution.</li> </ul>
<b>China</b>	<p><b>Growth continues, driven by the massive market size and the expansion of the urban middle class</b></p> <ul style="list-style-type: none"> <li>● Health awareness is rising, particularly among younger generations, driving robust demand across a wide range of categories, from nutritional supplements like vitamins to traditional health foods</li> <li>● The rapid expansion of e-commerce channels has made a diverse range of products available nationwide, and the expansion of overseas brand distribution driven by deregulation is accelerating market growth</li> </ul>
<b>Southeast Asia</b>	<p><b>Supported by rising health consciousness and economic growth, the market is experiencing rapid growth</b></p> <ul style="list-style-type: none"> <li>● The market is supported by rising health awareness and economic growth.</li> <li>● Products for nutritional supplementation and immune support are particularly popular, but it is necessary to offer product portfolios and dosage forms tailored to the varying demands and legal regulations of each country</li> </ul>

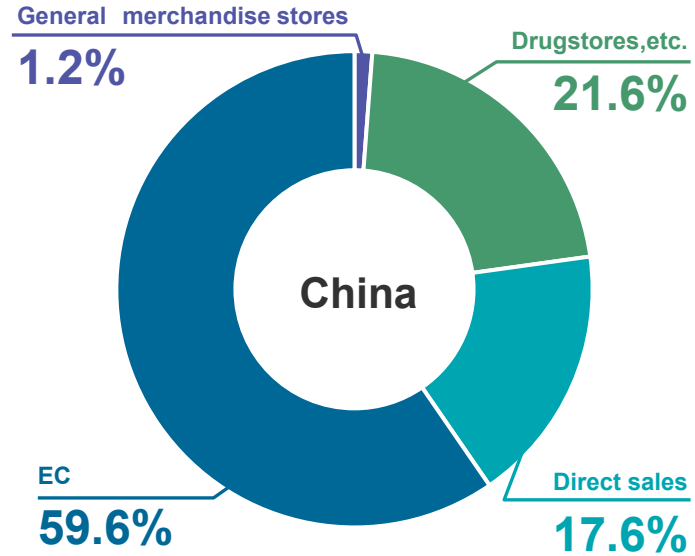


# Supplement Markets by Country: Channel Breakdown and Characteristics (2024)



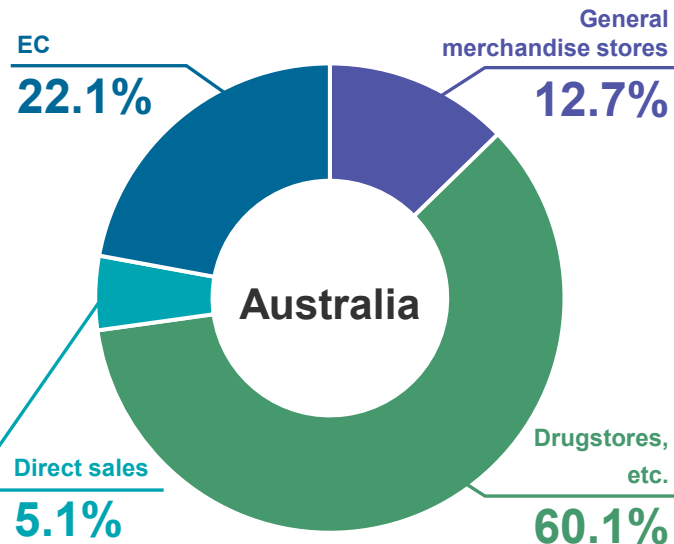
### Characteristics

- A mature market with a highly fragmented channel landscape
- While e-commerce channels have shown remarkable growth in recent years, the competitive environment has become increasingly intense. Going forward, the key will be to improve average transaction value and retention rates by strengthening CRM



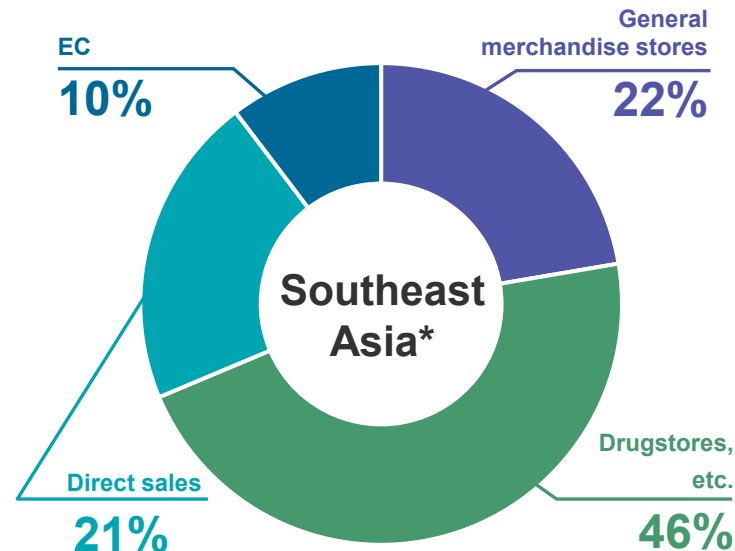
### Characteristics

- A market completely driven by e-commerce (Tmall, etc.)
- Within e-commerce, live commerce and the use of KOLs/KOCs have a significant influence, while offline channels such as drugstores are on a downward trend



### Characteristics

- Drugstores account for the overwhelming majority
- Pharmacists and specialty channels are strong
- There is a culture of "health = buying at drugstores"
- Although the e-commerce channel is still only about 22%, there is room for growth

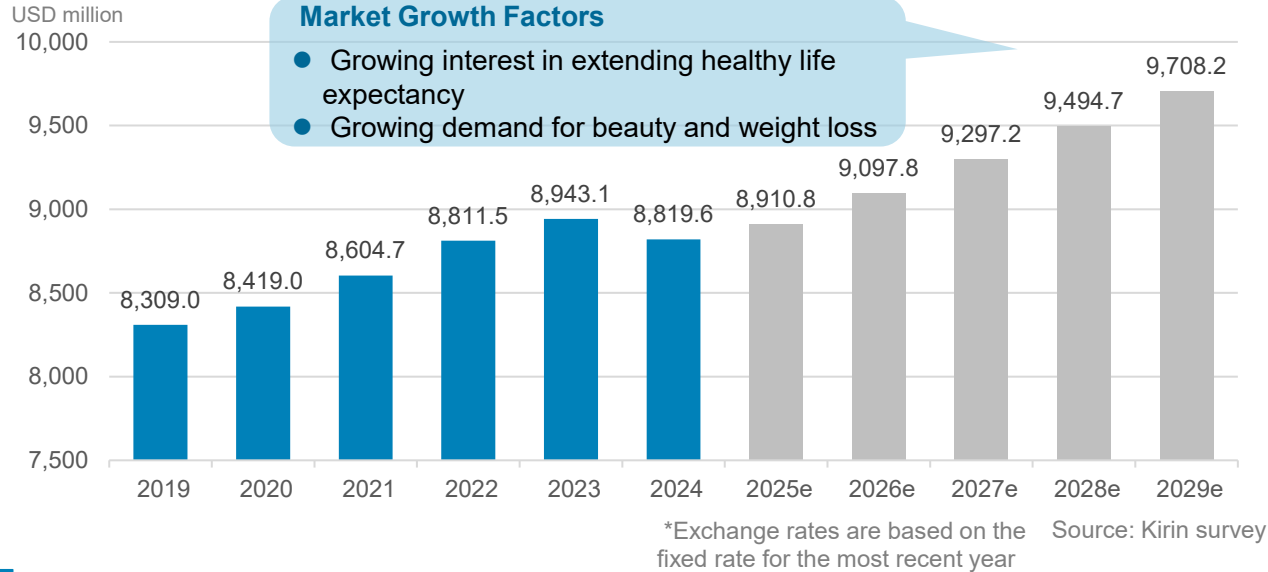


### Characteristics

- Offline distribution is the main battleground
- Supplements are often purchased as part of daily routines
- E-commerce is still small, but there is room for growth



### Trends in the Japanese VDS Market

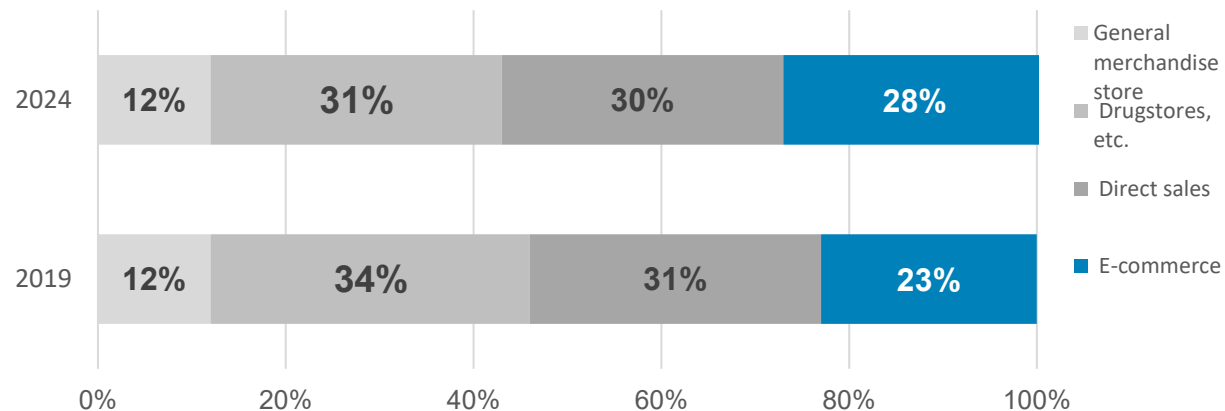


### Sales Share by Company

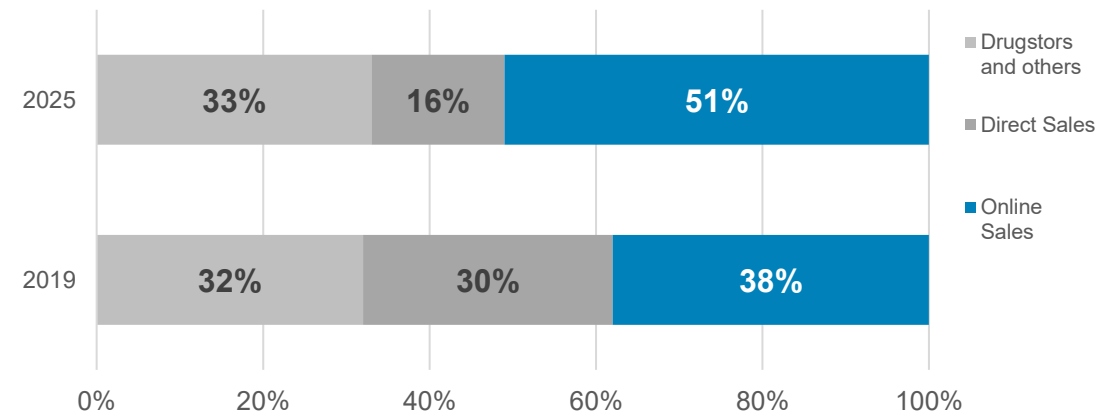
(2019)		(2024)	
Rank	Manufacturer	Rank	Manufacturer
1	Competitor A	1	Competitor A
2	Competitor B	2	Competitor B
3	<b>FANCL</b>	3	<b>FANCL</b>
4	Competitor C	4	Competitor C
5	Competitor D	5	Competitor D

Source: Fuji Keizai HB Foods Marketing Handbook 2025

### Market Sales Channel Breakdown



### FANCL Sales Channel Breakdown

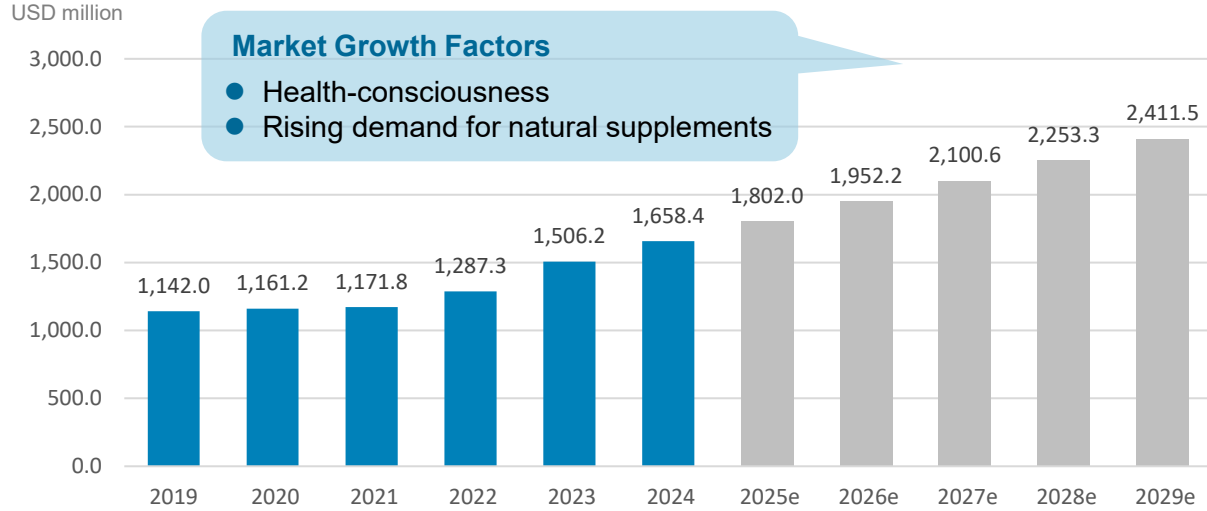


\*Online sales include its own e-commerce site, third-party e-commerce platforms (e-commerce malls), telephone orders, and postcard orders

Source: Kirin survey



## Trends in the Australian VDS Market



### Market Growth Factors

- Health-consciousness
- Rising demand for natural supplements

\*Exchange rates are based on fixed rates for the most recent year Source: Kirin Research

## Sales Share by Company

(2019)

Rank	Manufacturer
1	Blackmores Ltd
2	Competitor A
3	Competitor B
4	Competitor C
5	Competitor D

(2023)

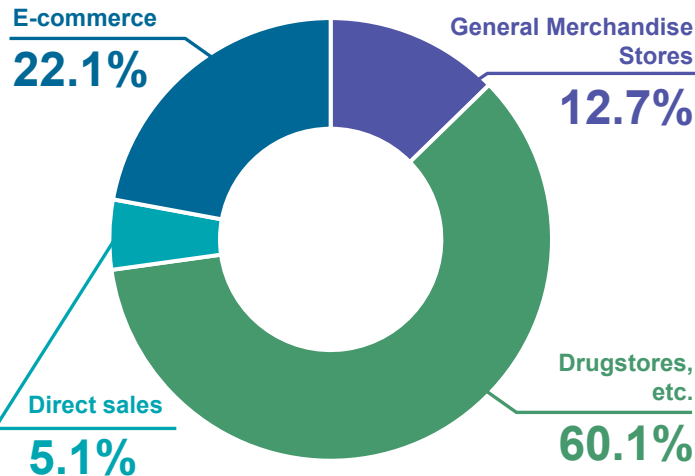
Rank	Manufacturer
1	Blackmores Ltd
2	Competitor A
3	Competitor B
4	Competitor C
5	Competitor D

Source: Kirin Research

## Store Display

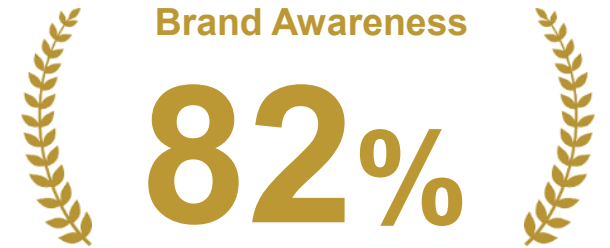


## Market Channel Breakdown



## Brand Awareness (2024)

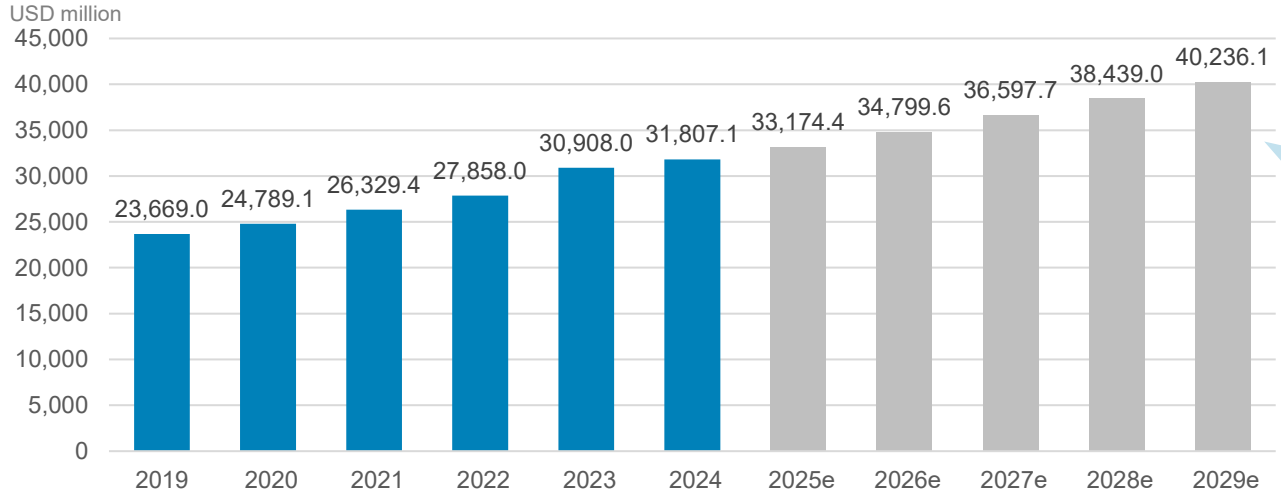
Maintains high brand recognition as a top brand



Source: Kirin Research



China VDS Market Trends



\*Exchange rates are based on fixed rates from the most recent year

Source: Kirin Research

Market Growth Factors

- Rising health consciousness (especially among younger people)
- Increase in disposable income among the middle class
- Growth of e-commerce channels
- Government deregulation

Target Markets (2023)

	FANCL	Blackmores
Channels Already in Use	Cross-border e-commerce	Cross-border e-commerce WFOE EXPORT
Market Share in Cross-Border E-Commerce	8th	3rd

Source: APAC Brand Health Study 2023

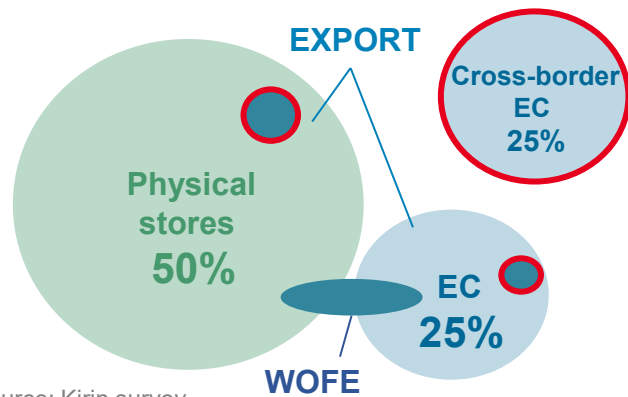
Awareness (2025)



Source: Kirin survey

Market Size and Current Distribution Channels : Conceptual Diagram

Total Market Size: 31,807 million USD (2024)

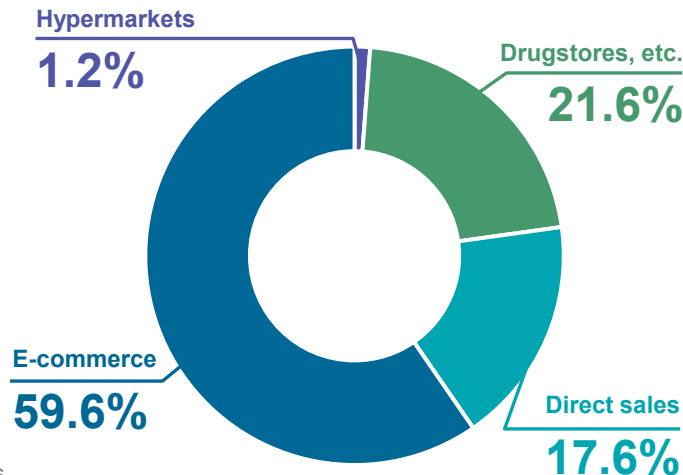


Source: Kirin survey

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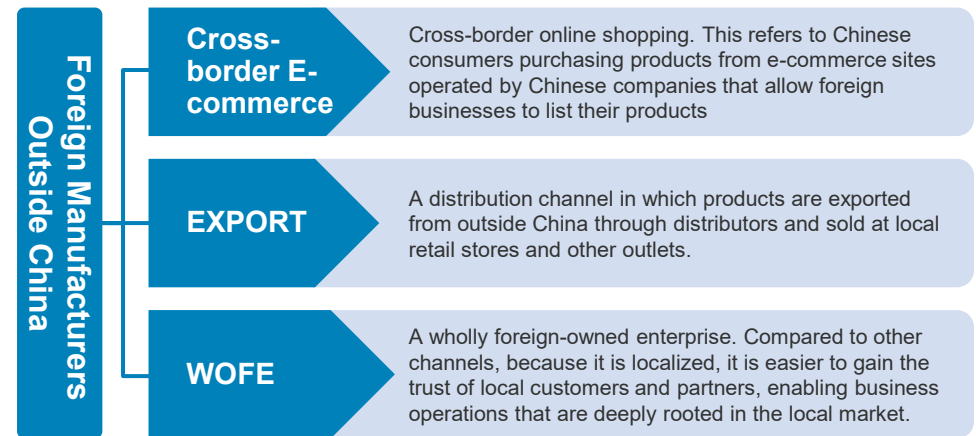
\*Red boxes indicate areas where Kirin HD has already launched

Market Channel Composition



Source: Kirin Research

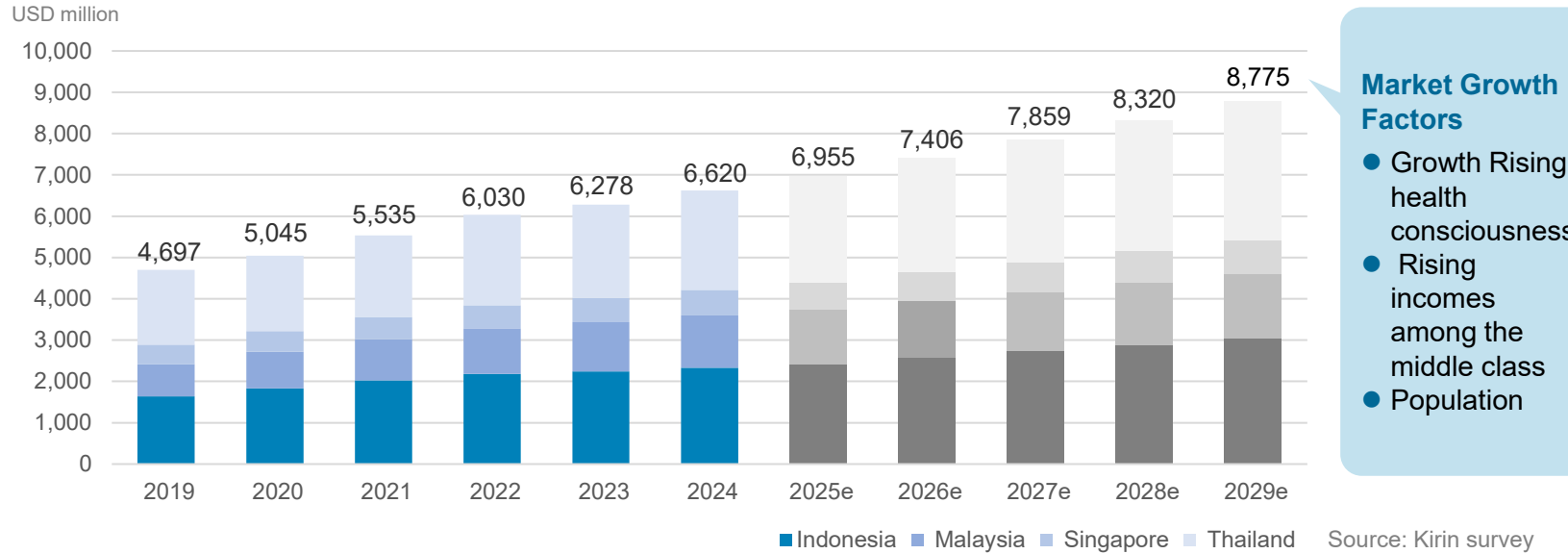
China: Channel Structure



\*Blackmores does not operate any company-owned stores and sells exclusively through mass retailers or online



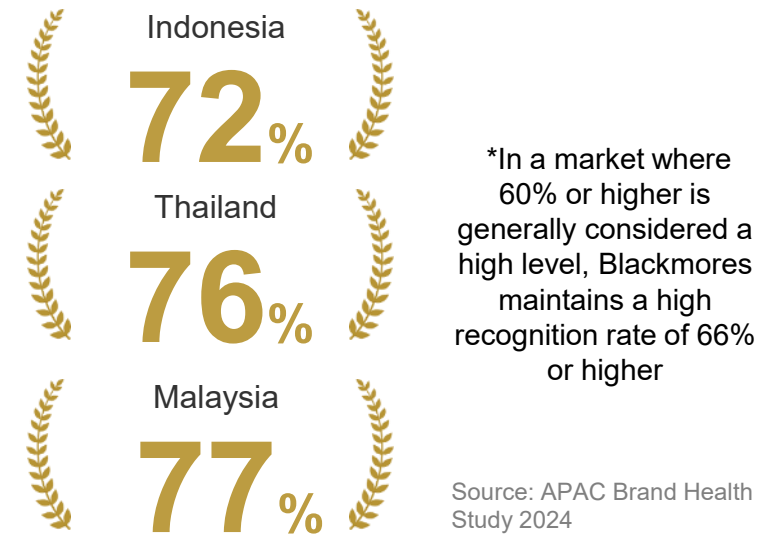
## Southeast Asia VDS Market Trends



**Market Growth Factors**

- Growth Rising health consciousness
- Rising incomes among the middle class
- Population

## Blackmores Brand Awareness (2024)

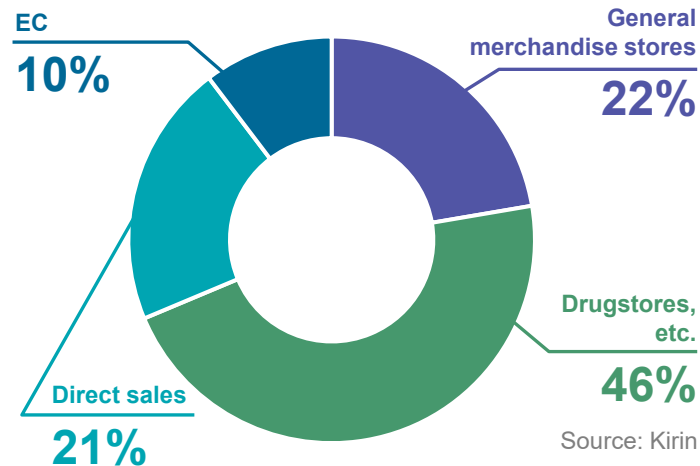


## Southeast Asia VDS Market Growth Rate (CAGR) Trend (2019–2024)

Market	CAGR
Indonesia	7%
Malaysia	10%
Thailand	6%

Source: Kirin Research

## Market Channel Breakdown



## Blackmores Market Share in Major Countries

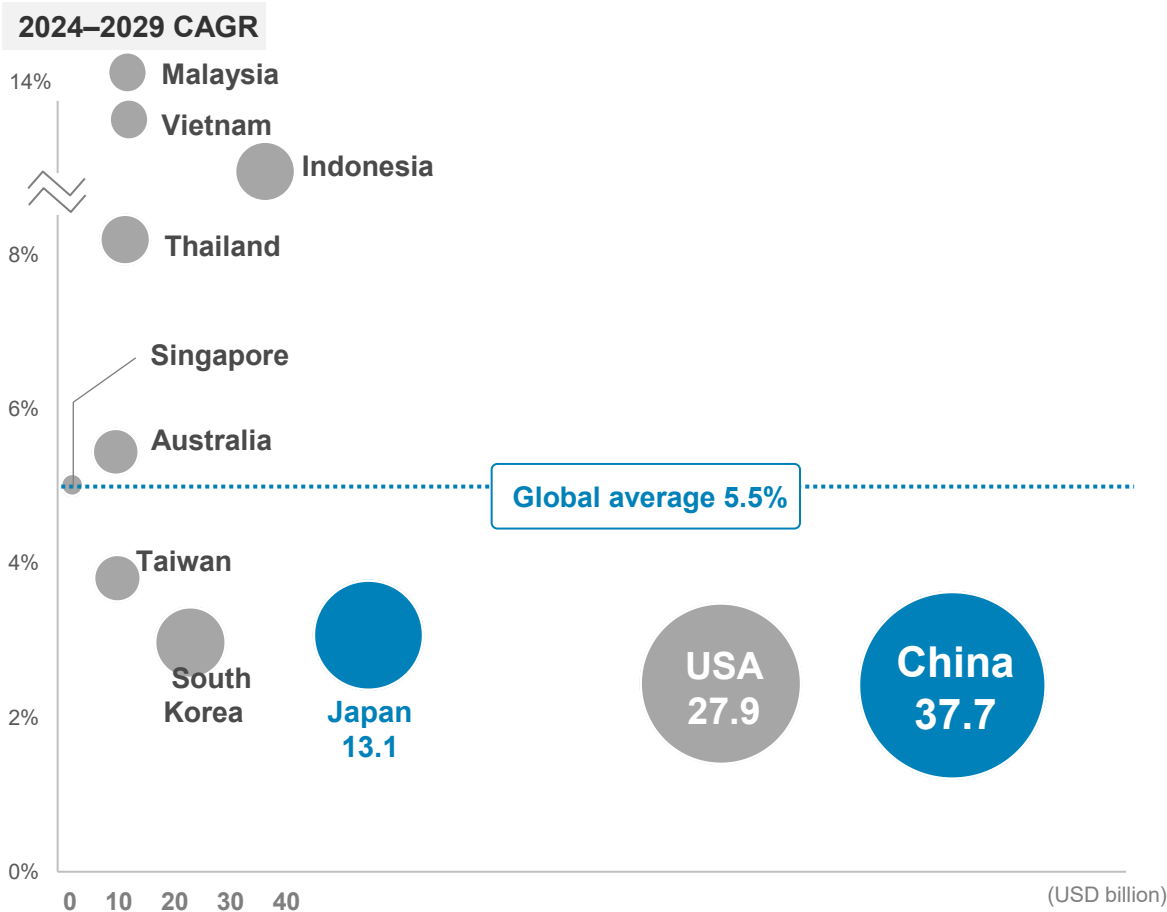
Country	2023 Market Share Rank
Indonesia	3rd
Malaysia	1st
Thailand	1st

Source: APAC Brand Health Study 2023

# Overview of the Skincare Category by Region

➤ The skincare market continues to expand globally, and high growth is expected to continue. While the market's growth is driven by expanding demand for anti-aging care and a diversifying user base, the specific factors vary by country and region. Japan and China have large market sizes, and stable growth is expected to continue. On the other hand, Southeast Asia offers the greatest potential for growth, and Kirin plans to sequentially expand into this growing market.

## [Skincare\*] Market Size and 5-Year CAGR



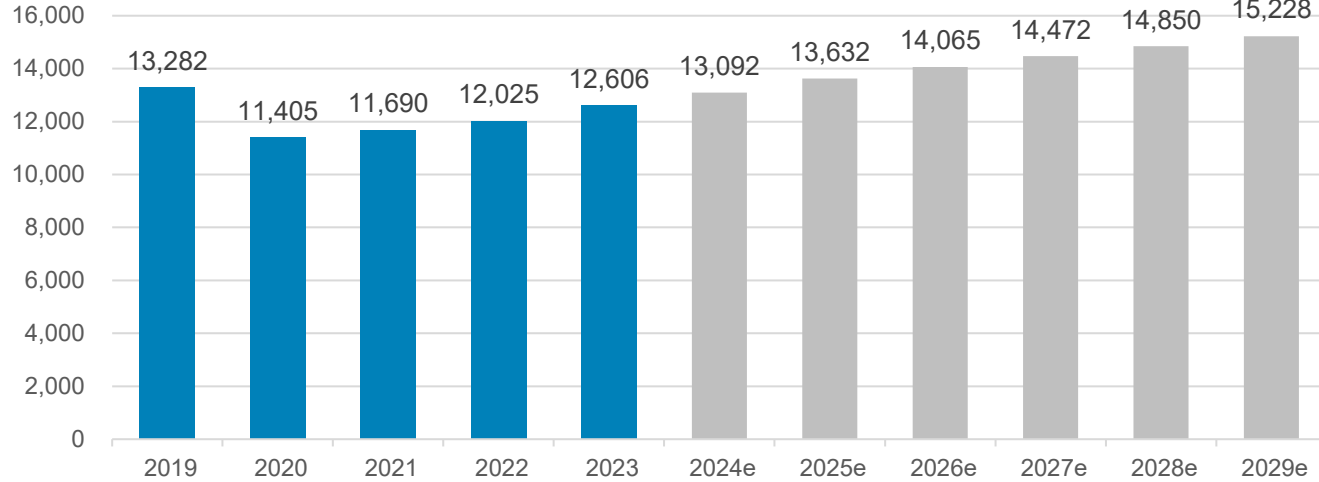
## Overview of Major Service Areas

<b>Japan</b>	<p><b>Recovering Demand and a Shift Toward High-Value-Added Products</b></p> <ul style="list-style-type: none"> <li>The market is growing due to a recovery in inbound demand and increased opportunities to go out.</li> <li>In an aging society, demand for anti-aging care remains strong, serving as a factor driving stable market growth</li> </ul>
<b>China</b>	<p><b>Continued growth driven by its overwhelming market size</b></p> <ul style="list-style-type: none"> <li>The market is the largest in the world</li> <li>Led by Generation Z, who have a high interest in beauty, skincare is viewed as both a daily necessity and a form of self-investment, underpinning the market</li> </ul>
<b>Southeast Asia</b>	<p><b>Rapid growth driven by a young population and digitalization</b></p> <ul style="list-style-type: none"> <li>The market is driven by the popularity of skincare and makeup products, with a particular preference for natural ingredients and organic products</li> <li>Growth in online sales channels is driving the market, and economic growth across the ASEAN region is also contributing to market expansion.</li> </ul>
<b>Australia</b>	<p><b>A Focus on Sensitive Skin + Internal and External Beauty Solutions Driving the Market</b></p> <ul style="list-style-type: none"> <li>Approximately half of women identify as having sensitive skin, and there is a growing emphasis on strengthening the skin barrier and scientific evidence.</li> <li>Proposals for "beauty from the inside out"—combining skincare with beauty supplements—are gaining traction, particularly at pharmacies such as Chemist Warehouse. Purchasing behavior influenced by social media and expert recommendations is driving market growth.</li> </ul>



## Skincare Market Size

(in millions of dollars)



Source: Kirin survey

### Market Growth Factors

- Growth of the Men's Skincare Market
- Growth of the Anti-Aging Market

## Skincare Market Share by Brand

(2019)

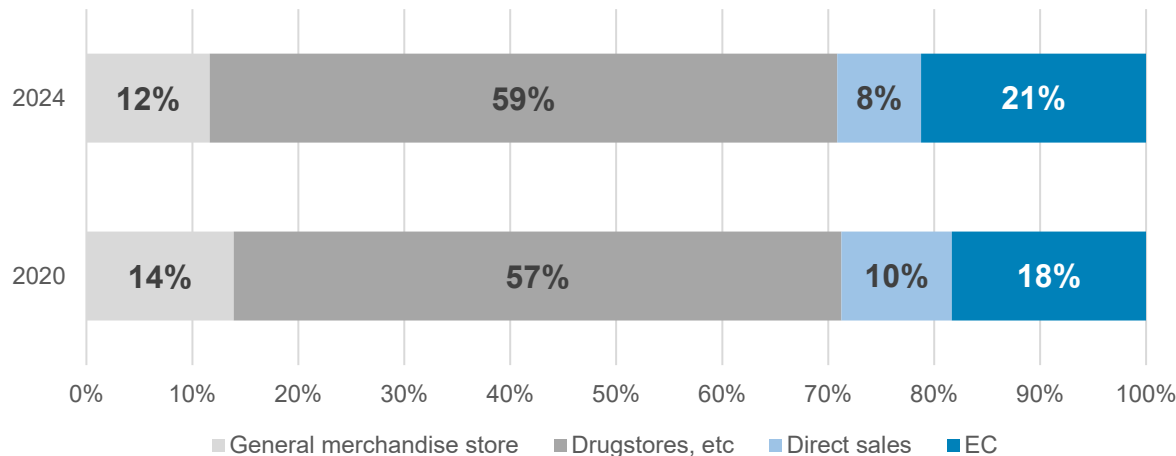
Rank	Brand Share
1	Competitor A
2	Competitor B
3	<b>FANCL</b>
4	Competitor C
5	Competitor D

(2023)

Rank	Brand Share
1	Competitor A
2	Competitor B
3	<b>FANCL</b>
4	Competitor C
5	Competitor D

Source: Fuji Keizai HB Foods Marketing Handbook 2025

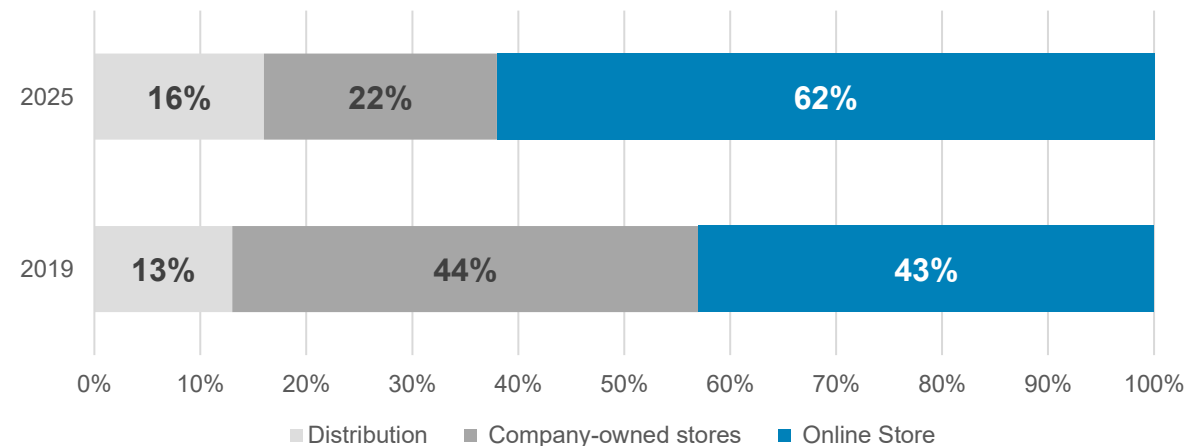
## Market Channel Breakdown (2020–2024)



© Kirin Holdings Company, Limited

Source: Kirin Research

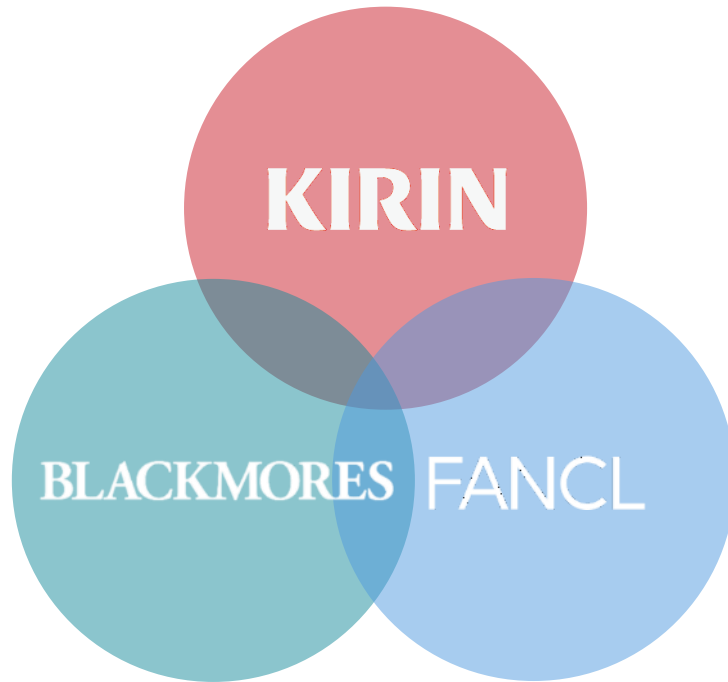
## FANCL Channel Breakdown



Source: Kirin Research

# What Kirin Aims to Achieve in the Health Science Business

- By enhancing the innate power of human beings, we aim to become one of the largest Health Science Companies in Asia Pacific through helping people of all races, genders, and ages to realize the joy of living and heart enriching lives.



Maximize the value provided to consumers by combining the strengths of KIRIN, FANCL, and Blackmores

## Solve Social Issues related to Health

### Solve individual health challenges

- Prevent lifestyle-related diseases, and Maintain brain function , skin beauty, stress relief, etc.

### Natural health

- Enhance the innate power of human being through ensuring adequate Nutrition, Exercise, and Rest, as well as establishing good immune care habits.

## What Kirin aims to achieve

### The joy of living heart enriching life

Aim to fulfill the following needs throughout APAC

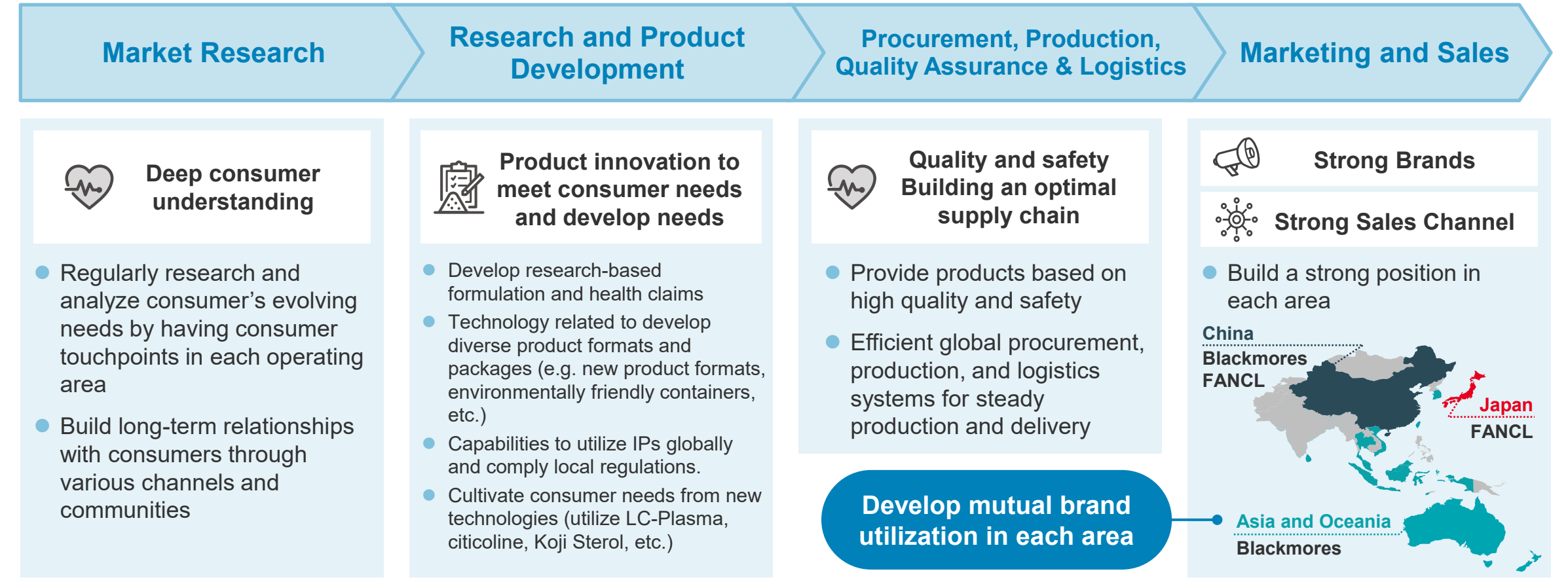
- "Continue to maintain health and eat tasty food"
- "Be confident of your own smile"
- "Cherish connections with friends and family no matter how old you are"

# Competitive Advantages in the Health Science Business



➤ Create added value by combining the strengths of each brand in the value chain while establishing a market leader position in the core markets

## The Kirin Group's Competitive Advantages in the Value Chain







# Area strategies

- Commit to increasing the profitability of our business through initiatives tailored to each geographic area to become one of the largest Health Science Companies in APAC
- Accelerate cross-Kirin Group initiatives, in addition to the organic growth of KIRIN, FANCL, and Blackmores.

## Focus Area: Growth of supplements and skincare business in the core markets

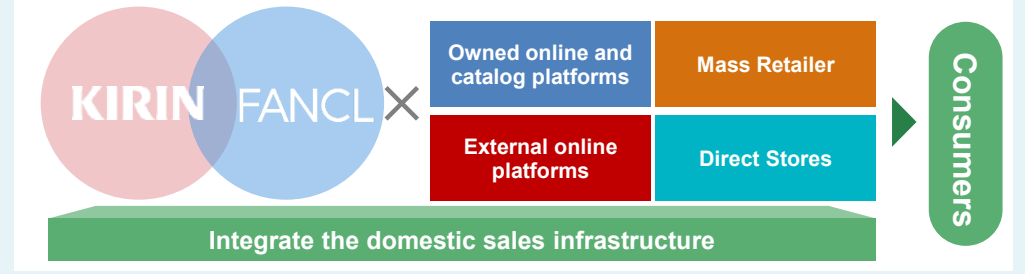
Solidify market leadership in each brand’s core markets

<p><b>ANZ</b> </p> <ul style="list-style-type: none"> <li>● Maintain No.1 share in a stable market</li> <li>● Consider expansion of the FANCL brand in the skincare business and beauty category</li> </ul>	<p><b>Japan</b> </p> <ul style="list-style-type: none"> <li>● Optimize business processes and achieve growth under the KIRIN and FANCL brands</li> <li>● Further develop inner and outer care approaches to health challenges</li> </ul>
<p><b>China</b> </p> <ul style="list-style-type: none"> <li>● Increase awareness through brand investment</li> <li>● Accelerate growth through channel expansion</li> </ul>	<p><b>Southeast Asia</b> </p> <ul style="list-style-type: none"> <li>● Expand presence by developing products that meet the needs of growing markets</li> <li>● Consider to develop new skincare markets</li> </ul>

## Focus Area: Integrate the domestic business with FANCL

Create added value by leveraging both Kirin and FANCL brands to approach a wide range of consumers and strengthening approaches tailored to the characteristics of each sales channel

- Reinforce sales functions through integrating the business processes
- Promote integration of back office functions



# Create top-line Added Value

➤ Aim to create added value by prioritizing top line initiatives

## Additional Top line Growth initiatives

Short Term

Medium- to Long-Term

Japan

Optimize business process

Inner and Outer approaches to health challenges

ANZ

Launch new products utilizing the Group's strengths (products containing LC-Plasma etc.)

Explore to expand to the skincare category through leveraging Blackmores' sales Networks and FANCL brand

China



Mutual utilization of knowledge, expansion of sales channels, and optimization of systems

Southeast Asia

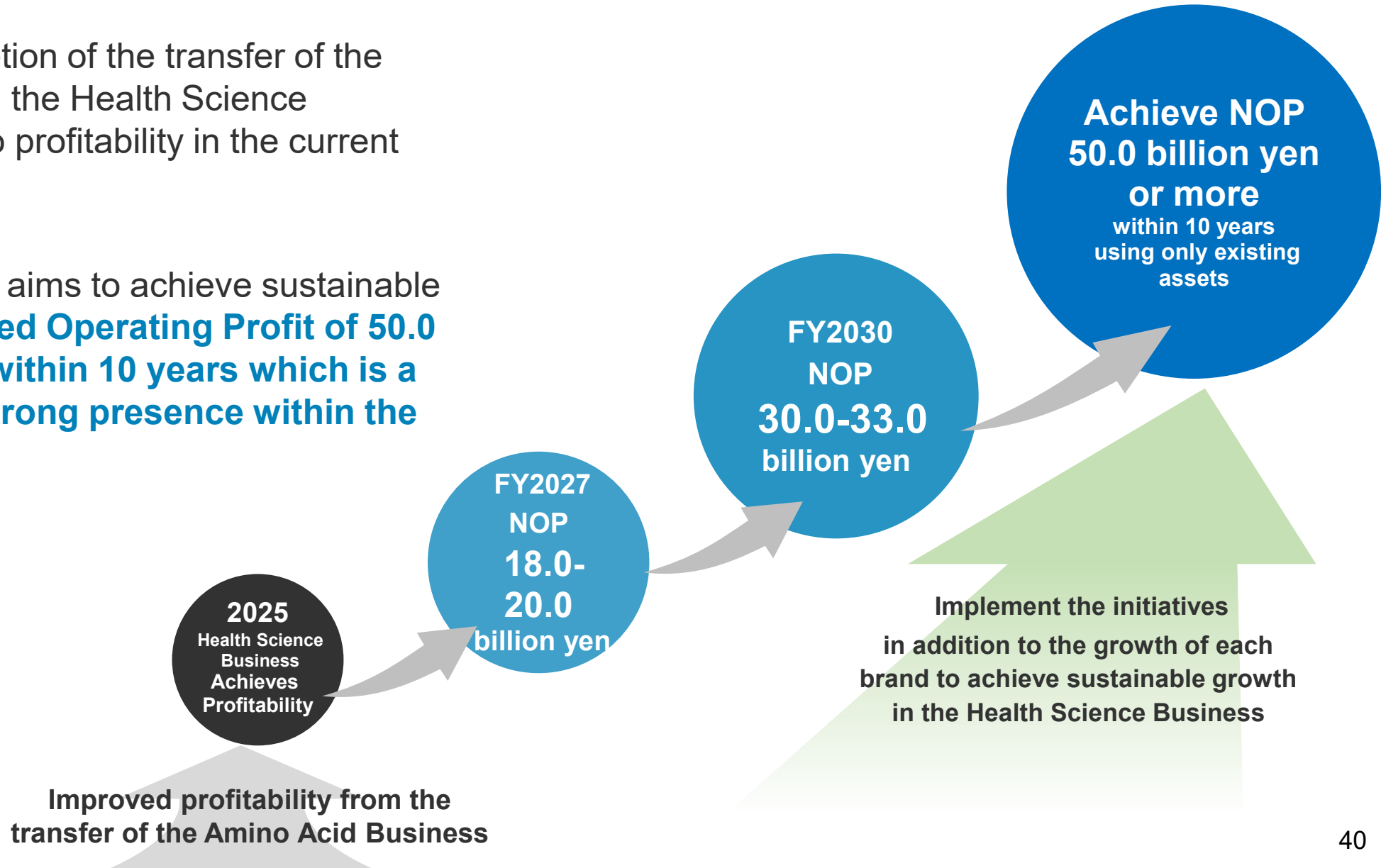
Expansion into the Beauty category from both skincare and supplements, Optimization of Organizational Structure

Achieve a growth rate **1-2%** higher than the market growth by creating added value in the group

# Profit Target for the Health Science Business in the Future

With the early completion of the transfer of the Amino Acid Business, the Health Science Business will return to profitability in the current fiscal year.

Going forward, KIRIN aims to achieve sustainable growth and **Normalized Operating Profit of 50.0 billion yen or more within 10 years which is a profit scale with a strong presence within the group.**



# Initiatives for Profit Expansion (Cost Optimization)

➤ Accelerate profit growth by implementing a series of initiatives to optimize costs and grow top-line.

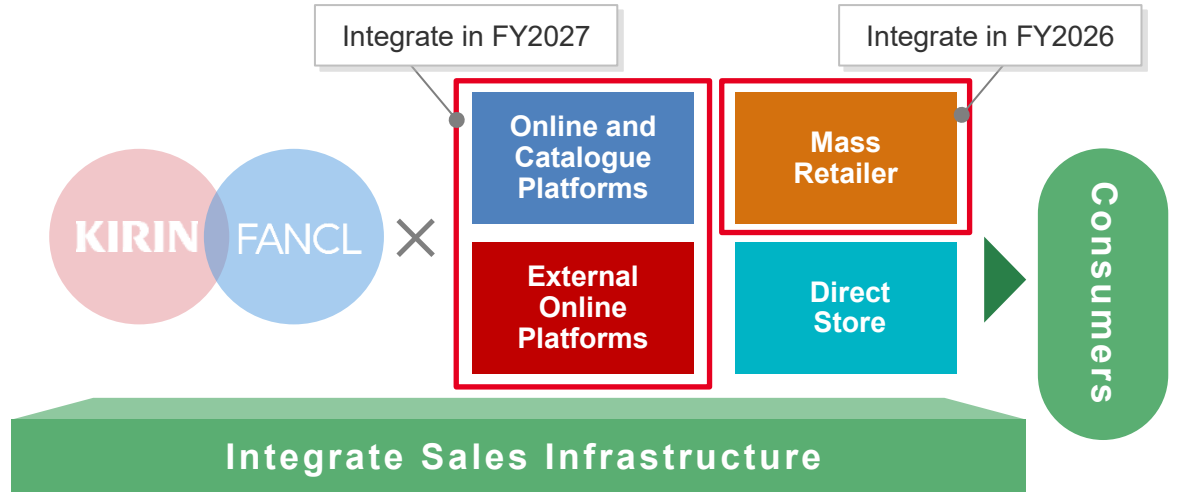
## Transform the Supply Chain in Australia



- Streamline the supply chain by consolidating manufacturing lines in Melbourne and outsourcing logistics
- Enable us to establish a system that can respond more flexibly to customer needs
- Contribute to cost reduction starting in FY2028

Our Site	As Is	To Be
Formulation Line	Melbourne	Melbourne
Packaging Line	Sydney	Transferred to our in-house facility in Melbourne
Logistic Hub	Sydney Suburbs	Outsourced to a third party near Melbourne

## Integrate FANCL and Kirin's Domestic Business Bases



- Integrate sales infrastructure in the mass retailer channel in 2026 and online and catalogue platforms in 2027
- By leveraging FANCL's systems and expertise to strengthen CRM, significant growth is anticipated for KIRIN supplements
- Optimization of cost increases associated with the growth of the two brands will be possible in the future

# Initiatives for Profit Expansion (Top-Line growth)

➤ Accelerate profit growth by implementing a series of initiatives to optimize costs and grow top-line.



## Steadily grow both Skincare and Supplement businesses in high-growth overseas markets



### Skincare Business

- Expand FANCL products overseas, focusing on Southeast Asia and China, where rapid growth is expected
- Select the most suitable brands for each country
- Leverage Blackmores' business base



### Supplement Business

- Strengthen and expand brands in each country
- Achieve growth through the following combinations
  - ◆ Increase unit prices
  - ◆ Expand into new channels in existing countries
  - ◆ Enter into new countries
- Launch a series of new high-margin products by leveraging the Group's assets
  - ◆ Leverage ingredients developed through Kirin's research and development capabilities (Lactococcus lactis strain Plasma (Lc-PLASMA), Citicolin, etc.)
  - ◆ New product development leveraging AI
  - ◆ Regulatory compliance and distribution channels

Promote inner and outer approaches at retail and online stores

Develop new products and services



**Citicolin**  
Scheduled for gradual launch in Australia starting in 2026

**Lc-PLASMA**  
Scheduled for launch in Australia by 2027

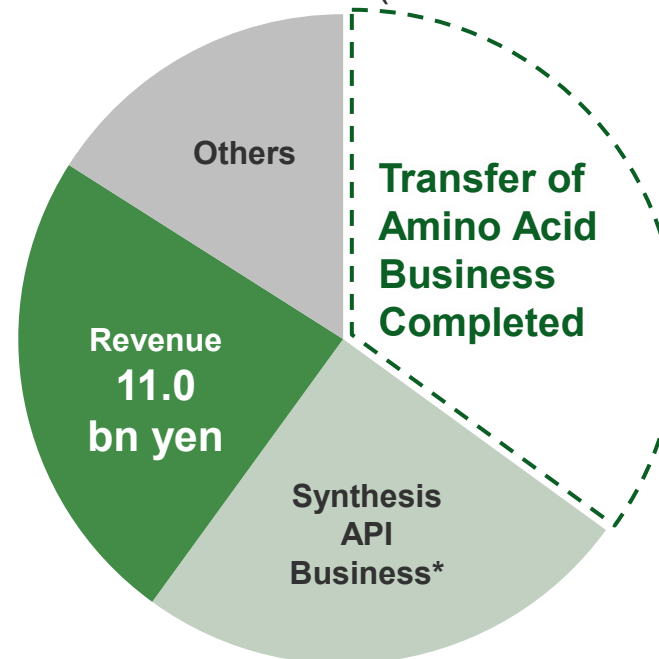
High growth rate in the APAC market

# Kyowa Hakko Bio: Future Business Structure

- Kyowa Hakko Bio completed the transfer of its amino acids business in July 2025.
- With respect to medical-use amino acid products that were excluded from the transfer and are scheduled to be discontinued, the Company continues to bear supply responsibilities. While fixed costs—primarily personnel expenses—remain a heavy burden in order to maintain the manufacturing structure for this business, the Company expects profitability to stabilize during 2026.
- Looking ahead, the company plans to focus on specialty businesses such as citicoline, and overall business scale is expected to be significantly reduced.

## Future Business Scale

Sales Revenue Composition of Kyowa Hakko Bio (2025)



\*Synthesis API Business operated by Kyowa Pharmaceutical. Key products include tranexamic acid and prostaglandins

# FANCL



## Basic Information

### Business

- BEAUTY segment
  - Cosmetics business etc.
- HEALTH segment
  - Supplements business etc.

### Developing country

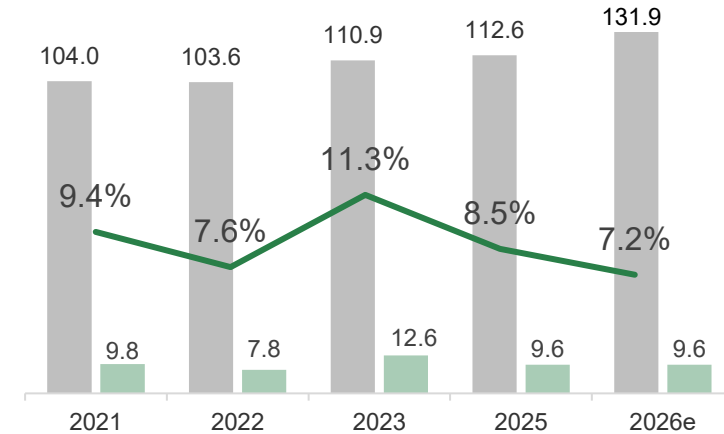
Focusing on Japan, China and other Asian countries

### Manufacturing base

- Chiba Factory (Cosmetics and Supplements)
- Yokohama Factory (Supplements)
- Mishima Factory (Supplements)
- Shiga Factory (Cosmetics)
- Gunma Factory (Cosmetics)
- Nagano Factory (Germinated brown rice)

### Revenue and Normalized Operating Profit (2025)

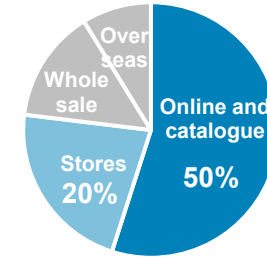
- Revenue 112.6 billion yen
- Normalized OP 9.6 billion yen  
(After deduction of amortization of intangible assets)



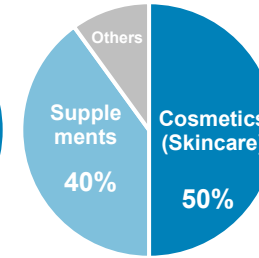
Results at the time of FANCL listing  
April-March basis

Kirin consolidated basis  
(Intangible assets amortized)  
January-December basis

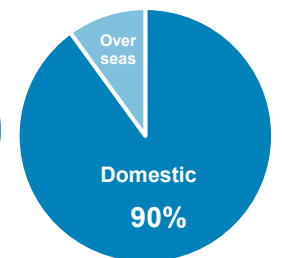
### Sales Channels [Revenue]



### Business [Revenue]



### By Region [Revenue]



### History

- 1981 Established
- 1994 Mail order sales launched for Supplements products
- 2019 Formed capital and business Alliance with Kirin
- 2025 Becoming wholly owned subsidiary

### Main Products



# Cosmetics (Skincare) Business and Supplements Business

**2035  
Vision**

To become the most trusted brand for our customers, resolving their concerns about beauty and health, and become the fastest-growing brand marketing company

## Strategy 1: Marketing Strategy

To achieve our vision,  
Building brand superiority

## Strategy 2: Domestic Channel Strategy

## Strategy 3: Overseas Strategy

Through Overseas Expansion  
Building a model for the global circulation of brand value

## Cosmetics (Skincare) Business

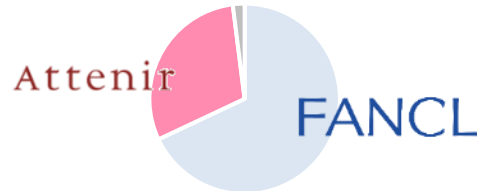
About 50%  
of FANCL's sales



### Domestic Cosmetics Market

Total: Approx. 3.3 trillion yen\* \*2025  
(of which skincare accounts for approx. 1.4 trillion yen)  
Future Growth Outlook:  
Low single-digit percentage

### Sales Composition by Brand



Preservatives, synthetic fragrances, synthetic dyes, petroleum-based surfactants, Free of UV absorbers

## Supplement Business

About 40%  
of FANCL's sales



### Domestic Supplement Market

Total: Approx. 1.1 trillion yen\* \*2025  
Future Growth Outlook: Low single-digit percentage

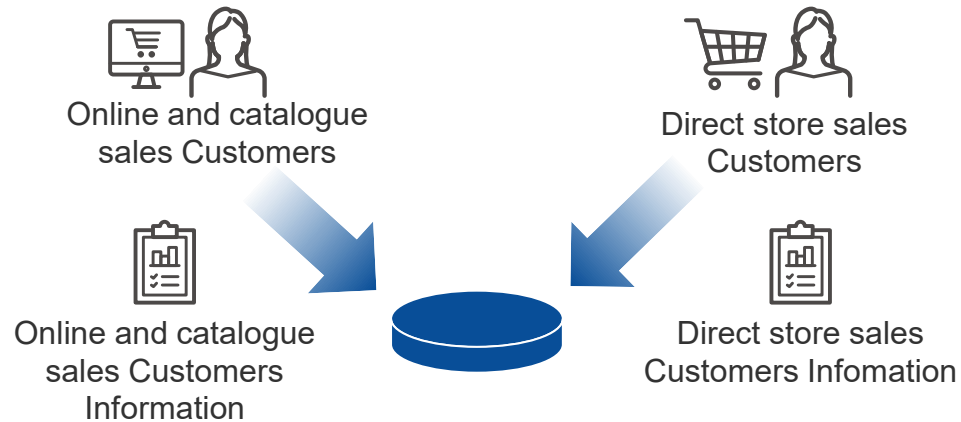
### Features of FANCL Supplements

- **Wide Range of Products**  
FANCL offers a selection of over 100 products, including vitamins, minerals, and functional supplements
- **Formulated for Optimal Absorption**  
We pursue formulation balances that enhance the longevity, absorption, and functionality of individual ingredients
- **Functional Food Labeling System**  
We have obtained clinical trial evidence for numerous products



More than 2 million customers have direct access

## Utilize sales channel data



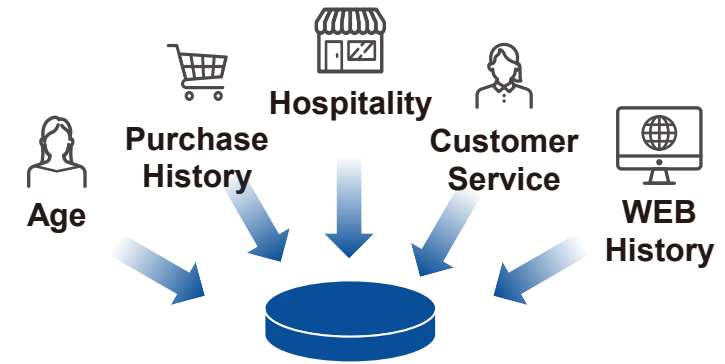
## Uniquely developed FIT core system

- Unlike most companies, has a centralized management of online and Direct store customer information
- Developed a unique service that is difficult for other companies to imitate, such as directing customers between channels



Utilize the uniquely developed FIT core system

## Ability to analyze customers



## Build a unique estimation model by combining hundreds of elements

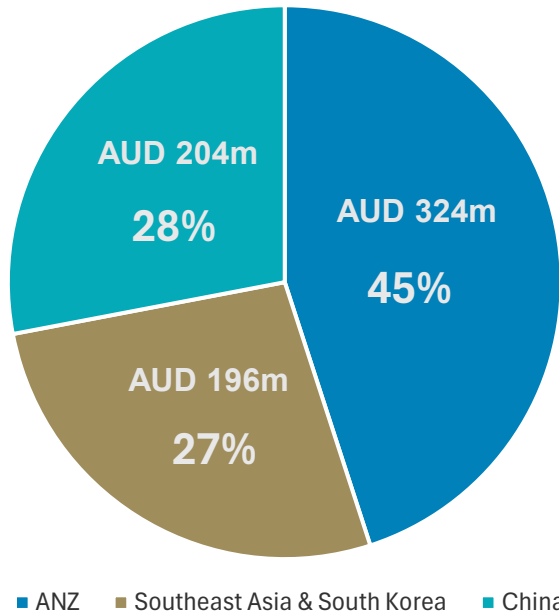
- Most companies utilize customer demographics and purchasing data
- FANCL utilizes a broader range of information and data to gain a deeper understanding of customers, enabling optimal approaches that promote cross-selling and prevent attrition

# BLACKMORES® | GROUP



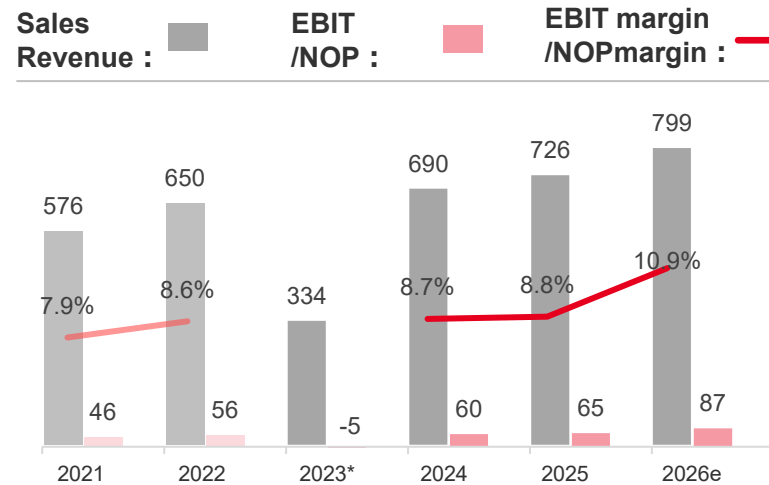
## Basic Information

### Composition Ratio by Area (2025)



### Revenue and Normalized Operating Profit (2025)

- Revenue 726m AUD
- Normalized OP 65m AUD  
(After Amortization of Intangible Assets)



Performance at the time of listing  
(July to June of the following year)  
On an EBIT basis

Kirin Consolidated Basis  
(January-December, including amortization of intangible assets)  
On a NOP basis

\* 2023 results are for the second half of the year only

### Business Overview

<b>History</b>	Founded by Maurice Blackmore in 1932. Has provided natural health products for over 90 years.
<b>Production Site</b>	Manufactures its main products at its own factory in Braeside, VIC.
<b>Main Brands</b>	<p><b>BLACKMORES®</b> supplements for the general public and powdered milk)</p> <p><b>BioCeuticals</b> Supplements for practitioners**</p>

### Main Products



\*\* Supplements that can only be sold by qualified practitioners (pharmacists, naturopaths, doctors, etc.)

## Highly trusted brand

- Trusted and effective premium brand from Australia
- Reliability with 90 years of history

“**Most Trusted Brand\***” for 15 consecutive years

**BLACKMORES**

Australia VDS Market share **No.1**

**BioCeuticals**

Australia Market share **No.1**

## Sales channels covering APAC countries

- Sales network with roots in key Asian countries
- Prospective consumer contact points with potential access to over 1 billion people

VDS\*\* Market share

**No.1** Australia, Thailand, Malaysia

**No.2** Singapore **No.3** Indonesia

Data Sources\*\*\*

## Intelligence in complying with regulations

- High level of knowledge and experience in dealing with country-specific regulations (e.g. Halal)
  - Regulatory readiness with regard to cultural, religious and customary backgrounds, including pharmaceutical laws
- Embedded relationships with regulators in Australia and other countries



**Already deployed in major countries of Asia-Pacific**

## Product development based on deep consumer and practitioner understanding

## Experienced management team

- Health science business professionals
- Extensive global experiences



Blackmores CEO: Alastair Symington

\* Reader's Digest Most Trusted Brand Survey 2009-2023 (Voted by Australians) <https://www.trustedbrands.com.au/results/>

\*\* VDS = Vitamins and Dietary Supplements

\*\*\* IQVIA, Nielsen, Fiftyfive5

## Market Positioning and Strategy

<b>Our Vision</b>	Build Blackmores into the most trusted and distinctive VDS brand creating scale for profitable long term sustainable growth
<b>Positioning</b>	Empower the best of health in everyone, naturally
<b>Strategy</b>	<p>Drive brand penetration by maximizing accessibility and relevance:</p> <ul style="list-style-type: none"> <li>• More accessible to more consumers in China and South-East Asia</li> <li>• Innovation &amp; portfolio expansion that delivers at the intersection of major consumer health needs and government health agendas in the markets we serve.</li> </ul>

\*VDS: Includes vitamin supplements, health foods, dietary supplements, and nutritional drinks/tonics

Notes: 1. Top 5 by Group revenue, grouped by product family where relevant; 2. Split based on eCommerce data provided by third-party platforms; 3. IQVIA/Nielsen AU Pharmacy + Grocery MAT as of December 31, 2024 (Retail and Practitioner); 4. IQVIA market share data (2024); 5. Fiftyfive5 Brand Health Tracking (December 2024).

## Top 5 Products<sup>1</sup>



Fish Oil  
(all products)



CoQ10  
(all products)



Glucosamine  
(all products)



Bio C 1000  
(all products)



Pregnancy &  
Breastfeeding  
Gold

## Brand Metrics Highlights

### Brands Leadership



12.9%  
market share<sup>3</sup>

### Top 3 Market Share ranking in 5 markets<sup>4</sup>



Singapore Thailand

### Top Brand Attributes

1. "Brand I Trust"
2. "Top Vitamin Brand"
3. "Meets my needs"

## Market Positioning and Strategy

<b>Our Mission</b>	To support the health of more Australians by providing unparalleled natural health solutions—in tablet form and beyond—backed by practitioner endorsement
<b>Positioning</b>	A brand that harnesses nature’s unique healing power
<b>Strategy</b>	<ul style="list-style-type: none"> <li>• Drive consumer awareness at scale</li> <li>• Accelerate HCP recommendation whilst priming the shopper</li> <li>• Demonstrate leadership in innovation</li> </ul>

## Top 4 Products:<sup>1</sup> , and Medical Products



ArmaForce



Ultra Muscleze



Ultra Clean



UltraBiotic



BioCeuticals Clinical

## Brand Metrics Highlights

**No. 1**

In Pharmacies Prescribed by Practitioners Brand Sales<sup>2</sup>

**Top 3**

Pharmacy Brand Sales<sup>2</sup>

**No. 1**

Pharmacist-recommended brands<sup>3</sup>

**22%**

Brand Awareness Rate<sup>4</sup>

Notes: 1. Top 4 by Group revenue, grouped by product family where relevant; 2. IQVIA/Nielsen AU Pharmacy MAT 01/02/2024 Domestic (Practitioner); 3. Elbow HCP Advocacy Tracking (December 2024). Excludes Registered Medicines; 4. FiftyFive5 Brand Health Tracking. December 24

## Growth drivers

01



### Extend Blackmores in Asia

Challenges in new channels, categories, and product formats in each area

02



### Accelerate Innovation in Preventative Health Leading with IMMUNITY

Application of LC Plasma Bacteria and the launch of new formulations

03



### Digital Health Leadership

Product development utilizing AI

04



### Extend Leadership in Our Heartland Businesses

Strengthen our leadership position in Australia

## Invest for the future

05



### Transform our Operations

Optimization of supply chain and systems, etc.

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## Through immunity research, contribute to improving people's health

Immunity is one of the innate powers of human beings, like a software that governs our health, and it is important for all people regardless of race, gender, or age.

Through research on immunity, we aim to contribute to the happiness of everyone in the world and solve social issues such as rising medical costs and extending health life expectancy.

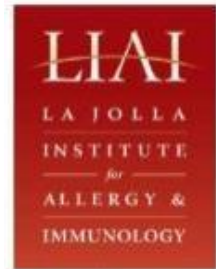
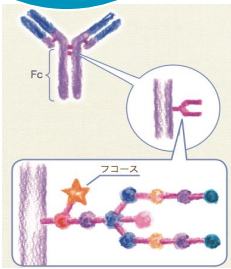


### Contribution through Research

For 40 years, contributed to the development of immunology through the development of immunotherapeutics such as antibody drugs and the establishment of "LIAI", the world's most advanced public immunology research institute.

### Contribution through the business

Developed LC-Plasma products in collaboration internally and externally within the Group, and conducted awareness activities on immune care

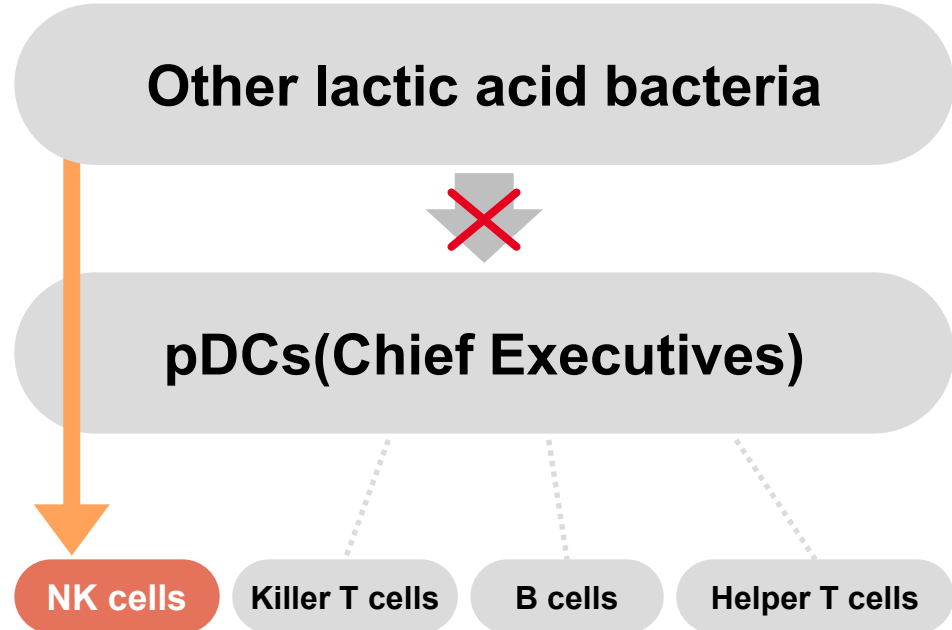


↑Established in 1988 with funds from the Kirin Group

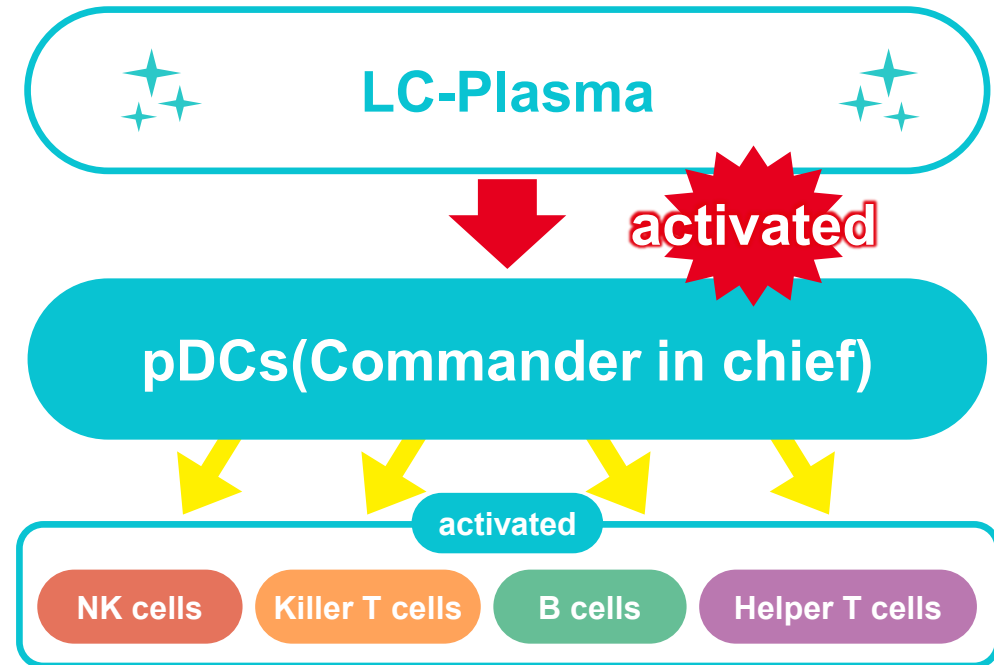


- Discovered for the first time in the world that LC-Plasma directly activates the command center of immune cells.
- LC-Plasma can activate a wide range of immune cells, while other lactic acid bacteria only partially activate them.

**A new mechanism completely different from the conventional immune activation of lactic acid bacteria**



**Immune cells are partially activated**



**All immune cells are fully activated**

## The suppression of dengue-like symptoms with the intake of LC-Plasma

- With a focus on research results against dengue fever, clinical research collaboration with the University of Malaya, Malaysia began in 2019
- Aim to solve the major social initiative of tropical infectious diseases



## Nagasaki University announced the results of a specific clinical study on patients with COVID-19 using LC-Plasma

- Immune cell pDCs were maintained, and confirmed early reduction of viruses and improvement of smell and taste impairment
- The findings from this specific clinical study have been jointly patented by Nagasaki University and Kirin



**This is a presentation of research results,  
It is not intended to promote the efficacy of the product.**

# The Future of the Plasma Lactic Acid Bacteria Business

- Continue to spread the concept of building a healthy foundation through LC-Plasma worldwide and strive to maximize both social and economic value. Will aim to achieve sales of over 50 billion yen by 2030.
- Over the next three years through 2028, pursue further growth by increasing the value-added nature of our ingredients, improving the profitability of our domestic business, and accelerating our overseas expansion to achieve further growth.

## LC-Plasma

- LC-Plasma, which activates a wide range of immune cells, is working to enhance the value of its ingredients. KIRIN will continue to pursue further value creation, including pharmaceutical development.
- While solidifying KIRIN's domestic foundation, the company aims to expand into at least one new country annually, starting with Taiwan, by leveraging Blackmores in overseas markets.
- KIRIN will seek to expand licensing opportunities through negotiations with major food companies and partnerships with external firms to explore opportunities overseas.



### Overseas expansion of products containing LC Plasma

- **Taiwan**      **2025: VDS launch**  
**2026: Launch of beverages**
- **Australia**    **Aiming for a 2027 launch**
- **Thailand d Vietnam**  
**Aiming for launch in 2027 or later**

# Challenging to Solve Social Issues by Leveraging Research Outcomes

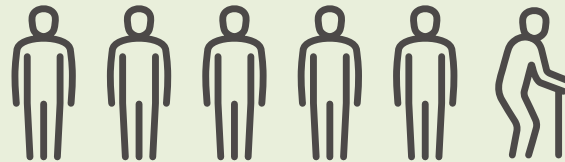
- Citicoline is known as a nutrient for brain cells, with effects of improving attention, focus, and cognitive function in healthy individuals, and therapeutic effects for stroke and traumatic brain injury in patients.
- The Kirin Group is expanding global sales of citicoline as a raw material for pharmaceuticals and food products.
- The raw material for food products is branded as Cognizin® and marketing activities are being promoted, primarily in Europe and the United States\*.
- The company plans to expand its sales area as a global B2C product in the future.
- 2025 sales: approx. 8.8 billion JPY, 2026 sales target: approx. 9.6 billion JPY.

**Treatment of stroke and disorders of consciousness**



**Expansion into pharmaceuticals**

**Improvement of memory and concentration**



**Expansion into Health foods**

**Cognizin®**  
For the evolution of your mind®

\*The use of this material is stipulated by the laws and regulations of each country. Currently, in Japan, the use of citicoline is approved for pharmaceutical use only, and it is mainly marketed as a health food in the United States.

# A Challenge to Anti-Aging Research

- With the growing demand for anti-aging, research in this field is also thriving.
- In 2020, FANCL discovered that the perennial plant kinmizuhiki (agrimony) has the effect of eliminating senescent cells.



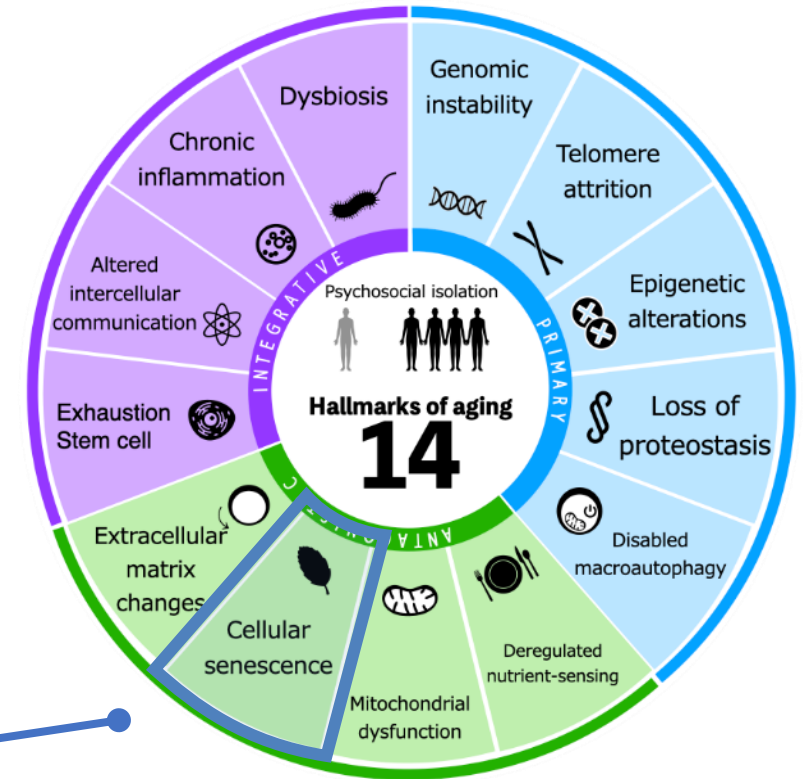
Kinmizuhiki

Nomenclature : *Agrimonia pilosa* Ledeb.



**Discovery of a senescent cell-clearing effect**

**No Treatment**      **Agrimonia pilosa**



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マーケティング戦略

# Kirin Beverage Company, Limited

## Basic Information

### Company Name

Kirin Beverage Company, Limited

### Business

Produce and sell soft drinks

### Operating Country




Japan

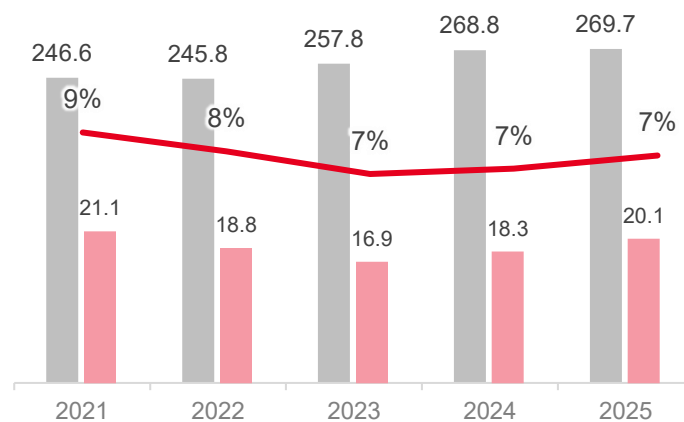
### Production Site

Shonan Factory  
Shiga Factory

### Revenue and Normalized Operating Profit (2025)

- Revenue: 269.7 billion yen
- Normalized OP: 20.1 billion yen

Revenue (billions of yen):   
 Normalized OP (billions of yen):   
 NOP margin (excl. liquor tax): 



### History

- 1928 Kirin Lemon introduced
- 1963 Vending Machine Services Co., Ltd. (the forerunner of Kirin Beverage Co., Ltd.) established.
- 1986 Kirin *Gogo-no-Kocha* introduced
- 2000 Kirin *Nama-cha* introduced
- 2017 Launches a new brand *iMUSE*.
- 2023 Launches a new brand *Kirin Oishii Immune Care*

### Main Products



# Strategy Overview

- In addition to strengthening the base brands, accelerating the growth of profitable Health Science products, etc., to improve Normalized Operating profit margin.



## Health Science



ヘルシア

Contribute to high profitability by expanding the range of profitable ultra-small beverages and conducting awareness activities on immune care.

## Gogo-no-Kocha



Ranked No. 1\* in unit sales of black tea beverages, driving the expansion of the black tea category through new offerings to customers.

## Nama-cha

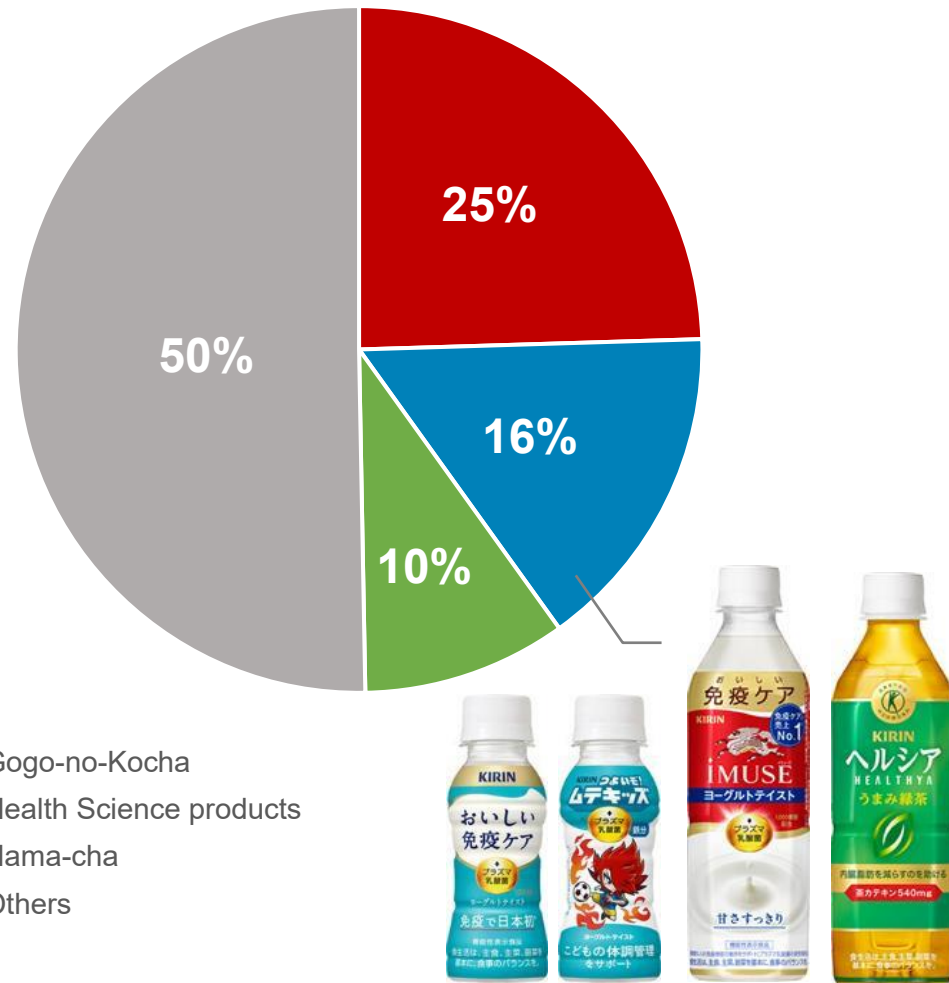


Work to improve profitability in the green tea category, which is becoming increasingly commoditized.

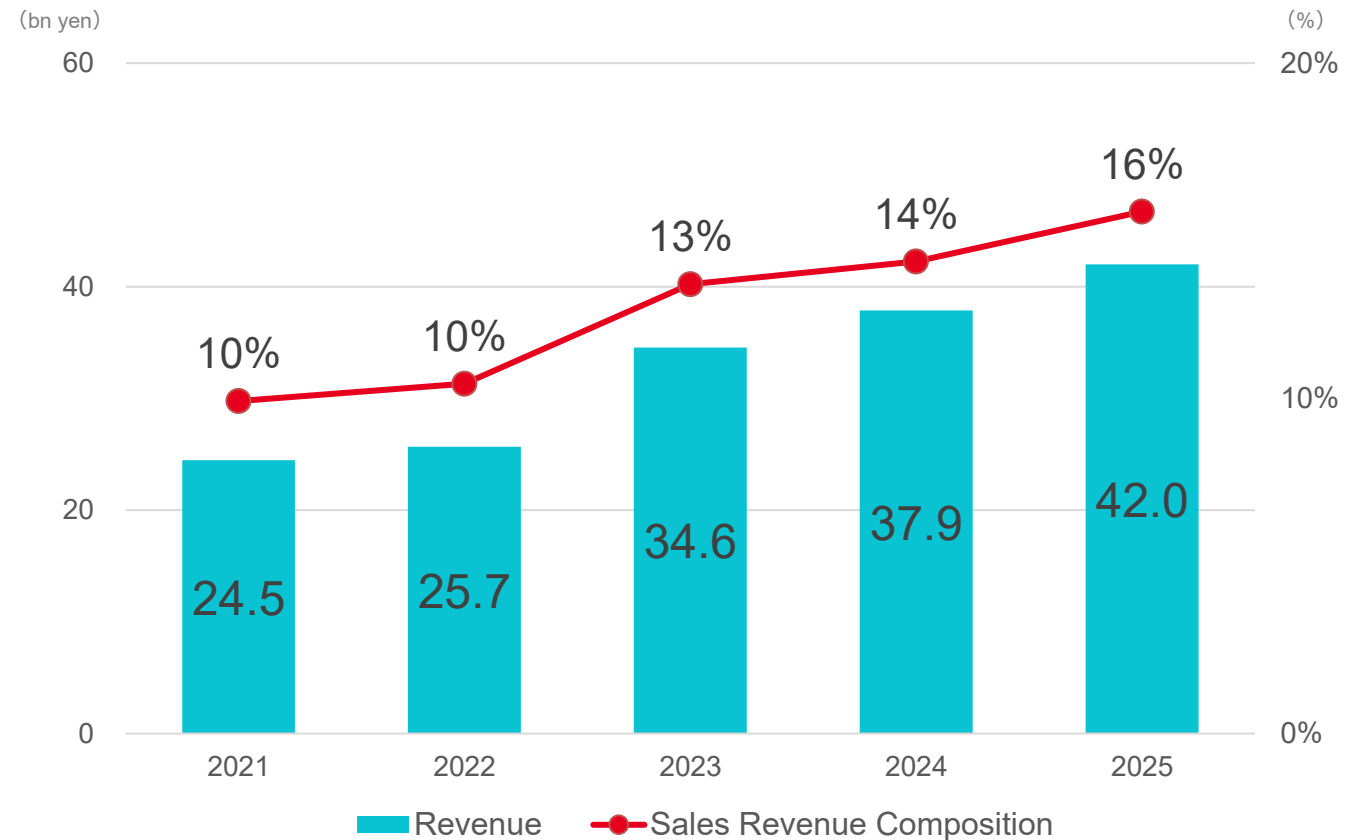
# Kirin Beverage :Sales Revenue Composition Ratio and Health Science Beverage Performance



## Sales Revenue Composition Ratio by Category (2025)



## Performance of Health Science Products





## Basic Information

### Company Name

Coca-Cola Beverages Northeast, Inc.

### Business

Bottling operations of Coca-Cola North America, Inc.

### Operating Country

North America  
Territory expansion across 8 northeastern states

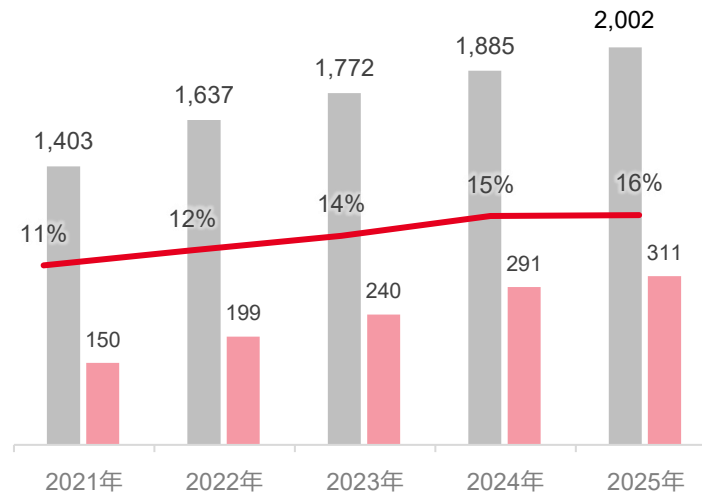
### Location

2 production sites  
16 sales centers

### Revenue and Normalized Operating Profit (2025)

- Revenue : US\$ 2,002m
- Normalized OP : US\$ 311m

Revenue (MILLION \$) :  NOP margin:   
Normalized operating profit (million \$) :



### History

1977 Expanded into the bottler business and has then expanded its territory up to now

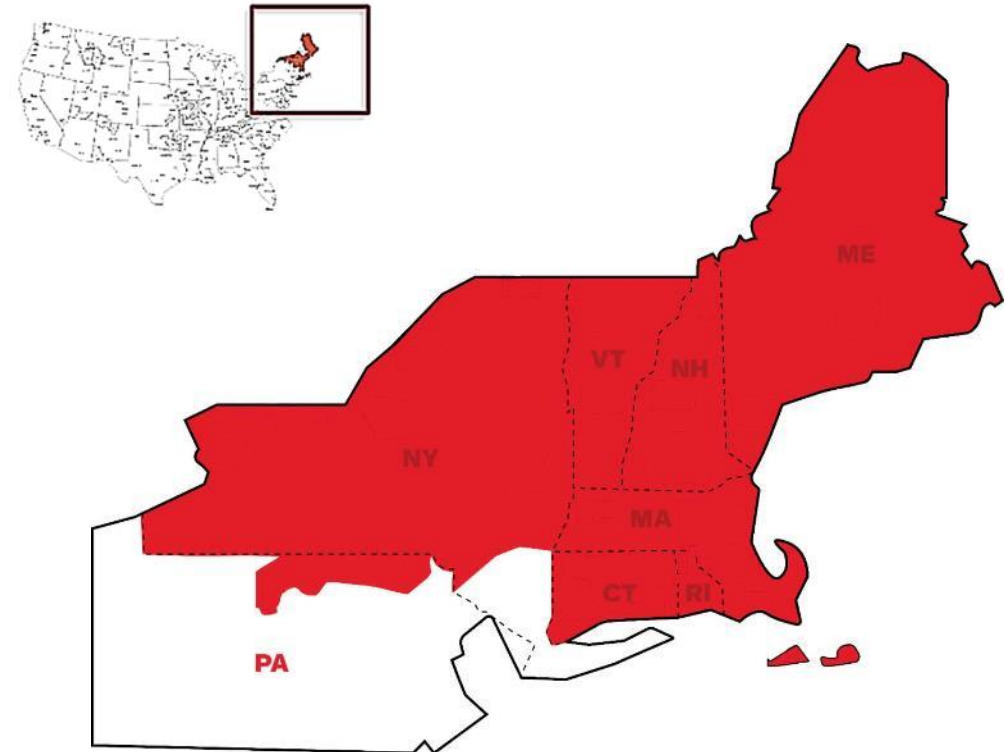
### Main Products



# History of Coke Northeast

- Established as a joint venture in 1977, it became a wholly-owned subsidiary in 1982 amid business diversification and globalization efforts.
- Territory expansion occurred in 2017, and the company was renamed Coke Northeast in 2019.

<b>1977</b>	As Kirin Holdings was expanding its business globally, Kirin Brewery (at the time) established KW Inc. as a joint venture
<b>1982</b>	Became a wholly-owned subsidiary
<b>1988</b>	Company name changed to The Coca-Cola Bottling Company of Northern New England upon territory expansion
<b>2017</b>	Territory was greatly expanded, and it became its current form.
<b>2019</b>	Company name changed to Coca-Cola Beverages Northeast



Operates across eight states in the northeastern United States, covering an area approximately 80% the size of Japan's land mass.

Location	Details
Corporate Headquarters	Bedford, New Hampshire
Production Centers (production location)	2 locations
Sales Centers (distribution and sales locations)	16 locations

# Coke Northeast Business Structure

- Coke Northeast contracts with various brand owners, primarily Coca-Cola, and manufactures beverages in-house, purchase finished products, and handle sales.
- The company operates within the Coca-Cola Group's system while maintaining governance under the Kirin Group.

## <Major Cases of Sparkling Soft Drink Beverages>

*The Coca-Cola Company*



## Operating within the Coca-Cola Group's System



Shared services for finance, procurement, etc.



IT Shared Services



Factory Equipment Investment Management Services



PET Preform Manufacturing and Sales



National Bottlers Association In the U.S.

- Maintains a high profit margin through cost reductions driven by operational efficiency and the growth of high-margin products as a bottler business.
- Sparkling soft drinks, which account for 70% of the total, are highly profitable because they are bottled in-house.

## Factors Behind High Profitability

- Top line factors**  
Continuous unit price improvement through price management  
Focusing sales on highly profitable products such as sparkling soft drinks
- Cost factors**  
Operational efficiency through proactive capital investment in manufacturing, logistics, and sales locations



## Product Composition by Category



STILL & SPARKLING WATER



TEA, JUICE, & LEMONADE



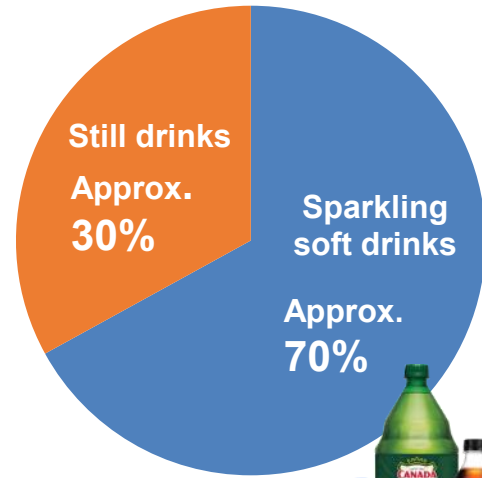
COFFEE, PROTEIN, & MILK DRINKS



ENERGY



ISOTONICS & ENHANCED WATER



SPARKLING SOFT DRINKS

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- Marketing Strategy /  
マーケティング戦略

# Kirin Brewery Company, Limited

## Basic Information

### Company Name

**Kirin Brewery Company, Limited**

### Business

Produce and sell beer and spirits

### Operating Country

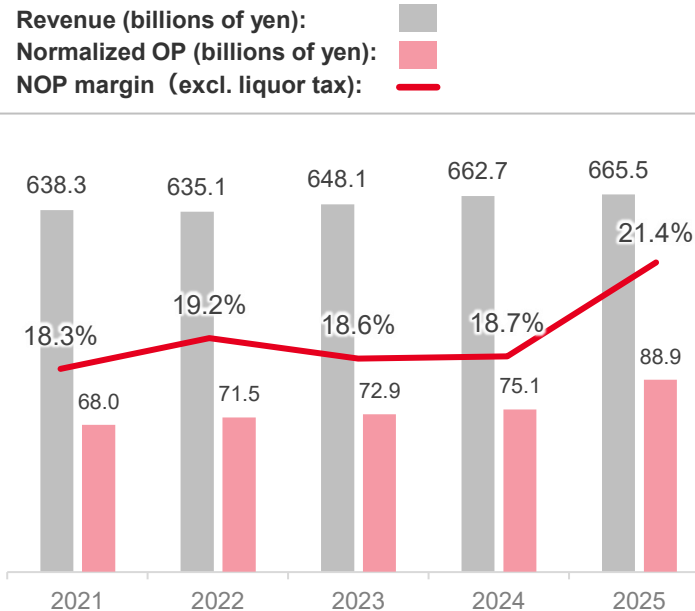
Approximately 40 countries including Japan

### Production Site

9 Breweries nationwide  
(Chitose / Sendai / Toride / Yokohama / Nagoya  
Shiga/Kobe / Okayama / Fukuoka)  
Fuji Gotemba Distillery

### Revenue and Normalized Operating Profit (2025)

Revenue: 665.5 billion yen  
Normalized operating profit: 88.9 billion yen



### History

1885 Established Japan Brewery Co., Ltd.  
(the forerunner of Kirin Brewery Co, Ltd.)  
1907 Established Kirin Brewery Co, Ltd.  
1990 Launched *KIRIN ICHIBAN*  
2018 Launched *Honkirin*  
2021 Launched *SPRING VALLEY Hojun 496*  
2024 Launched *Kirin beer Harekaze*

### Main Products



# Main Product Categories



## Main Kirin Brands

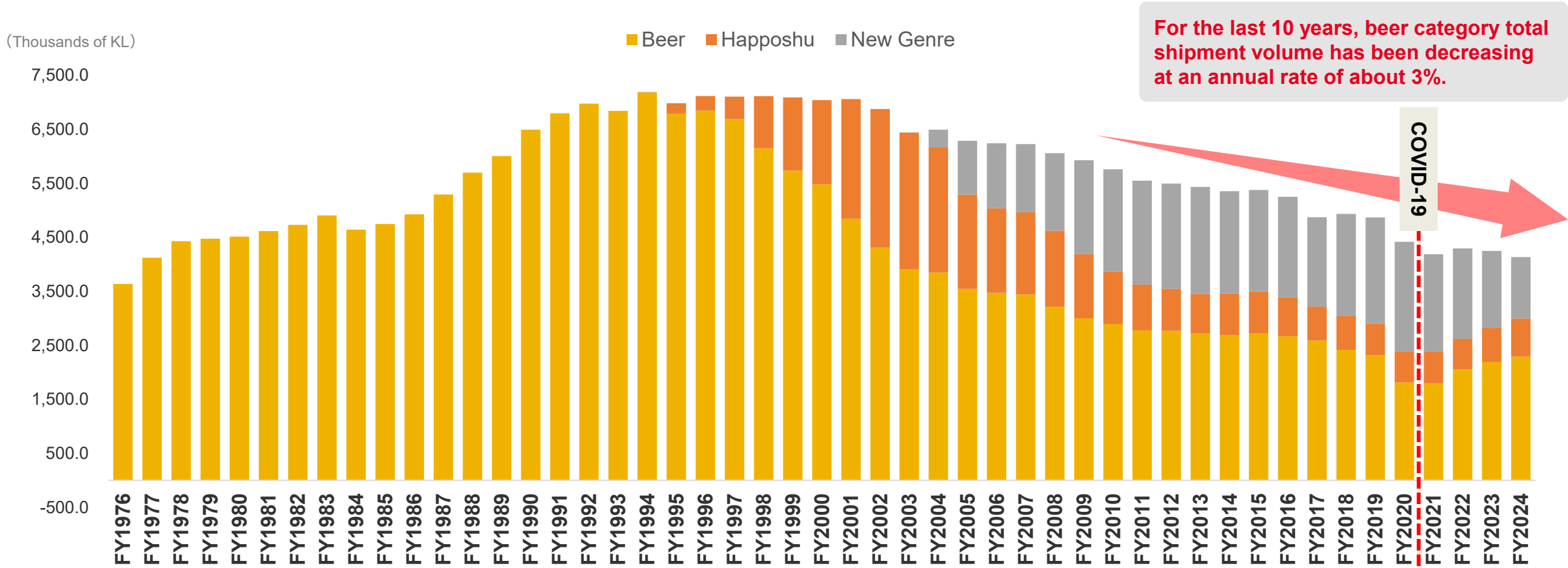
<p><b>Beer Category</b></p>	<p><b>Full Malt Beer</b></p>	<p>(1) Fermented with malt, hops, and water (100% malt)                  (2) Fermented with malt, hops, water and specific secondary ingredients such as wheat, rice, fruits, coriander, flavoring, etc. with malt content of 50% or more.</p>	
<p><b>Economy Category</b></p>	<p><b>Happoshu</b></p>	<p>(1) Malt content is less than 50% of the product                  (2) Made from ingredients not permitted for the production of beer                  (3) Made from barley as part of the ingredient without using malt</p>	
	<p><b>New Genre</b></p>	<p>(1) Malt content is less than 50% of the product                  (2) Made from ingredients not permitted for the production of beer; made from barley as part of the ingredient without using malt                  (3) New Genre has been classified under the Happoshu category since Oct 1, 2023</p>	
	<p><b>RTD</b></p>	<p>This is an abbreviation for “Ready to Drink,” which refers to alcoholic beverages that can be consumed immediately after opening. They typically consist of cocktails made by combining spirits with citrus or other fruit juices, sugar, and various sweet ingredients, or beverages mixed with soda.</p>	
<p><b>Non-Alcoholic (Beer・RTD)</b></p>	<p>This refers to beverages with an alcohol content of “less than 1%” that have a taste similar to alcohol drinks. Most products from domestic beer manufacturers contain 0.00% alcohol by volume.</p>		

# [Market] Beer Shipment Volume in Japan



➤ Market peaked in 1994 and has been shrinking since then; sales volume has declined due to the shrinkage of commercial use caused by COVID in 2020.

## Shipment Volume Trends of the Four Major Beer Companies(Total Beer Category) 1976~2024\*

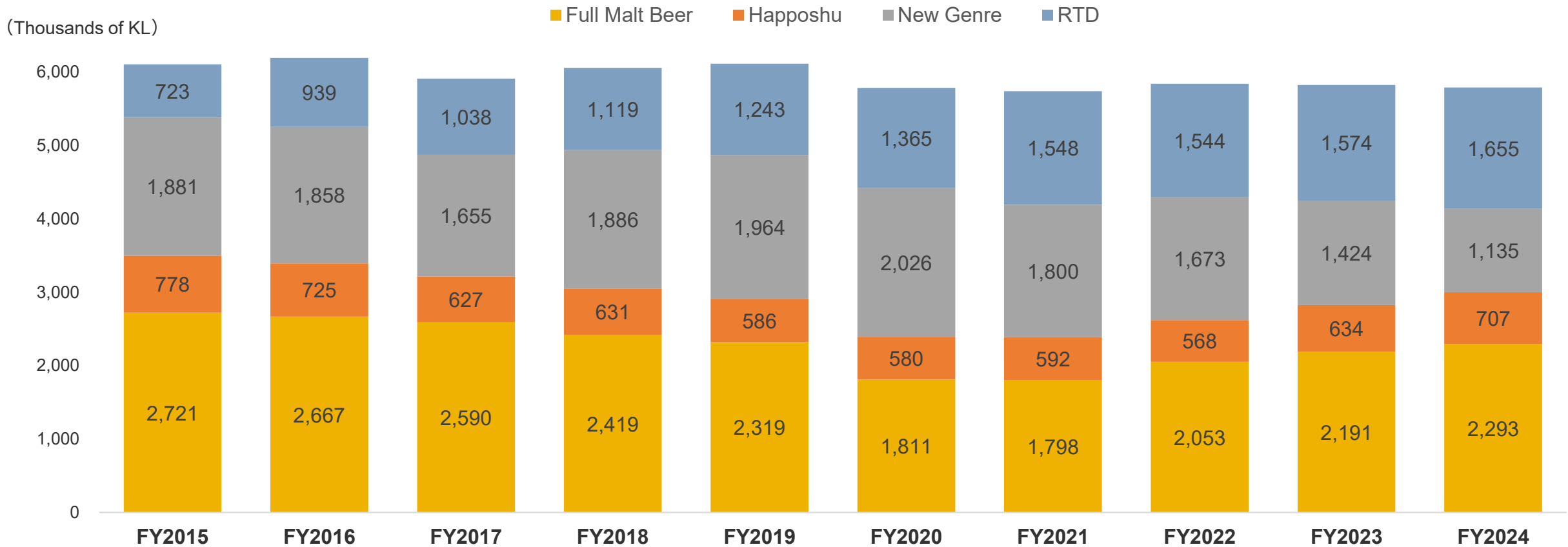


# [Market] Total Beer Category Products /RTD Shipment Volume Trend



➤ The beer category continues to contract, while the RTD category has approximately doubled in size over the past decade.

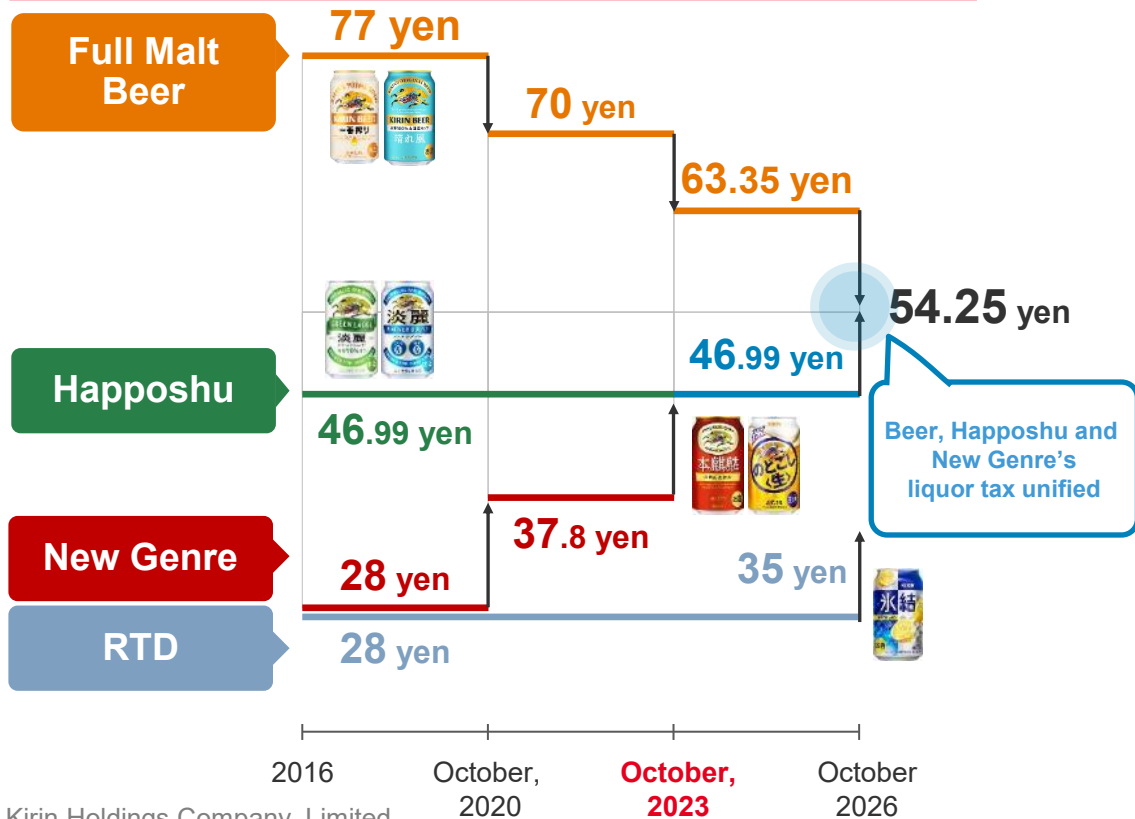
## Aggregate Shipment Volume Trends for Beer (Four Companies) and RTD (Six Companies), 2015–2024



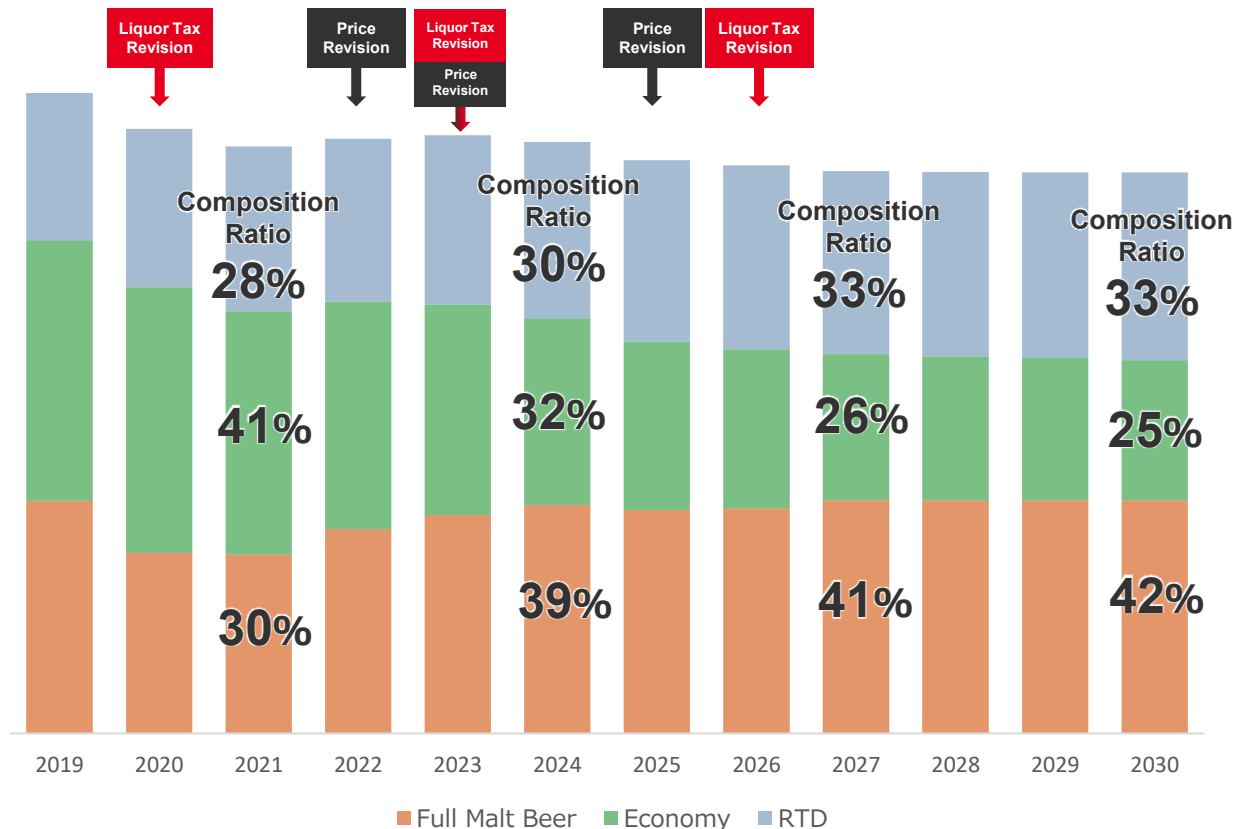
# [Market] Changes in External Environment and Future Market Outlook

- The composition of the beer category is expected to change with the growth of full malt beers in preparation for a unified liquor tax in 2026.
- While the beer market is anticipated to shrink, **the growth in the RTD market is expected to partially offset the overall market decline.**
- The beer industry is responding to external challenges, such as rising costs, by adjusting prices and enhancing cost efficiency to improve profitability.

## Change in liquor tax per 350ml can due to the liquor tax revision



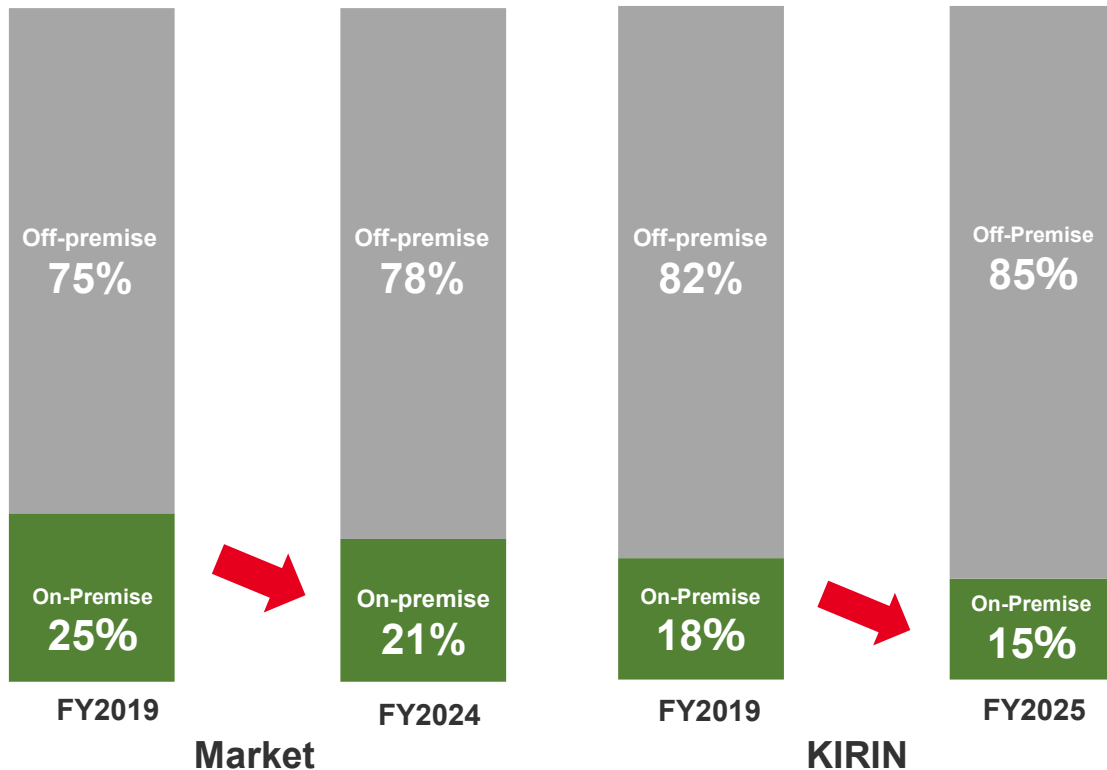
## Total Beer Category and RTD Market Trend Forecast\*



- The composition ratio of on-premise channels (bottles and kegs) declined after COVID-19 and is not expected to return to pre-pandemic levels.
- Driving business development with a focus on profitability improvement.

## Composition by Container

\*2025 market data is not calculated due to the impact of competitor's cyber damage.



## Kirin's response to the on-premise market

We developed Kirin's unique TAPPY and Tap Marché to enhance operational efficiency in bar and restaurant, provide customers with a delightful selection experience, and boost profitability.

- **TAPPY** ➤ Improved operational efficiency at TAPPY outlets and optimizing Kirin's staffing structure
- **Tap Marché:** ➤ Offering a wider range of choices through high-margin raft beer



- Viewing the unification of the liquor tax\* in 2026 as an opportunity, strengthening the beer portfolio centered on *Kirin Ichiban*, *Harekaze*, and *Good Ale*, increasing the beer mix to improve profitability. While the economy-priced segment is expected to remain at a certain scale, focusing on enhancing brand strength primarily through *Honkirin*. In addition, leveraging a strong portfolio in the functional beverage category to capture demand.
- In the RTD category, aiming to drive growth centered on the Hyoketsu brand, while in the non-alcoholic category, pursuing brand development through two core brands: Lager Zero and Green's Free.

## Beer Category



Spring 2026  
Renewal

H2 2026  
Renewal

**Capturing demand through a diverse lineup aligned with customer needs**

## RTD



**Revitalizing the RTD category centered on the Hyoketsu brand**

## Non-alcoholic products



Spring 2026  
Renewal

**Driving category growth by addressing diverse needs**

\*From October 2026 onward, following the liquor tax reform, the beer market is expected to shift toward classification by “price (premium, standard, economy)” and “function.”

# The Potential of Japan's Craft Beer Market and KIRIN's Initiatives



- Craft beer accounts for approximately 1.4% of the total beer market, which is low compared to overseas markets, indicating significant growth potential
- KIRIN will nurture the "SPRING VALLEY BREWERY" brand from a medium- to long-term perspective to help expand the craft beer market.

**Compared to overseas markets, there is significant room for expansion**

Volume Share of Craft Beer in the Beer Category by Country

	Volume share
United States	13%
Australia	8%
New Zealand	13%
Japan	1.4%

As of 2024  
Source: Kirin Research

In 2026, as a brewery, KIRIN will value its connections with people and the local community, while also contributing to the industry's sustainable growth

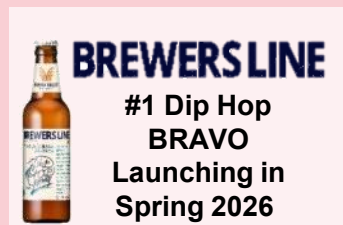
## Strengthening Fan Marketing



Building a Fan Community



Association Fully Operational



Expanding high-margin, small-batch offerings



Social Media Communication

## Sustainable Growth of the Industry



Continuing Quality Support



Expanding customer touchpoints



Enhancing the Appeal of Craft Beer and Promoting Japanese Hops

**SPRING VALLEY BREWERY** Relaunching in December 2025  
**JAPAN Ale kaori** features Japanese hops increased use of "Murakami Seven"

# Production and Logistics Facility Layout as of 2025

- The total beer and RTD market is expected to remain flat, and the current number of production and logistics facilities is optimal. Flexible adjustments are needed to accommodate category shifts and logistics challenges.

## Ensure sufficient production and logistics systems to withstand change



### Production system

- Current canning line utilization rate is adequate
- Need to respond to future growth of RTD and PET products (Home Tap, etc.)



### Logistics System

- Logistics challenges such as delivery driver shortages and rising logistics costs
- To resolve these challenges, an excessive consolidation will result in an increased risk



### Future Initiatives

- Require further cost reduction efforts to counter the cost hikes
- Respond to container and category shifts by optimizing production and logistics capacity
- Transform to a logistics structure that enables delivery to be completed with fewer trucks

# Expanding Earnings Power Through the Growth of the Overseas Business



- Designating the APAC region, which consists of three blocks (Asia, North America, and Oceania), as the top-priority area for the overseas business.
- Accelerating the strengthening of the product lineup and coordination with the Japanese market in the three core pillars of beer, RTDs, and Western-style liquors
- Expanding the business in the Southeast Asian market, with KIRIN BREWERY SEA, established last year, as the core.
- For beer, launching a full-scale rollout of "Harekaze" in Taiwan. For RTDs, commencing manufacturing and sales of "Hyoketsu" in the United States.

## Beer



Enhancing the *Ichiban* lineup,  
Expanding the portfolio

Strengthening the sales  
foundation in the US and Europe.

## Spirits



## RTD



Accelerating expansion into new areas  
in addition to enhancing the lineup in  
current markets.





\*Due to changes in the management structure, the disclosure method for “Lion (Australia/NZ)” and “New Belgium(& others)” has been revised starting from FY 2026. The composition of this document has been updated accordingly.

## Basic Information\*

### Company Name

Lion Pty Ltd

### Business

Produce and distribute beer, RTD, and spirits.

### Operating Country

Australia, New Zealand

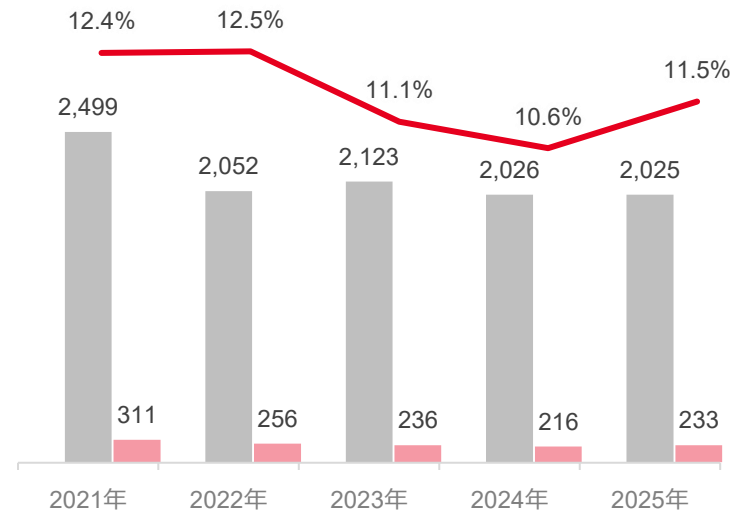
### Production Site

3 large-scale factories in Australia and New Zealand

### Revenue and Normalized Operating Profit (2025)

Revenue: 2,025 m AUD  
Normalized OP: 233m AUD

Revenue (million AUD) : █ NOP margin: —  
Normalized operating profit (million AUD) : █



### History

1840 Established  
1998 Kirin acquired stake\* 100% in 2009  
In 2020, Kirin acquired New Belgium Brewing, and in 2022, Kirin acquired Bell’s Brewery.

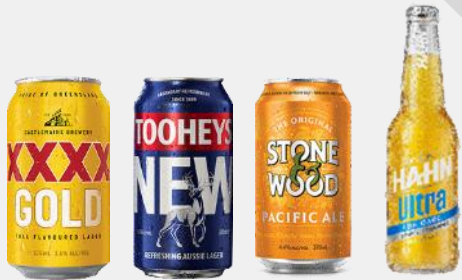
### Main Products



# Lion : Overview of the Strategy in Australia

- Improve and enhance profitability by strengthening core beer brands, expanding RTDs and *KIRIN Ichiban*, and optimizing costs.

## Growth Strategy



Strengthening core brands



Achieving a lean management structure



Offering multiple flavors

No.1 RTD brand in NZ

Local production

Expanding Ichiban and Hyoketsu

### XXXX

Developing its brands mainly in Queensland. Centered on XXXX Gold, it is popular with a wide range of age groups.



### HAHN

Health - functional Products

The product lineup also includes highly popular low-carb, zero-carb, and gluten-free beers.



### TOOHEYS

A historic brand, it has been an integral part of New South Wales for over 150 years.



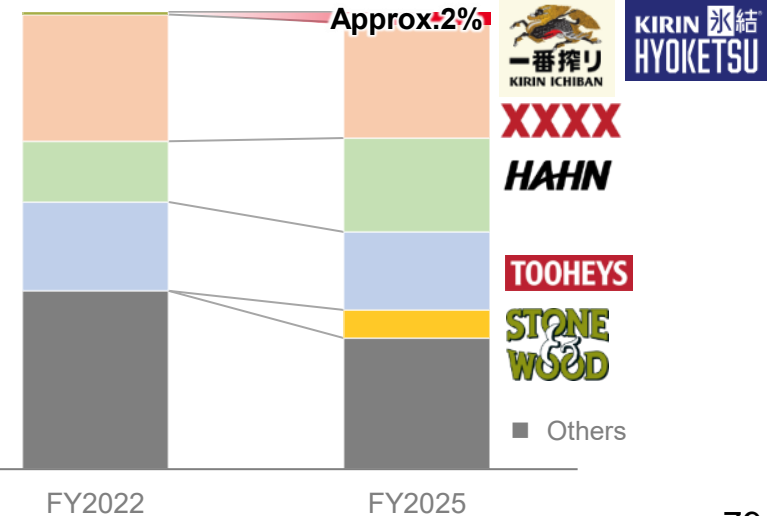
### STONE WOOD

Premium Craft beer

An iconic brand from Byron Bay that is leading the craft category. Pacific Ale is popular for its fruity aroma and clean, refreshing taste.

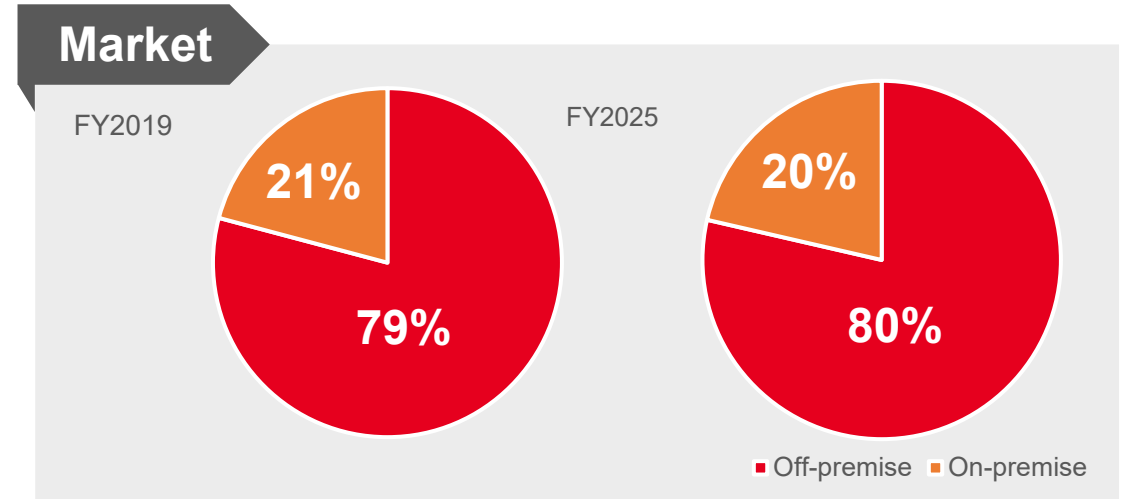
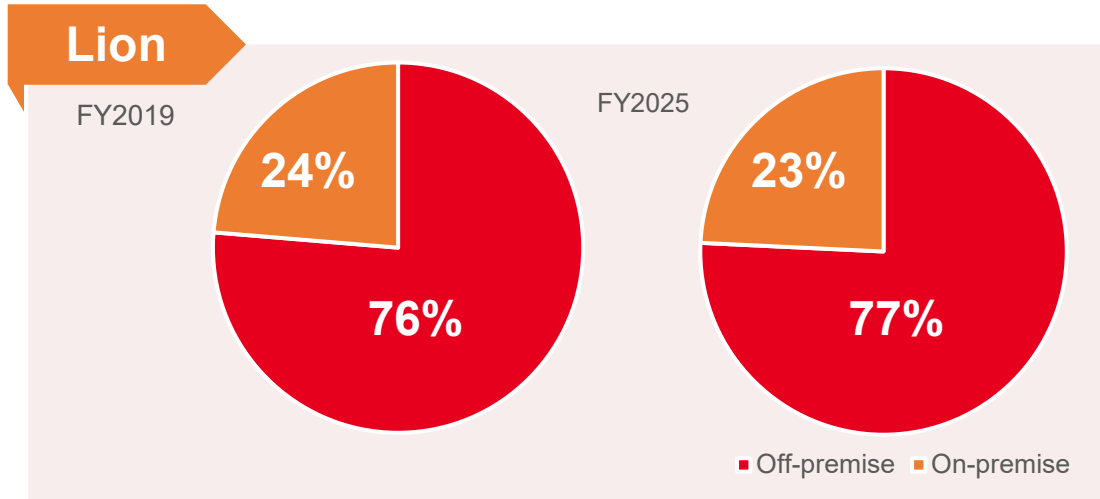


### Sales composition by brand (volume basis)



# Australia : Volume Composition by Beer Category / Liquor Tax Revision

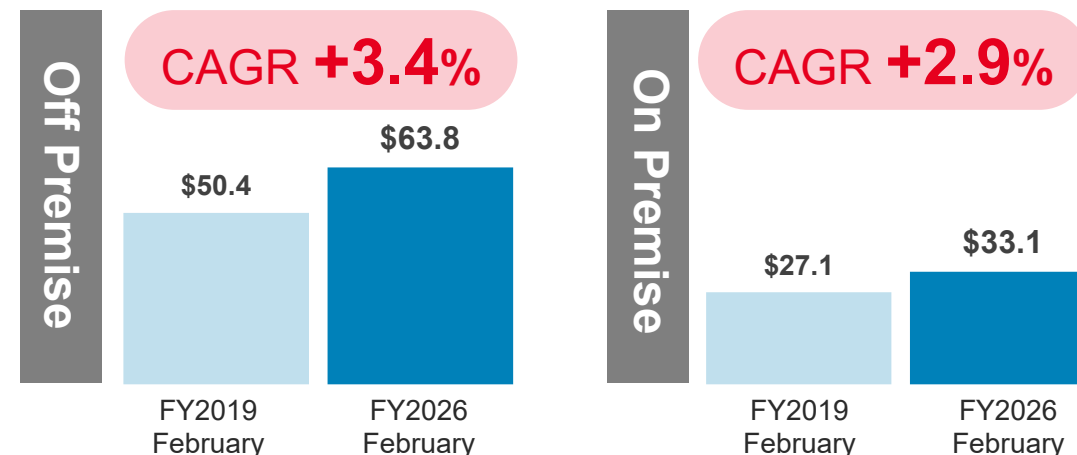
- There has been no significant change in the Beer composition ratio for either Lion or the market, before and immediately after the onset of the COVID-19. Lion has a higher on-premise composition ratio than the market.



- In Australia, liquor taxes are revised every February and August. Typically, the rate of increase fluctuates in line with changes in the CPI.
- Lion **implements a price revision that pursued RGM\* at the time of the liquor tax revision.**

\*Revenue Growth Management (a method to maximize sales by selling the best products to the best consumers at the best price)

## Trend of Australian Beer Excise Tax Increases (Excise tax per liter of pure alcohol\*\*)



The Australian government will not raise the excise duty for on-premise channel for two years, from August 2025 to August 2027.

\*\*Excise tax per liter of pure alcohol for bottled/keg beer with an alcohol content of 3.5% or more.  
Source : Australian Bureau of Statistics, Australian Taxation Office



\*Due to changes in the management structure, the disclosure method for “Lion (Australia/NZ)” and “New Belgium(& others)” has been revised starting from FY 2026. The composition of this document has been updated accordingly.

## Basic Information\*

### Company Name

New Belgium Brewing

### Business

Produce and distribute beer, RTD, and spirits.

### Operating Country

United States

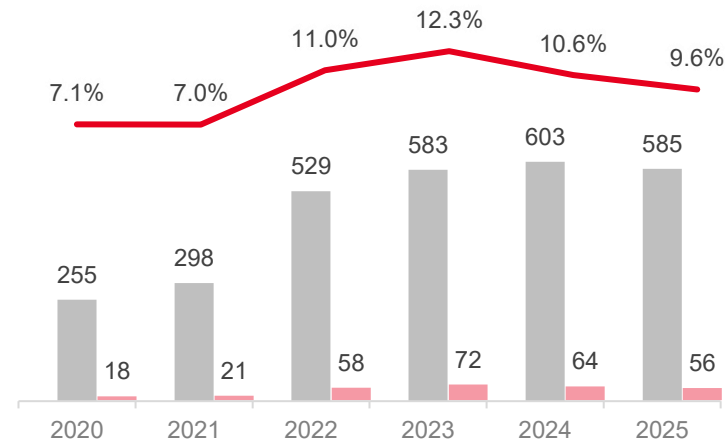
### Production Site

4 factories in the United States

### Revenue and Normalized Operating Profit (2025)

Revenue : 834 m AUD  
Normalized OP : 89 m AUD

Revenue (million USD) :  NOP margin:   
Normalized operating profit (million USD) :



### History

- Acquired New Belgium Brewing in 2020 and Bell’s Brewery in 2022.
- Individual disclosure to begin from 2026 in line with the management structure.

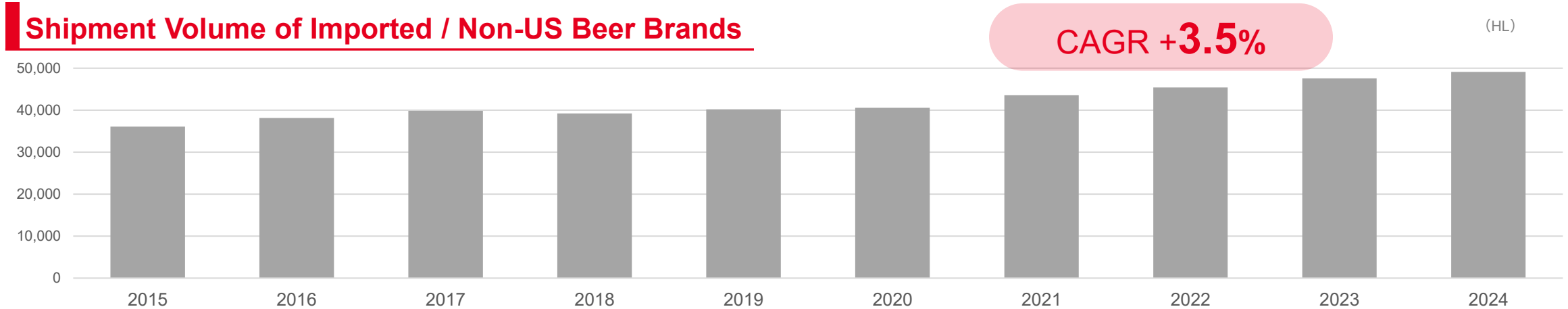
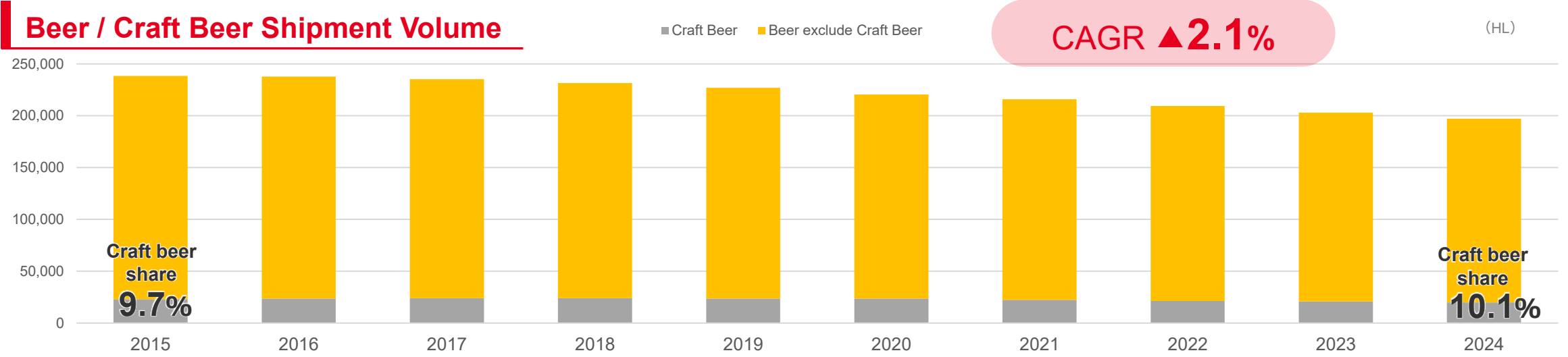
### Main Products



# North America : Beer and RTD Market



- The North American beer and craft beer market continues to shrink, impacted by a worsening consumer environment and a shift in consumer preferences toward RTDs.
- Although still limited in scale, the imported beer segment is growing.



# US: Core Brand (VOODOO RANGER)

- Achieved status as a craft brand with no regional characteristics due to its distinctive character and distribution strategy. This brand accounts for approximately 60% of New Belgium's total sales\*.
- A brand that was able to achieve Kim Jordan's management philosophy of "how to win over the national breweries"

\*Share of New Belgium's beer and RTD sales volume as of 2025.



## Brand Features

Appealing to consumers seeking bold and unexpected enjoyment, the No.1 U.S. craft beer brand for its high-quality, flavor-rich IPA.

Invites drinkers into a "Voodoo-like state of mind", making everyday beer-drinking occasions more exciting and enjoyable.



Younger generations in their 20s and men are the core consumers

## Factors driving consumer preference

- **Innovative Product Range**  
Launched a series of bold extensions that embody the brand's concepts in addition to the core offerings
- **Strategic Packaging and Distribution**  
Entry into a channel that craft beer has not yet expanded into by offering single-serve 19.2 oz cans in a market dominated by packaged craft beer
- **Distinctive Brands**  
Its bold, unconventional character and sarcastic tone makes craft beer fun and accessible to younger generations and a more diverse audience

# ENSURE WORLD CLASS OPERATIONS

We take “Best of Both” approach and protect craft identity

4 Major Brewing Facilities across the US

- ▶ New Belgium in Fort Collins, CO & Asheville, NC
- ▶ Bell's in Comstock, MI
- ▶ New Brewery in Daleville, VA



**Comstock, MI**

Main Product

Two Hearted, Oberon, Other Bell's craft beers



**Daleville, VA**

Main Product

RTDs



**Fort Collins, CO**

Main Product

Voodoo Ranger, Fat Tire, KIRIN Ichiban, Other NBB craft beers



**Asheville, NC**

Main Product

Voodoo Ranger, Fat Tire, KIRIN Ichiban



# SAN MIGUEL BREWERY INC.

A subsidiary of San Miguel Corporation



## Basic Information

### Company Name

San Miguel Brewery Inc.

### Business

Produce and sell beer in the Philippines and other countries. Has a market share of over 90% in the Philippines.

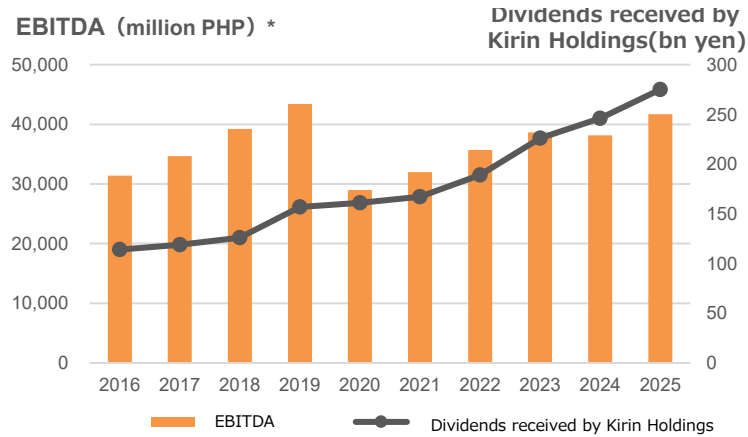
### Operating Country

Territory expansion mainly in the Philippines and Southeast Asia

### Location

7 production sites

### Business Growth Results



\*Based on local disclosures (Jan-Dec)

### Share of equity / Financial Period

- Equity-method affiliate : 48.4%
- Kirin Holdings Annual Incorporation Period : Oct-Sep

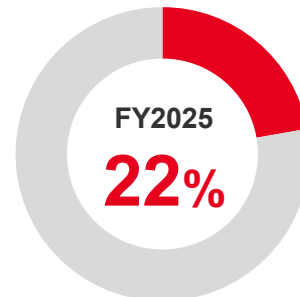
### History

1890 Established of San Miguel Corporation  
 2001 Kirin acquired stake  
 2007 Established of San Miguel Brewery

### Main Products



San Miguel Brewery's EPS contribution to Kirin group



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マーケティング戦略

## Basic Information

### Company Name

Kyowa Kirin Co., Ltd.

### Business

Research, development, manufacturing, marketing and import / export of pharmaceuticals

### Operating Country

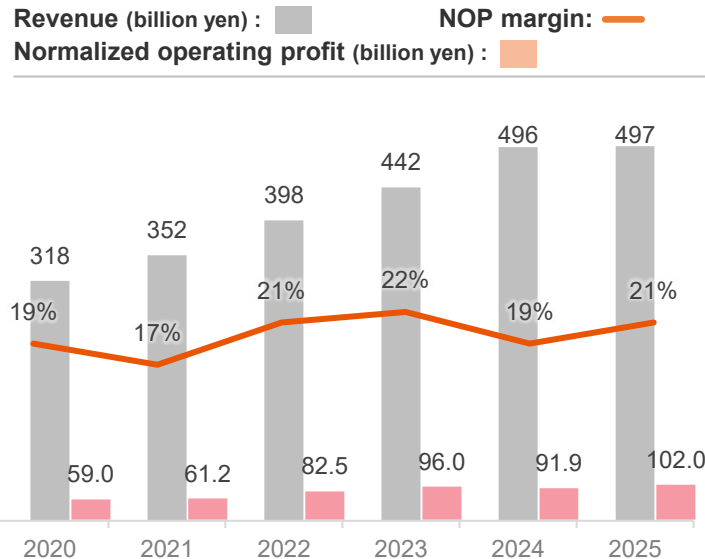
Japan, North America, EMEA, APAC

### Principal Plants / R&D Network

Tokyo Research Park, Fuji Research Park CMC R&D Center, Bio Process Research and Development Laboratories  
Takasaki Plant, Ube Plant, La Jolla Institute for Immunology

### Revenue and Normalized Operating Profit (2025)

Revenue 496.8 billion yen  
Normalized operating profit 102.3 billion yen



### Share of equity

Kyowa Kirin is a listed subsidiary of Kirin Holdings, which owns approximately 53% of the company.

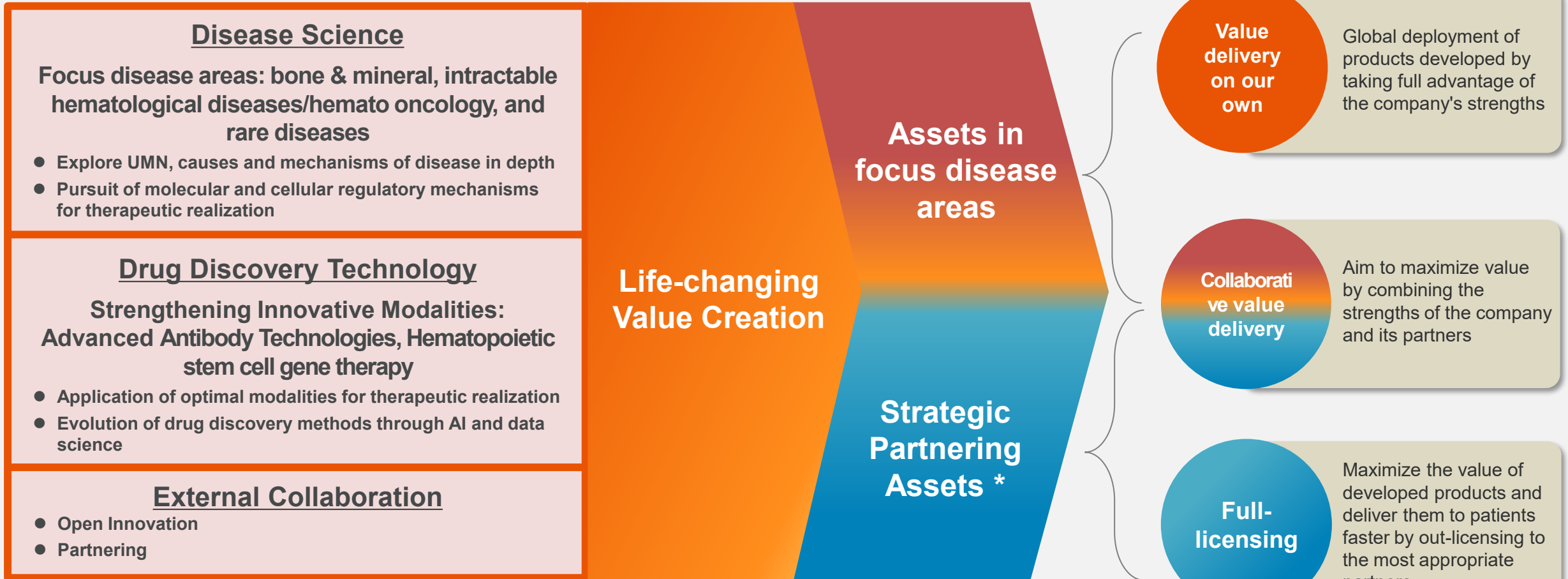
### History (Kirin's pharmaceutical business)

Began researching pharmaceuticals in the 1980s.  
Later, Kirin Pharma merged with Kyowa Hakko Kogyo and became the current Kyowa Kirin Co., Ltd.

### Main Products



## Strategies for creating and delivering life-changing value

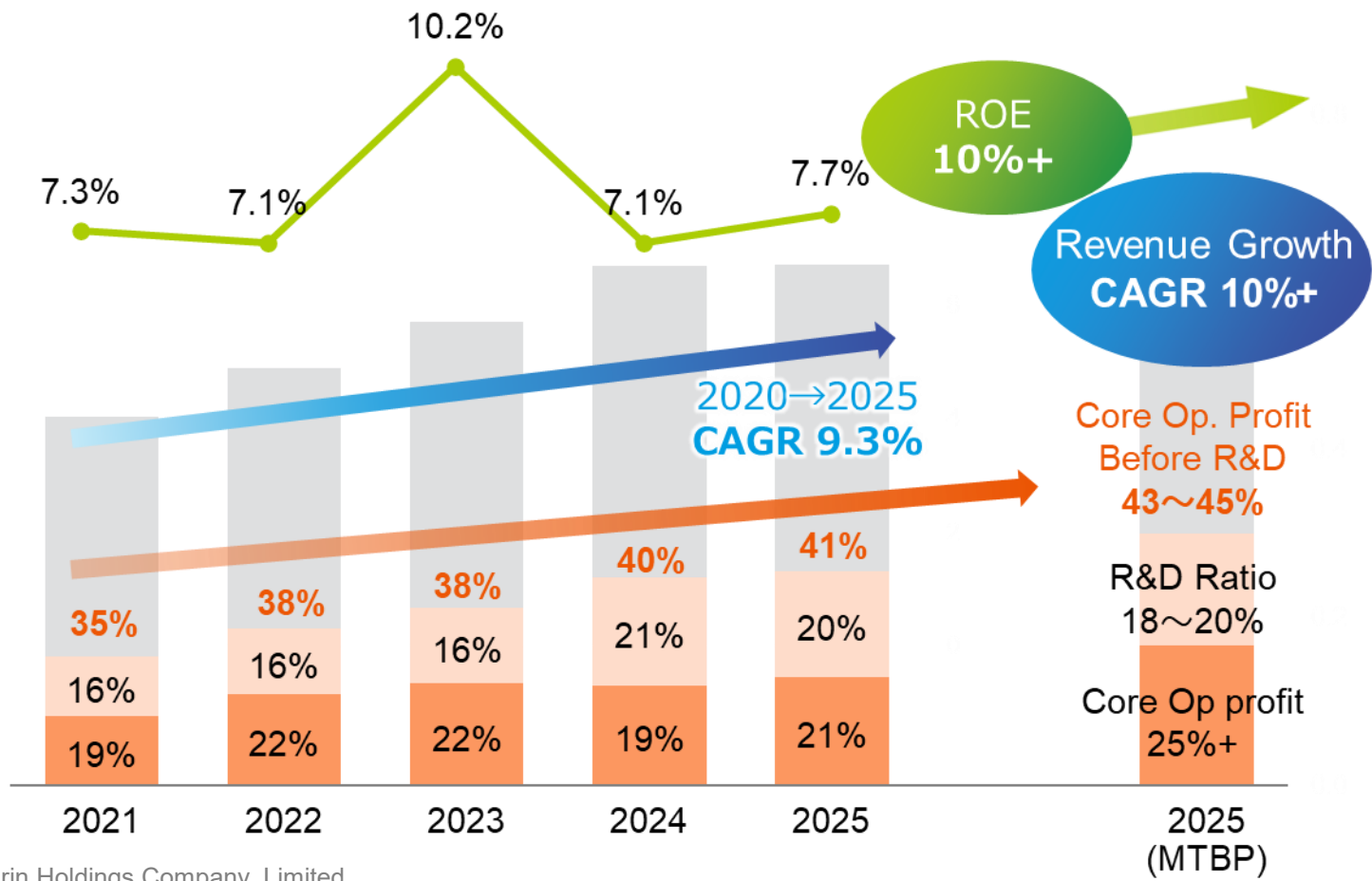


\*Assets outside of the disease areas of focus are designated as strategic partnering assets, and value maximization is achieved through collaboration with partners.

# Profit Structure of Kyowa Kirin



- Record-high profits and a 10% ROE were achieved in 2023; however, expanded R&D investments and other factors prevented full achievement of the 2025 Mid-Term Plan financial KPIs.
- Following a restructuring of our business model to adapt to environmental changes, sustained achievement of these KPIs is now expected in the early 2030s.



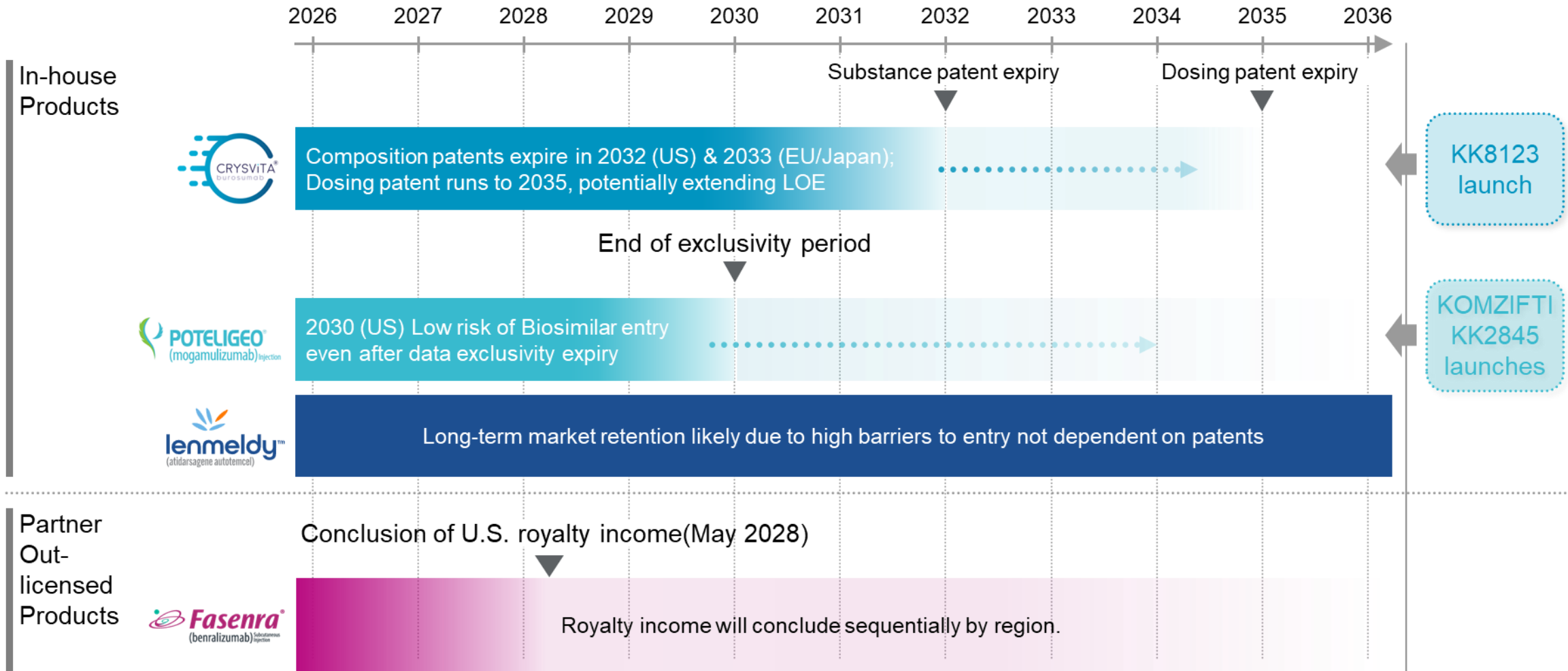
**Sustained achievement of the 2025 MTBP financial KPIs is expected in the early 2030s**

- +**
  - Steady growth in Crysvida sales
  - Partnership with Amgen on rocatinlimab
  - Depreciation of Yen
- - Short-term financial impact from Orchard acquisition
  - Increased investment in rocatinlimab
  - Depreciation of Drug price environment (Japan, Europe, and China)
  - Unlaunched new products
  - (discontinued pipelines, Nourianz in Europe)

# Product Lifecycle of Key Existing Products

➤ Drive Sustainable Growth by Maximizing New Launches and Product Lifecycle Management

## Outlook for Patent and Contract Expirations of Key Products



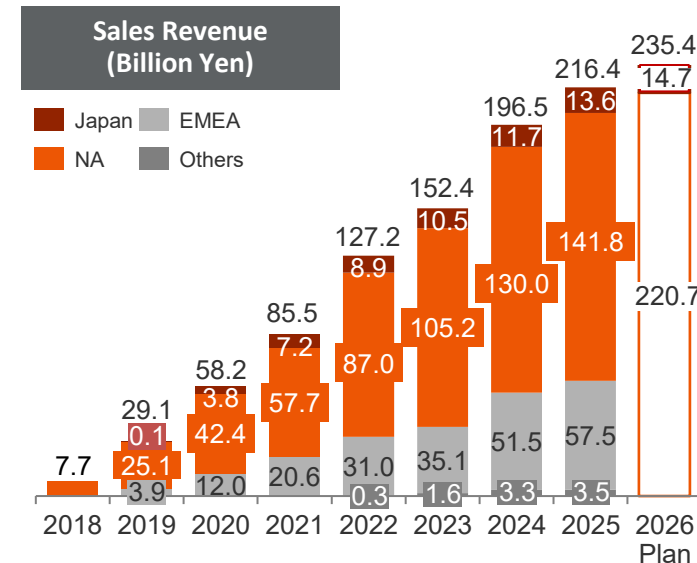
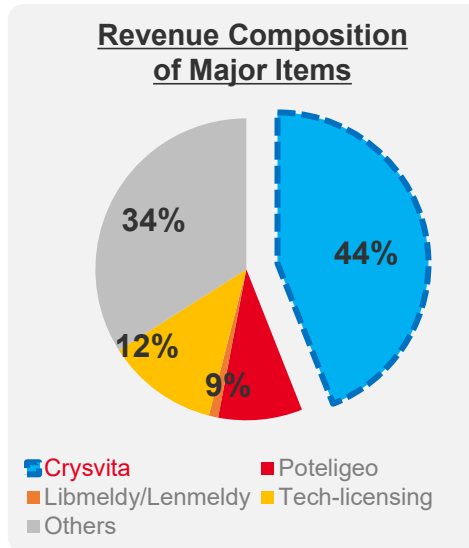
## Product Positioning

- One of the global strategic products that will be a medium-term growth driver, accounting for approximately 40% of revenue.
- Received marketing authorization from the FDA for the treatment of X-linked hypophosphatemia (XLH) in 2018, and has since expanded the availability of the drug to more countries.
- Shifted to an in-house sales structure in North America in 2023, which became a growth driver due to the increase in the number of patients in the region.

## Target Disease

### X-linked hypophosphatemia (XLH)

- A rare, hereditary, progressive and lifelong skeletal disorder characterized by renal phosphate wasting caused by excess FGF23 (which plays an important role in maintaining phosphate homeostasis in the body) production. It affects both children and adults. In children, XLH causes rickets that leads to lower-extremity deformity, delayed growth and decreased height. Adults with XLH have an increased risk of fractures. Crysvita is designed to bind the excess FGF23 in these patients, normalizing phosphorus levels, improving bone mineralization, improving rickets in children and healing fractures in adults.

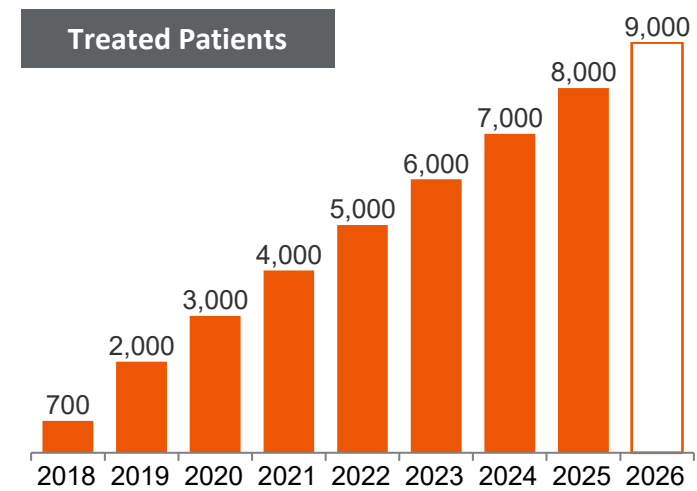


\*Revenue from EAP ( Early Access Program ) is not included in sales until FY2022, and is included in sales from FY2023 onwards as it is insignificant in monetary terms.

<b>Rickets</b>	Bone calcification (hardening of bones) is disturbed, causing deformities of the lower limbs such as O- or X-legs, and difficulty walking (falling down easily).
<b>Osteomalacia</b>	Bone pain, bone fractures, and muscle weakness that, when worsened, make it impossible to perform daily activities such as eating, dressing, and moving around



\*An example of symptoms of a patient with rickets



## Mechanism of Action

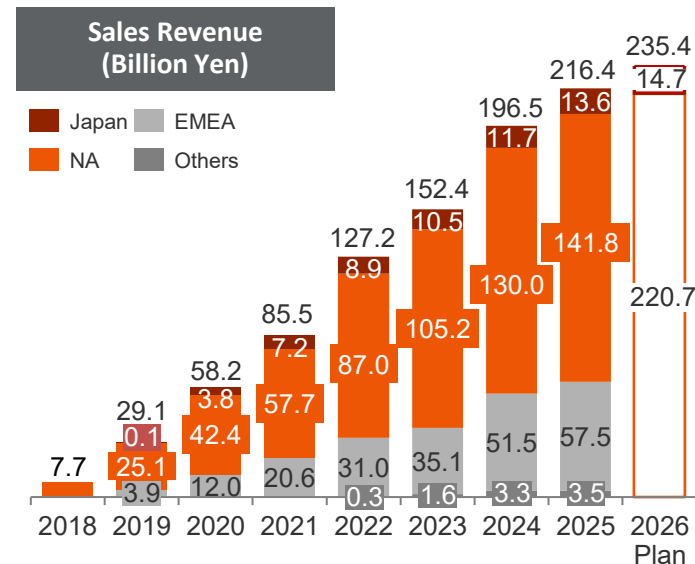
- Crysvita binds to FGF23, a hormone that plays an important role in phosphate homeostasis in the body.
- It inhibits the action of FGF23, thereby increasing phosphate concentrations.
- Crysvita also restores phosphate reabsorption and intestinal absorption of phosphate.
- As a result, it is expected to improve bone calcification, alleviate osteomalacia and other symptoms associated with hypophosphatemia.

## Dosing Frequency/Product Unit Price

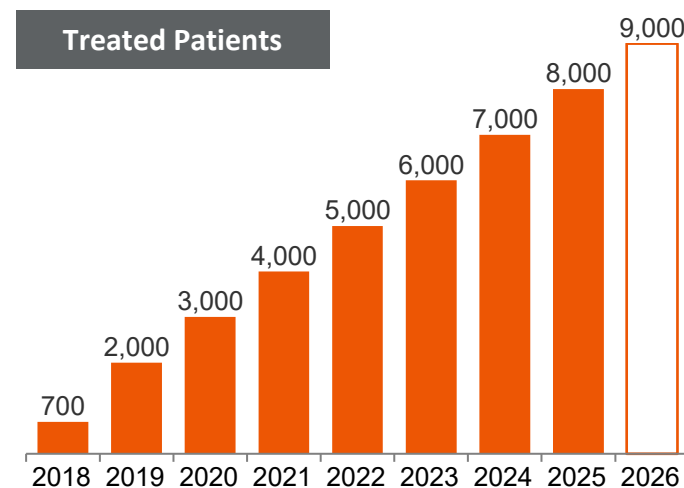
- (Subcutaneous injection) every 4 weeks for adults, every 2 weeks for pediatric / not disclosed

## Differentiation Point

- The first drug (human IgG1 monoclonal antibody) that acts directly against FGF23, whereas conventional therapies require more frequent dosing due to symptomatic treatments, such as supplementation of deficient phosphate and vitamin D.



\*Revenue from EAP ( Early Access Program ) is not included in sales until FY2022, and is included in sales from FY2023 onwards as it is insignificant in monetary terms.



## Product Positioning

- One of the global strategic products that will be a medium-term growth driver, accounting for 9% of revenue.
- It is a representative product in the hemato-oncology field, one of the focus areas.

## Target Diseases

- Adult T-cell leukemia-lymphoma (ATL), peripheral T-cell lymphoma (PTCL), cutaneous T-cell lymphoma (CTCL)

**ATL** : When ATL develops, the immune system is weakened, making the patient susceptible to infections. As the disease progresses, various organs are affected.

**PTCL** : Symptoms include lymphoma swelling, rashes throughout the body, and fever.

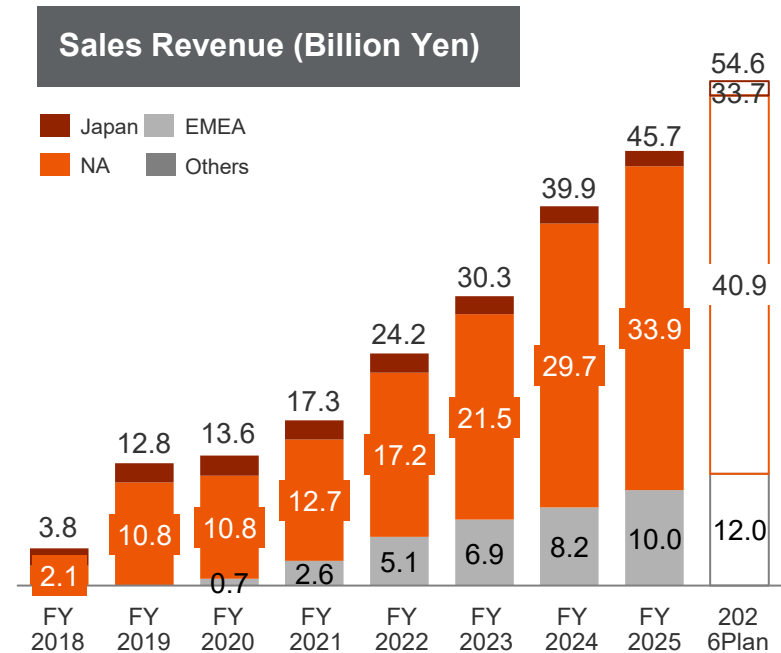
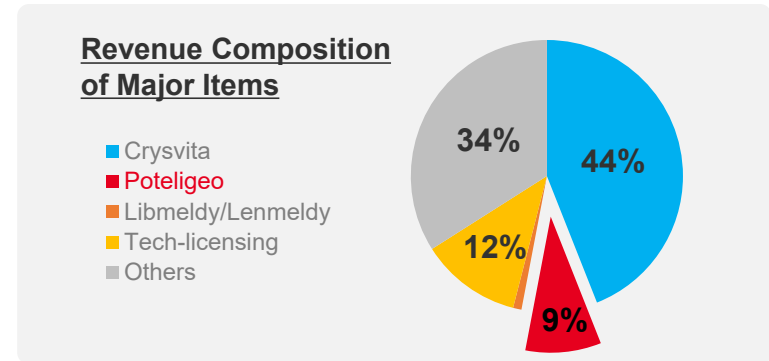
**CTCL** : Symptoms include rashes and severe itching.

## Mechanism of Action

- Therapeutic antibodies that specifically target a protein called CCR4, which appears on the surface of cancer cells

## Differentiating Factor

- Poteligeo is the world's first therapeutic antibody created using Kyowa Kirin's proprietary POTELLIGENT technology for generating highly active antibodies.
- Poteligeo binds to cancer cells by targeting CCR4, a molecule that appears on the cell surface. It shows anti-tumor effects by eliminating cancer cells through its ADCC activity (one of the mechanisms by which the immune system recognizes and destroys target cells), which is enhanced by the POTELLIGENT technology.



## Significance of Acquisition of Orchard Therapeutics

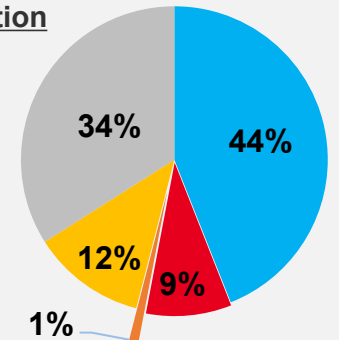
### ➤ Development of new drug discovery technologies

- Ex. Synergy of Kyowa Kirin and Orchard's technology: Recombinant protein delivery to sites that are difficult to reach by conventional means.
- Ex. Create functional cells using the pluripotency of hematopoietic stem cell gene therapy technology.

### ➤ Acquire Libmeldy/Lenmeldy and development pipeline (OTL-201/203)

### Revenue Composition of Major Items

- Crysvita
- Poteligeo
- Libmeldy/Lenmeldy
- Tech-licensing
- Others



## Libmeldy / Lenmeldy

### Product Positioning

Acquired in 2024 when Orchard Therapeutics became a subsidiary.

### Target Diseases

**Metachromatic Leukodystrophy:** : A type of lysosomal disease that is an inherited disorder caused by a deficiency of the enzyme arylsulfatase-A. This enzyme deficiency causes sulfatide to accumulate in the brain, kidneys, and peripheral nerves, resulting in neurological damage. As this damage is irreversible, it is crucial to identify patients through newborn screening before symptoms progress beyond a certain point.

### Area of Operation / Number of Patients\*

US and Europe/estimated number of patients per year\*: 40 in US and 50 in Europe

### Mechanism of Action

- Hematopoietic stem cells are collected from the patient, and the normal human ARSA gene is inserted into these cells before they are re-administered to the patient.
- Some of the administered hematopoietic stem cells are expected to cross the blood-brain barrier and engraft in the central nervous system, where they will continuously produce the normal enzyme.
- This approach is expected to provide a long-lasting therapeutic effect with a single treatment.

### Differentiation Point

here were no treatment options other than supportive care or end-of-life care. (Therefore, many patients die within 5 years of onset of disease.)

Kyowa Kirin's Presentation slide  
"Agreement to acquire shares of  
Orchard Therapeutics



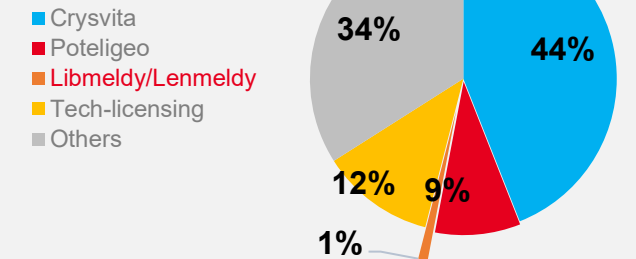
## Significance of Acquisition of Orchard Therapeutics

### ➤ Development of new drug discovery technologies

- Ex. Synergy of Kyowa Kirin and Orchard's technology: Recombinant protein delivery to sites that are difficult to reach by conventional means.
- Ex. Create functional cells using the pluripotency of hematopoietic stem cell gene therapy technology.

### ➤ Acquire Libmeldy/Lenmeldy and development pipeline (OTL-201/203)

Revenue Composition of Major Items



## OTL-203 (Development Progress)

### Target Diseases

#### MPS-IH (Hurler Syndrome) :

- Multisystemic neurometabolic condition affecting cognition, growth and skeletal function
- Diagnosed during first 2 years of life; life-expectancy up to 10 yrs.
- Current standard of care: Allogeneic HSCT and/or ERT, both of which have significant limitations

### Market size\* / number of patients\*\*:

- ~1:100,000 live births
- NBS established in some geographies, including U.S.

### Launch Timing

- Subject enrollment has been progressing at a pace exceeding initial expectations and is approaching completion.
- Following the analysis of the primary endpoint assessed at two years post-treatment, the resulting data, if deemed favorable, are expected to be utilized as part of the regulatory submission.
- At present, the company anticipates filing for regulatory approval in 2028, with the possibility of approval in 2029, subject to the granting of priority review and regulatory authorities' assessment.

\* Market size is Kirin's own estimate based on the sum of all products for "Diseases under development".

\*\* Kyowa Kirin's own estimates.

## Overview

- One of the strategic investments to fill the gap in the late-stage development pipeline toward the achievement of 2030 Vision.
- Signed a license agreement in November 2024 with Kura Oncology in the US for the development and commercialization of ziftomenib to strengthen the hemato-oncology, intractable hematological diseases, and rare disease areas.

## Target Diseases/Market Size\* and Number of Patients\*\*

- Patients with acute myeloid leukemia (AML) with specific genetic mutations (NPM1 mutation and KMT2A gene rearrangements)
- Market size\* and number of patients\*\*: More than 500 billion yen - less than 1 trillion yen\* / 20,000 patients\*\*
  - 22,000 new AML diagnoses annually in US\*\*\*\*\*
  - ~50% of AML considered menin-dependent\*\*\*\*\*
  - Up to 70% of patients who achieved remission relapse within 3 yrs\*\*\*\*\*

## Mechanism of Action

- Inhibits the binding of the two proteins, menin and KMT2A, thereby promoting the differentiation of leukemic blasts to achieve therapeutic effects

## Differentiation Point

- Only drug candidate to receive Breakthrough Therapy designation from the FDA for the treatment of relapsed/refractory NPM1 mutant AML

## Launch Timing

1st Line\*\*\* : TBD / P3(KOMET-017) • P1(KOMET007)  
 2nd Line\*\*\*\* : FDA approval for adults with relapsed (Nov 14, 2025)

Ziftomenib - Collaboration with Kura -		
	US	ex-US
<b>Development</b>	<ul style="list-style-type: none"> <li>• Kura leads development</li> <li>• Share global development cost</li> <li>• Kura funds development costs (~2028)</li> </ul>	<ul style="list-style-type: none"> <li>• Kyowa Kirin leads development</li> </ul>
<b>Commercialization</b>	<ul style="list-style-type: none"> <li>• Kura books sales</li> <li>• 50/50 profit share</li> </ul>	<ul style="list-style-type: none"> <li>• Kyowa Kirin commercializes and books sales</li> </ul>
<b>Sales Royalties</b>		<ul style="list-style-type: none"> <li>• Double-digit royalty to Kura</li> </ul>
<b>Commercial supply</b>	<ul style="list-style-type: none"> <li>• Kura supplies</li> </ul>	<ul style="list-style-type: none"> <li>• Kura supplies</li> </ul>

Kyowa Kirin makes a \$330 million up-front payment and future contingent milestone payments potentially worth up to \$1,161 million in total, including \$420 million in near-term milestone payments and \$228M opt-in right for solid tumors, as well as royalty payments on future global sales to Kura.

© Kyowa Kirin Co., Ltd.

\*\*\* The first drug treatment administered to a patient, also referred to as first-line therapy or initial treatment.

\*\*\*\* Drug treatment administered after the first-line treatment has failed to produce the expected effect or has caused side effects.

\*\*\*\*\* National Cancer Institute. Accessed May 25, 2025. <https://seer.cancer.gov/statfacts/html/amyl.html>.  
 \*\*\*\*\* ①Issa GC et al. Leukemia. 2021;35(9):2482-2495. doi:10.1038/s41375021-01309-y \*3.  
 ②Candoni A, Coppola G. Hematol Rep. 2024;16(2):244-254. doi:10.3390/hematolrep16020024 \*4. ③  
 Bertrums EJM et al. Haematologica. 2023;108(8):2044-2058. doi:10.3324/haematol.2022.281653  
 ④National Cancer Institute. Accessed October 16, 2024. <https://seer.cancer.gov/seertools/hemelymph/51f6cf59e3e27c3994bd547d/> ⑤National Cancer Institute. Accessed October 16, 2024. <https://seer.cancer.gov/seertools/hemelymph/5a7e288d1ef557f9c8636d31/>  
 \*\*\*\*\* Kumar CC. Genes Cancer. 2011;2(2):95-107. doi:10.1177/1947601911408076

## Significance of Group management Philosophy and Having a Listed Subsidiary

- **Role of Kyowa Kirin:** Responsible for Kirin Group's core business in the "Pharmaceuticals" domain, providing value to those facing illnesses as a Global Specialty Pharmaceutical Company. Aims for sustainable growth and increased corporate value by 2027.
- **Synergy Creation:** Pursue synergies in the Health Science domain through the exchange of human capital and sharing of research know-how with Kyowa Kirin.
- **Significance of maintaining a public listing:** Contributes to the enhancement of corporate value by providing a unique corporate culture, improving employee morale, securing talented human capital, and gaining the trust of business partners.
- **Cash management:** Net cash is managed in a lump sum through a cash management system. Lending interest rates are reasonably determined in consideration of market interest rates.

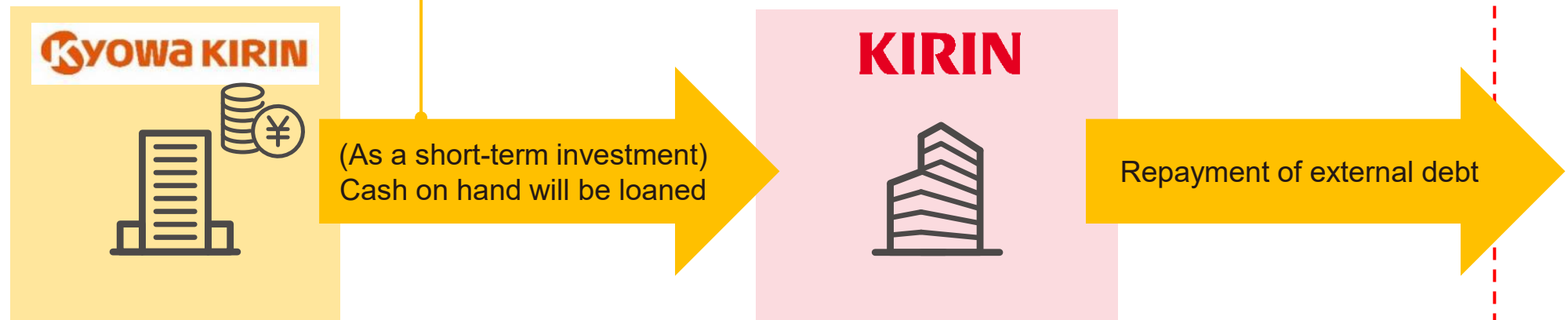
## Measures to Ensure Governance Structure Effectiveness of Listed Subsidiaries

- **Process for selection and dismissal of directors and officers:** Exercise voting rights consistent with shareholder interests, respecting the judgment of the Nomination and Remuneration Advisory Committee and the Board of Kyowa Kirin, the majority of which are non-executive officers.
- **Management responsibility as a parent company:**
  - 1) Involved in the appointment of the President & CEO of Kyowa Kirin.
  - 2) As part of Group management, Kirin delegates a director of the board and an auditor to Kyowa Kirin.
- **Response to the risk of conflict of interest:** Take measures to prevent the participation of delegated directors of the board in resolutions when dealing with Kyowa Kirin.
- **Respect for minority shareholders' interests:** Maximize the interests of shareholders as a whole while respecting the interests of minority shareholders to ensure autonomous corporate activities and independence of corporate management.

# Relationship between cash balances in Kyowa Kirin and Kirin Holdings

➤ Reasons for Kirin Holdings' cash balance being less than Kyowa Kirin's are as follows

**Borrowing and lending rates are rationally determined  
in consideration of market interest rates**



- Kyowa Kirin's cash on hand will be allocated with top priority given to growth investments (R&D investments, strategic investments, and capital expenditures).
- After comprehensively considering the safety of the funds, ensuring liquidity, and the investment yield, any cash on hand not planned for short-term use will be loaned to Kirin Holdings as a short-term investment.
- However, since this loan is included in 'investments with a maturity of three months or less,' it is recorded in Kyowa Kirin's balance sheet as cash and cash equivalents.

- Funds lent by Kyowa Kirin will be used to repay external debt
- Therefore, it will not be recorded in Kirin Holdings' cash balance

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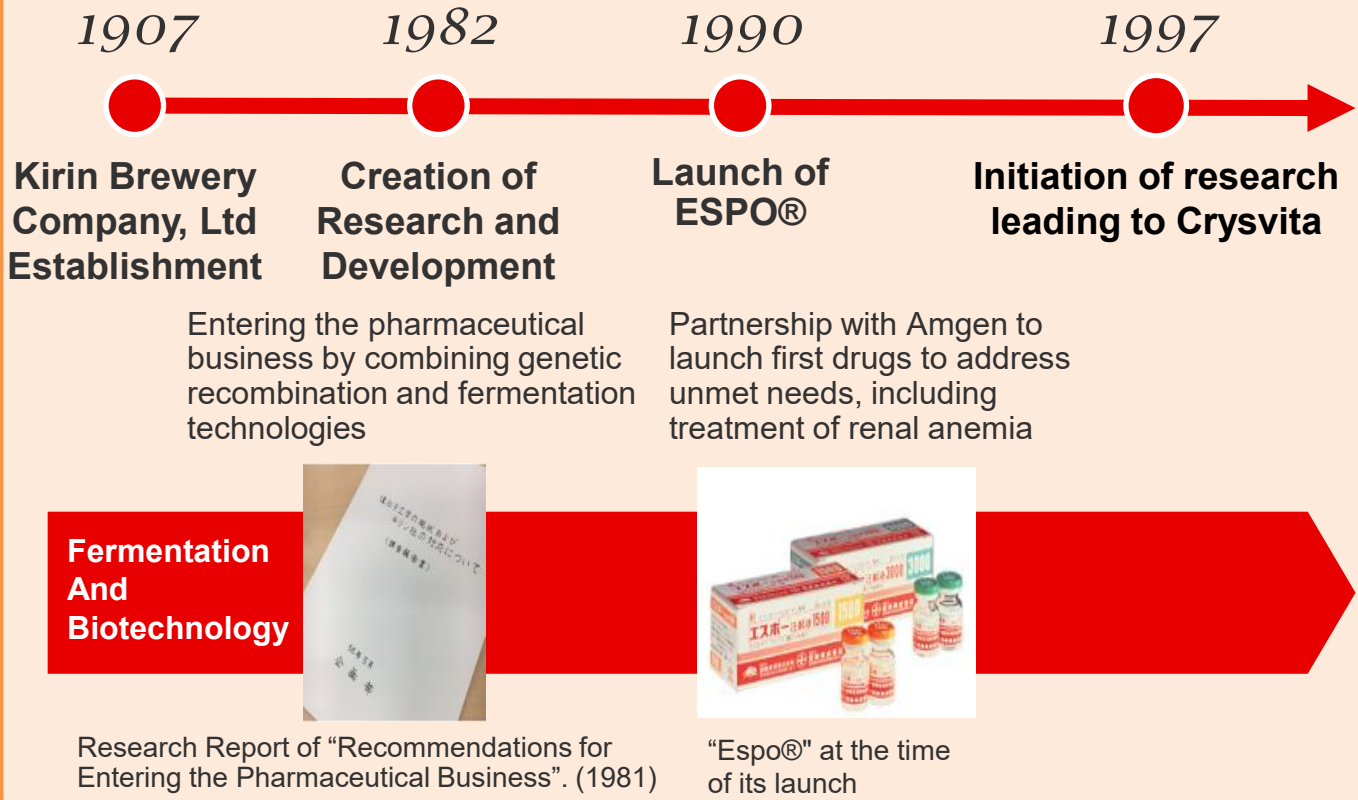
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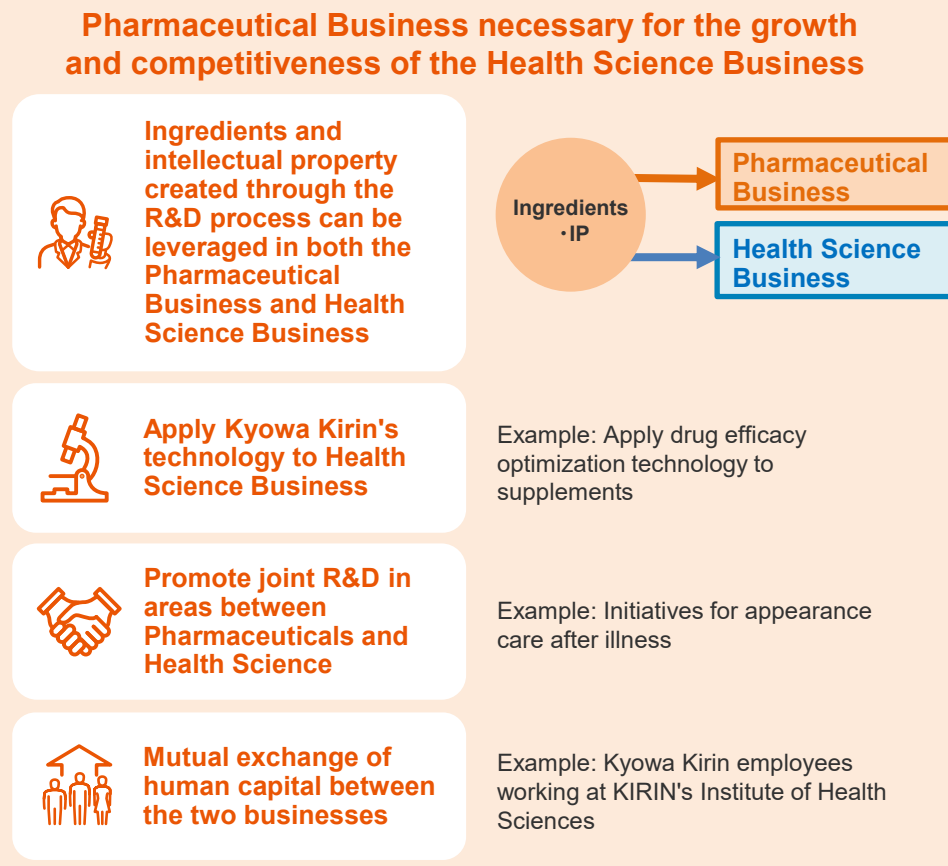
# Position in the Pharmaceuticals Business

▶ While discussions on the proportion of future ownership continue, efforts will be made to further enhance the strategic value of the **Pharmaceutical Business** within the Group

**Entered the pharmaceutical business in the 1980s, with its origins in the beer business**



**Enhance the Value of Pharmaceuticals and Health Science**



## Outline of Initiatives

- Utilize the Kirin Group's know-how and expertise in production-related management systems and human capital development in Kyowa Kirin's supply chain.
- Under the high-quality assurance system for pharmaceuticals, Kyowa Kirin has strengthened its pharmaceutical supply system by collaborating with the Kirin Group, and based on this, it is now able to focus its resources on drug discovery and global market expansion that create core added value.

### KIRIN

#### ❑ Leveraging Knowledge in the Food & Beverages Domain

- Production Management Know-how.
- Factory operations and production management.
- Establishment of human capital development system and training for new technical staff.

#### ❑ Engineering Support.

#### ❑ Cross-business experience is possible by transferring personnel from the Food & beverages domain to the Pharmaceutical domain.



## Outline of Initiatives

- Provide FANCL skincare information and products to cancer patients with skin issues, aiming to achieve sustainable business while addressing social issues.
- Starting in 2024, a demonstration project will be launched to understand the needs for FANCL products and establish sales channels to medical facilities.
- In January 2025, the company launched 'Nagomi Time,' a comprehensive information website covering changes in appearance and care during cancer treatment.

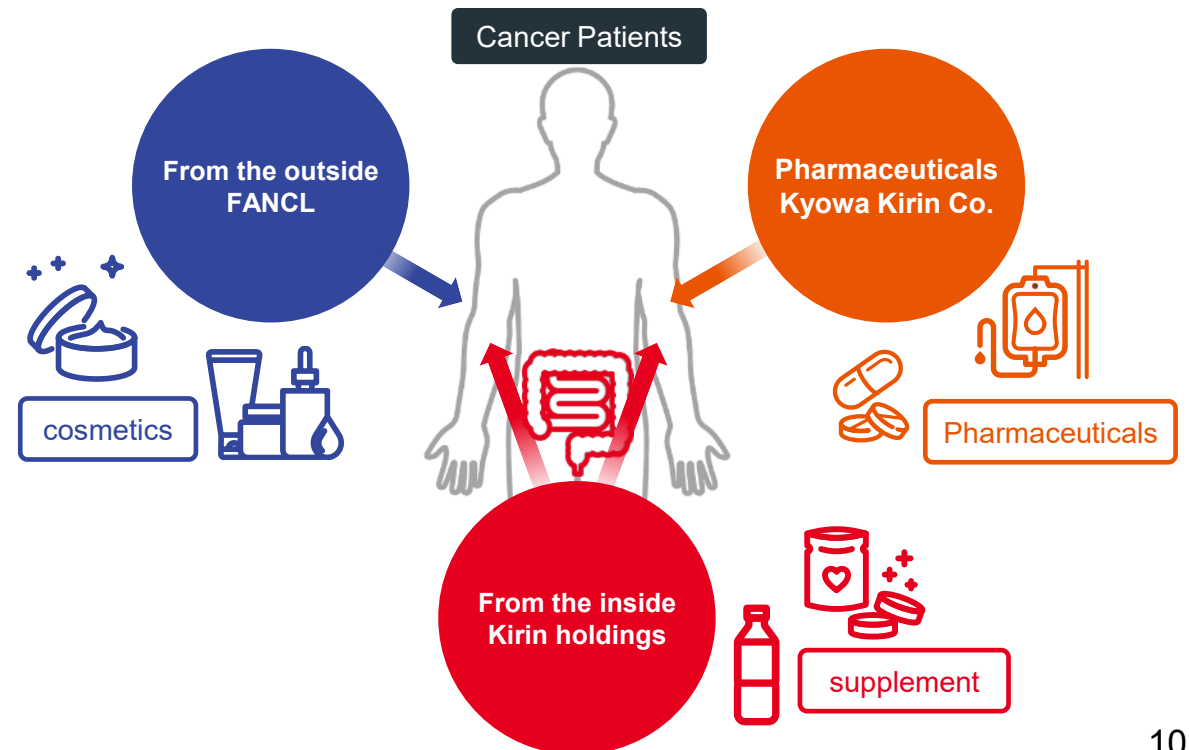


"Nagomi time"

Provide comprehensive information to help cancer patients improve their quality of life by offering guidance on changes in appearance during various cancer treatments, methods of care, grant programs, and other resources that enable them to live their daily lives as they wish, even after cancer.

## Creating Added Value for the Kirin Group

- Kyowa Kirin supports cancer patients with pharmaceuticals.
- Additionally, by leveraging Kyowa Kirin's sales capabilities to medical institutions and professionals, FANCL provides skincare information and cosmetics for external use.
- From an internal perspective, Kirin Holdings aims to expand sales channels for supplements in the health science field.



# <Examples of Value-Added Creation> Bioreactors & Fermentation

- ▶ Biopharmaceutical fermentation of cell culture shares the **same technology** with health food/alcohol fermentation in terms of **maximizing the production of target enzymes, proteins, or metabolites**.
- ▶ Kirin Engineering's technology is being utilized.

## Bioreactor Kyowa Kirin Takasaki Plant (Gunma Prefecture)



Active ingredients of biopharmaceuticals are produced from cell culture in the bioreactor.

## Lactobacilli culture tank iMUSE Health Science Factory (Saitama Prefecture)



Lactobacilli are grown from sugar and other raw materials.

## Beer fermentation tanks Pilot Plant (Kanagawa Prefecture)

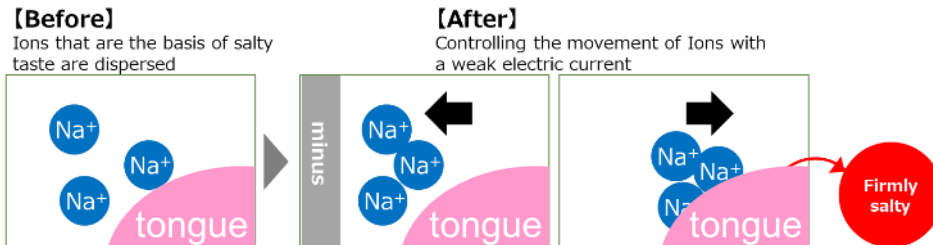


Sugar is metabolized by brewer's yeast to produce ethyl alcohol and carbon dioxide.

## Initiative Overview

- Kirin Holdings and the Meiji University Dr. Homei Miyashita Laboratory jointly developed the "Electric Salt" a tableware-type device, which uses electric current waveforms, to solve the social issue of "excessive salt intake".
- It aims to achieve "a society that enables to improve eating habits in a delicious way" by controlling the movement of sodium ions in food with a weak electric current to enhance the saltiness.
- A demonstration experiment was conducted in collaboration with Orange Page, SoftBank, and Odawara City. Sales began on the online store in May 2024.

### Mechanism of saltiness enhancement in food and beverages



## Creating Added Value for the Kirin Group

- Patients with a chronic kidney disease, which Kyowa Kirin is committed to treating, require dietary treatments such as salt restriction. We will utilize the "Electric Salt" a tableware-type device, which enhances the salty taste of low-sodium foods, to allow patients to feel the strong salty taste of low-sodium food so that they can experience the pleasure of eating well while continuing the diet recommended by the medical institution.

### Electric Salt -Spoon-

#### [Intended use]

- Substitute for a ramen noodle's spoon
- For soups and curries with many ingredients
- Other meals in general



※The above design is for demonstration purposes only.

## Outline and Purpose of Establishment

- A joint venture was established on September 3, 2024, with a 50:50 investment by Kirin and Kyowa Kirin.
- Positioned as the Kirin Group's innovation center for health.
- Combining the strengths of both companies to create new value that neither could achieve alone.
- This initiative aims to address social issues related to health and increase corporate value.

### Vision

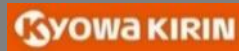
**Contribute to global health by integrating the strengths of Kirin and Kyowa Kirin, and continuously creating new value.**

### Strengths of Kirin Holdings



- Fermentation technology
- Immunology Research
- Corporate branding to BtoC
- Customer contact regarding “food & beverage” etc.

### Strengths of Kyowa Kirin



- Antibody technology & Gene cell therapy technology
- biotechnology
- Drug discovery and development capabilities that can create global products
- Industrial technology etc.

## Business

- Accelerate value creation through mutual collaboration in three key areas: R&D, CVC (venture investment), and business planning and development.
- In the future, the company aims to introduce its developed technologies to both internal and external parties and implement new products in society.

### Three Core Function

#### R&D

Technology development in basic research, applied research and development research  
Discriminating and gathering information on technologies in the healthcare area  
Access to technical information held by Kirin and Kyowa Kirin

#### CVC

Investment in and collaboration with innovative technologies, products and services  
Search for assets (technology, customer base) and information that the company does not have

#### Business Planning and Development

Planning and development of new businesses from a technology and customer perspective, utilizing Kirin and Kyowa Kirin's assets (including licensing and exit of JV results)  
Discriminating and gathering information on businesses in the healthcare field

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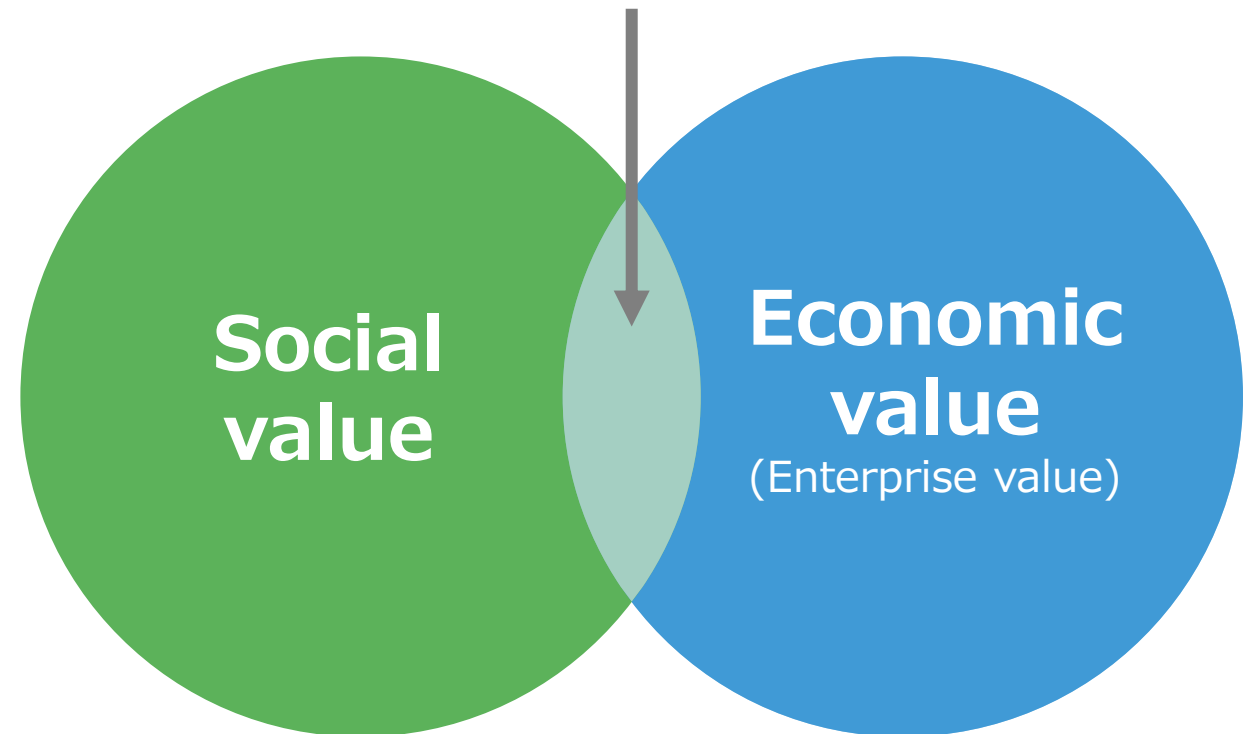
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# What is CSV (Creating Shared Value) ?

- The concept was introduced by professor Michael Porter in the Harvard Business Review.
- Creating shared value is the practice of creating economic value in a way that also creates value for society by addressing its needs and challenges as the next driving force for growth.

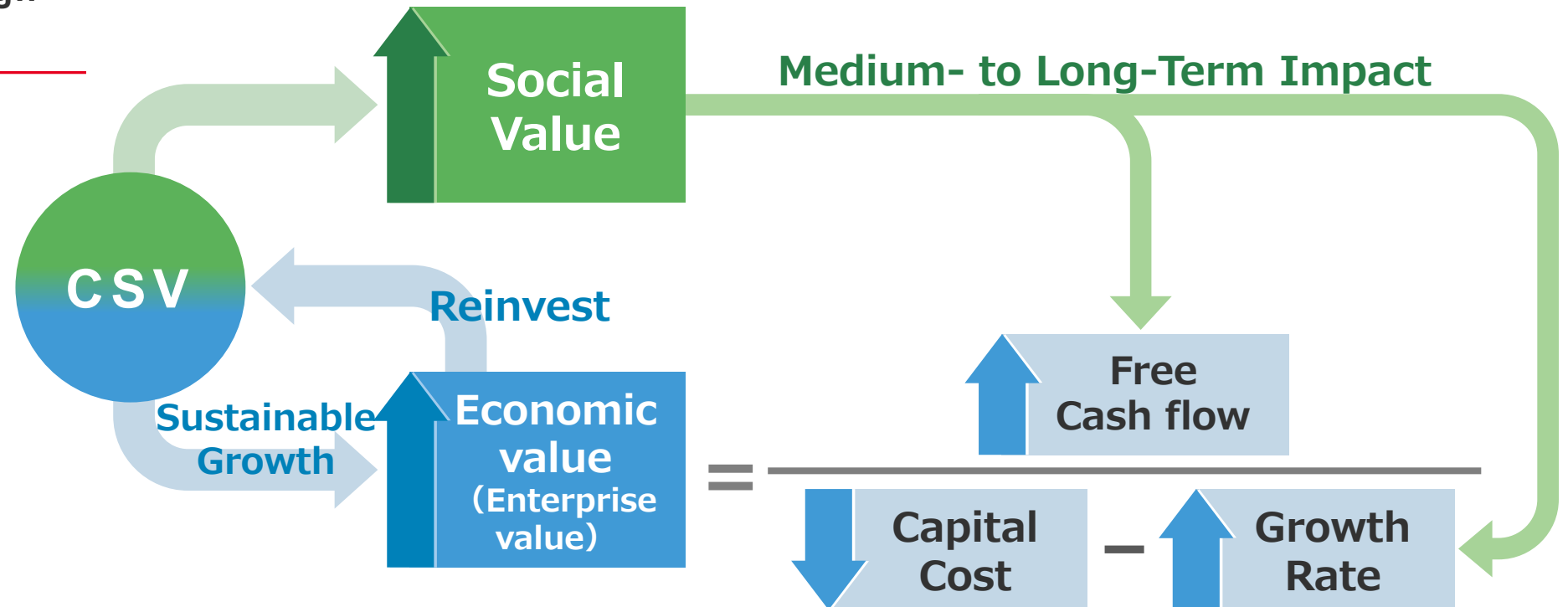
## Creating Shared Value



# CSV and Sustainable Growth

- CSV approach seeks to resolve the social issues through innovation, increase enterprise value by generating sales, cutting costs and reducing business risk, and further mitigate the social issues and enhance enterprise value by reinvesting profits.

## Structure of sustainable value creation through CSV management

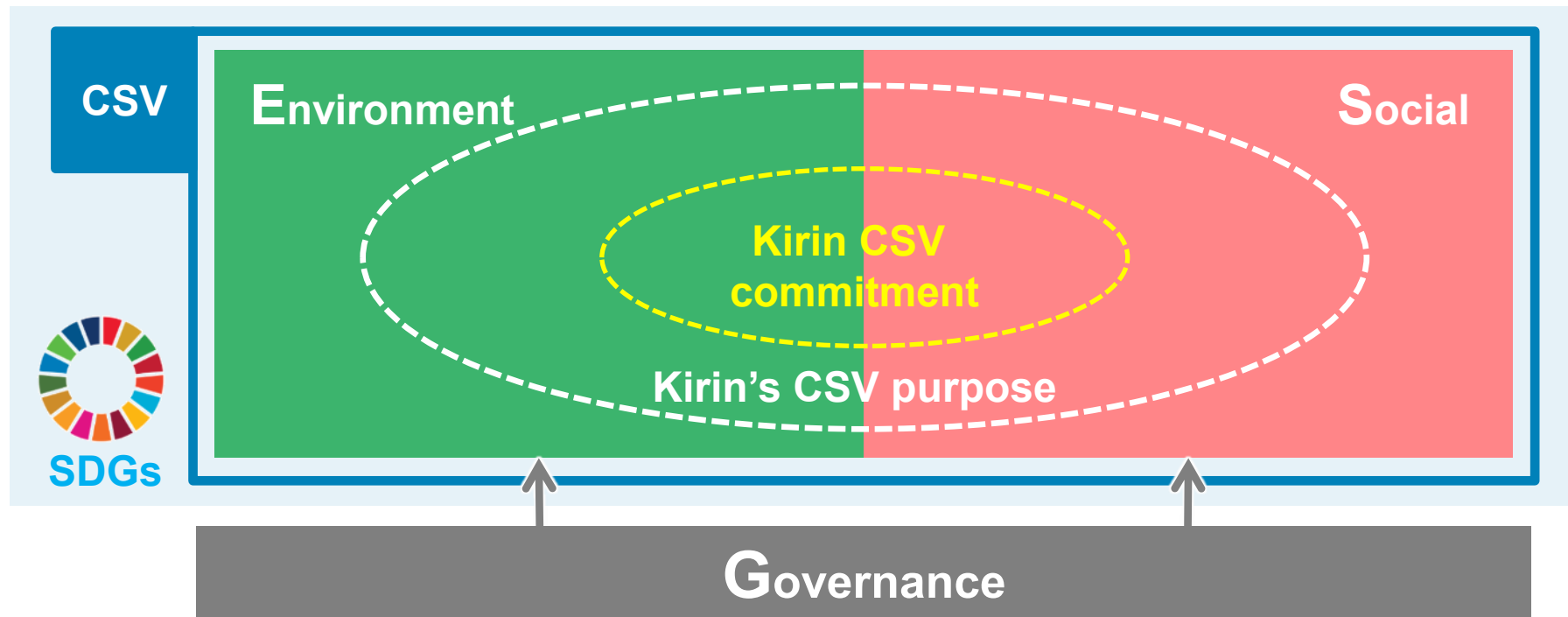


- Among all SDGs agendas to be addressed by all stakeholders, the E and S in ESG, which are used by long-term investors to evaluate investments, are the domains where the invested companies can generate returns and sustain their growth by resolving those issues. This concept expressed from the perspective of a company as the investment is Creating Shared Value (CSV)
- At KIRIN, ESG is viewed to be a governance added to CSV, and by properly conducting governance of CSV management, the company will increase shareholder value, contribute to SDGs, and link these to improve ESG reputation and attract ESG investments

## Relationship of

# ESG and CSV

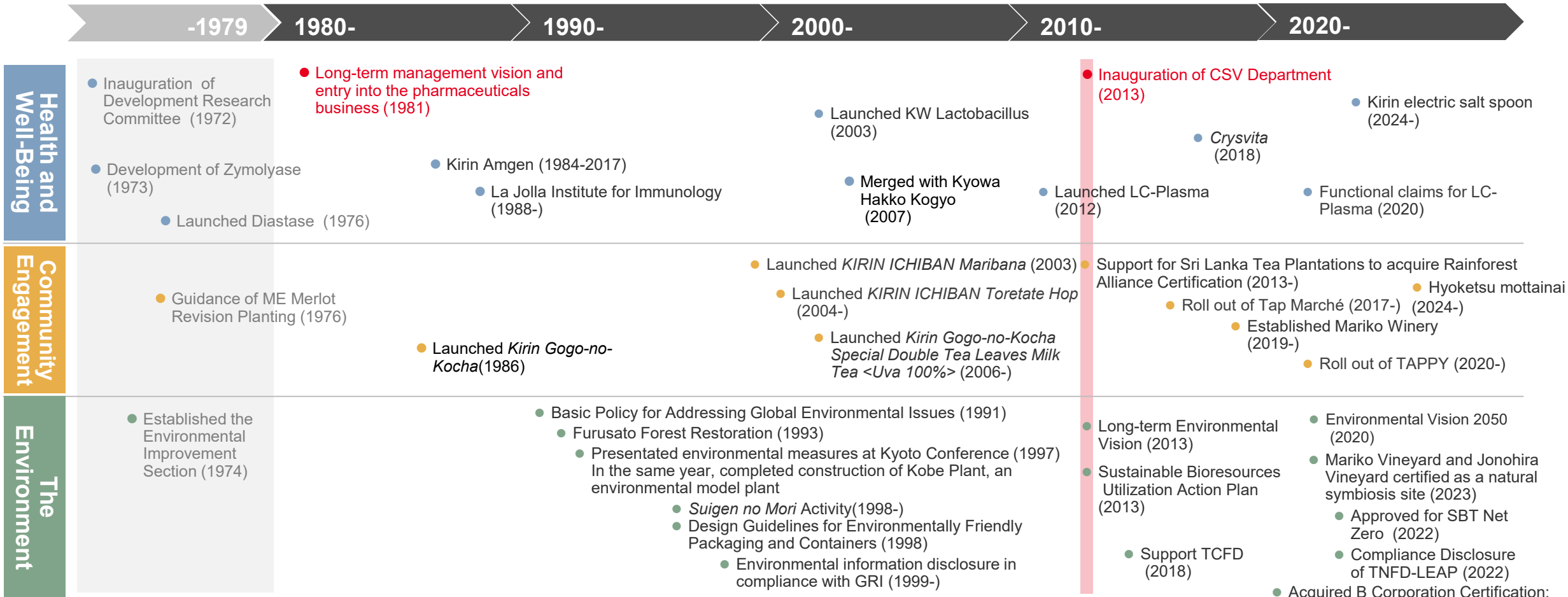
Creating Shared Value



# Pre-history and History of CSV Management



➤ The commercialization of solving social issue (CSV as we know it today) has been a practice since the company's long-term management vision in 1981, when we entered biopharmaceutical development by utilizing fermentation and cultivation technologies developed in the beer industry to contribute to health concerns associated with aging.



Note: In terms of responsibilities as an alcohol producer, Kirin Free, the world's first beer-tasting beverage with 0.00% alcohol content, was launched (2009)

# Summary: Kirin Group's CSV Management

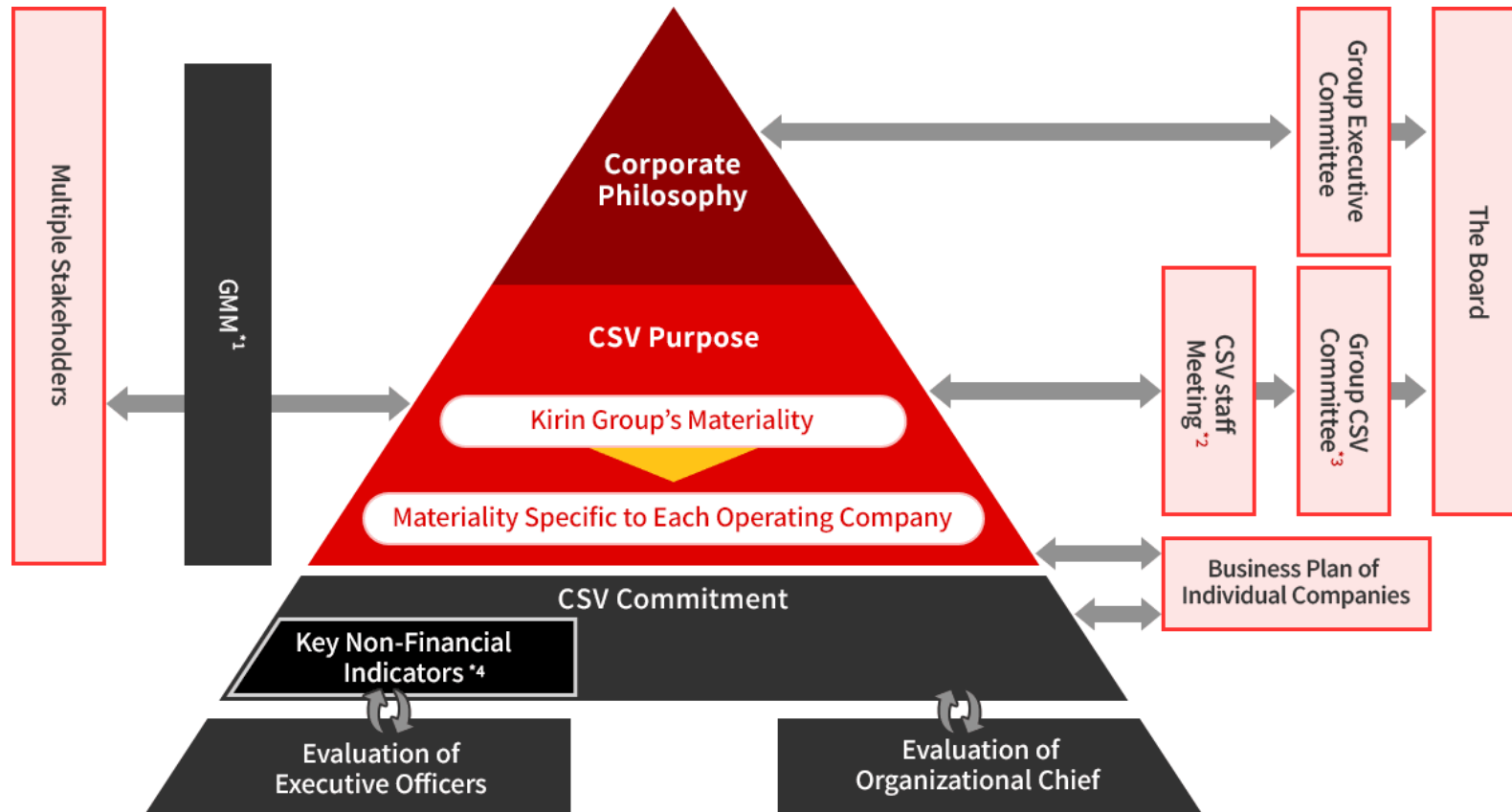


- Set a major CSV purpose as a responsibility of a health, community, environment, and alcohol manufacturer.
- To successfully transform into the Health Science Business, it is crucial for ESG investments to understand the risks associated with the alcohol business and the opportunity in the health sector.
- Communicating value created through CSV management to the capital markets via non-financial disclosures, supporting ESG investment.



# Group Materiality Matrix (GMM) · CSV Purpose · CSV Commitment

- Establish a system to actively promote CSV Management for sustainable growth.
- CSV commitments set as a medium-term action plan to realize the CSV purpose, embedded in business plans, with PDCA cycles established through planning, monitoring, and evaluation to drive company-wide momentum.



- 1) Group Materiality Matrix
- 2) Translate management philosophy into social significance.
- 3) Chair: The CEO of Kirin Holdings (KH)  
Members: KH functional units Director, The CEO of major operating companies
- 4) Members: KH functional units  
Planning staffs, major operating companies' Planning staffs

# Group Materiality Matrix (GMM) · CSV Purpose · CSV Commitment



➤ Based on the GMM created looking 10 years into the future, “the management philosophy as a universal mission” is translated into “the CSV Purpose as the role and significance of existence expected in today's society,” and the CSV Commitment is formulated as an action plan to achieve this goal.

**Identification of key issues**

**Setting up an action Plan**

**GMM**

**CSV Purpose**

**CSV Commitment**

Responsibility of Kirin Group Which Runs Alcoholic Beverage Businesses

Health and well-being ● Community Engagement ▲ The Environment ● Fundamentals of Corporation

<ul style="list-style-type: none"> <li>Improvement of access to nutrition</li> <li>Ensuring freedom of food choice</li> <li>Ensuring tax transparency</li> </ul>	<ul style="list-style-type: none"> <li>Initiating new approaches to meet medical needs that go beyond medicines</li> <li>Support for the prevention of non-communicable diseases</li> <li>Sustainable development of raw material production areas</li> <li>Sustainable use of biological resources</li> <li>Sustainable use of water resources</li> <li>Sustainable recycling of containers and packaging</li> <li>Overcoming climate change</li> <li>Promoting responsible marketing</li> <li>Support for maintaining and improving internal and external health, as well as physical and mental performance</li> <li>Ensuring compliance and ethics-oriented business practices</li> <li>Building sustainable logistics</li> <li>Countermeasures against cyber attacks</li> </ul>	<ul style="list-style-type: none"> <li>Dealing with alcohol-related problems</li> <li>Ensuring food safety and security</li> <li>Ensuring quality assurance and a supply of medicines</li> <li>Creating and delivering Life-changing medicines</li> <li>Revitalization of local economies and communities via interpersonal and societal ties</li> <li>Respect for human rights</li> <li>Support for maintaining the immune system</li> <li>Ensuring occupational health and safety</li> <li>Having human capital development for value creation</li> <li>Promoting diversity, equity and inclusion</li> <li>Improving the effectiveness of corporate governance</li> <li>Reinforcing risk management</li> <li>Protection of personal information</li> <li>Implementation of health and productivity management</li> <li>Realizing a workplace where employees can work in a lively and active way</li> <li>Strengthening group governance</li> </ul>
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Impact on Stakeholders: large, medium, small

Impact on the Group's business: small, medium, large



**Health and Well-being**

2 SDG 2: Zero Hunger, 3 SDG 3: Good Health and Well-being, 9 SDG 9: Industry, Innovation and Infrastructure

Group Materiality Matrix	Particularly contribute to SDG targets	CSV Commitment					
		approach	Our Achievements	Company/Department	Target Value	Target Year	Latest Achievements (2025)
Support for maintaining the immune system	3	Improvement of access to nutrition	By fostering and expanding products containing Lactococcus lactis strain Plasma, we will establish a market for immune care and help our customers maintain their health and grow our business.	Kirin Beverage	1,000,000 people	2027	745,000 people

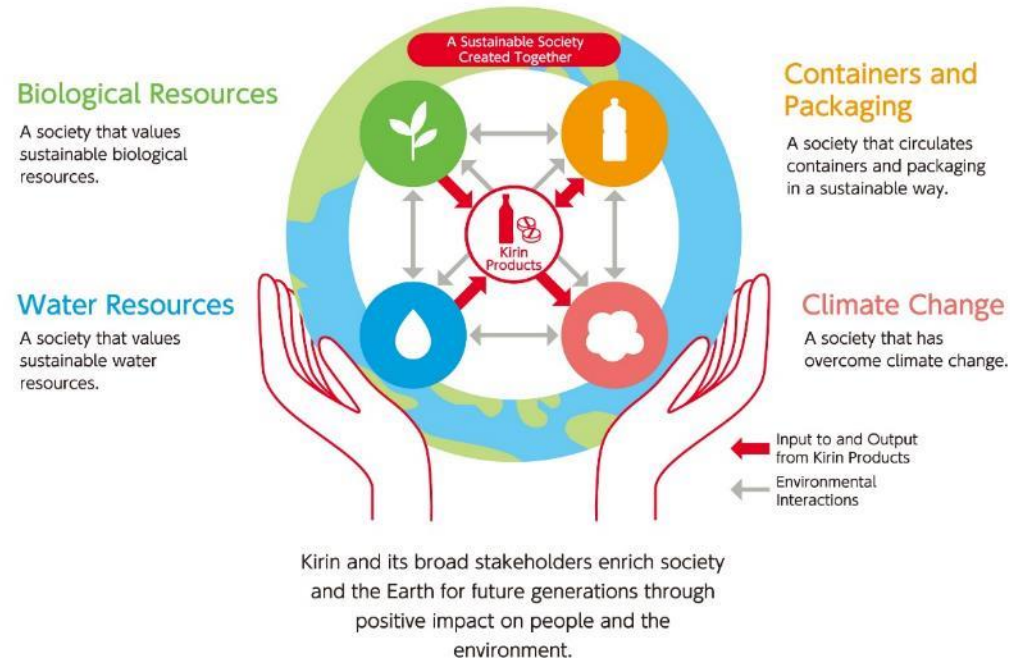
# Four Environmental Challenges and a Holistic Approach

- Four key environmental themes have been established: Biological Resources, Water Resources, Containers and Packaging, and Climate Change.
- The Kirin Group's approach is to solve these issues in an integrated (holistic) manner, as they are interrelated rather than separate.

## approach: **Holistic**

The concept that the environmental materialities of "Biological Resources," "Water Resources," "Containers and Packaging," and "Climate Change" are not separate issues but are interrelated and therefore need to be solved in an integrated manner.

## Kirin Group's Environmental Vision 2050 Enrich the Earth with Positive Impact

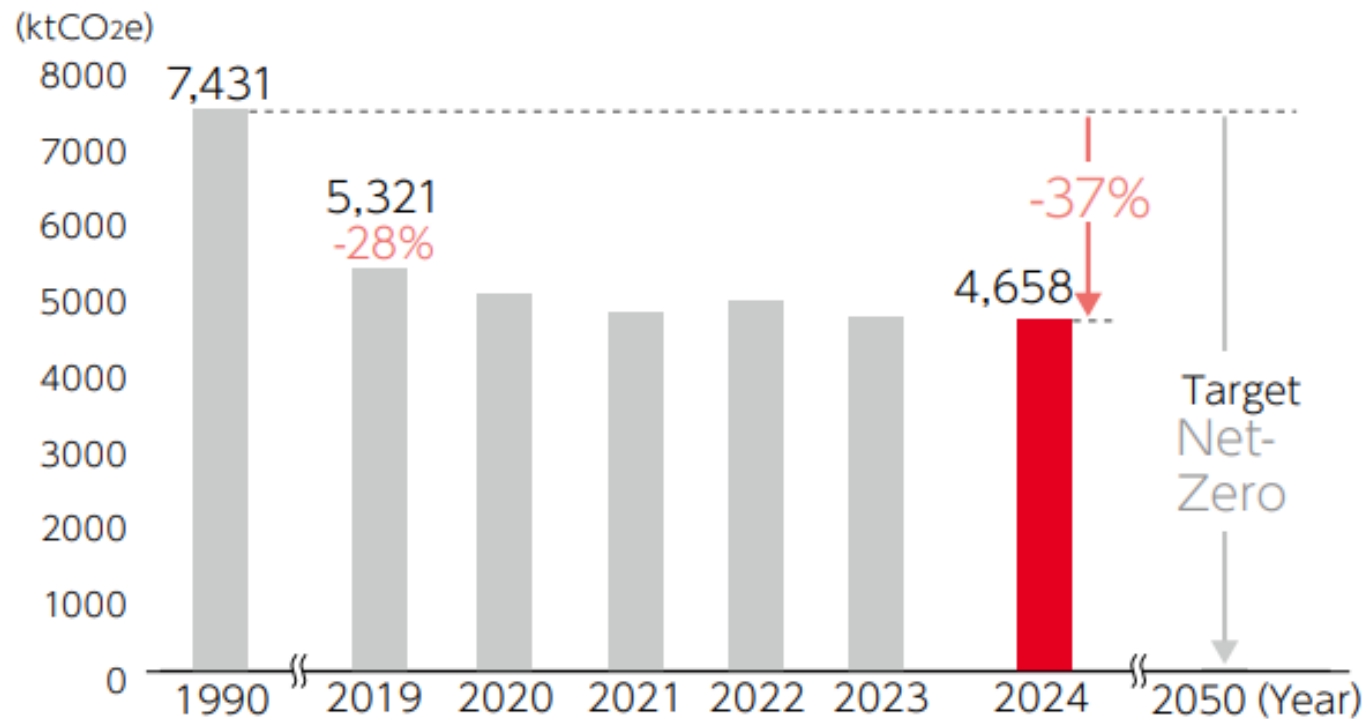


## The most important message: **Positive impact**

Positive impact : The concept that we expand our environmental initiatives and their ripple effects to whole society exceeding confines of the company. We will create sustainable future together with society and people who will inherit next generation.

- The Kirin Group has greatly reduced GHG emissions in the overall value chain.
- Net zero emission, our 2050 target shown in environment vision, is a ambitious challenge, but we will achieve it by combining the accumulated experience and differentiated strategy in each business.

GHG emissions across the whole value chain



- Install high efficiency equipment
- Improve operations
- Introduction of renewable energy
- Reduce the weight of containers and packaging
- Collaboration with suppliers

Accumulate technical know-how that will lead GHG reductions (R&D, engineering, production technology)

- Since the Rio Earth Summit in 1992, Kirin Group has been working to combat climate change along with the rest of the world.
- We are the first in the Japanese food industry to be certified for SBT2°C and SBT1.5°C, and first in the world to be certified for SBT Net Zero in the food industry.



Global Trends

- Paris Agreement (2015)
- IPCC 1.5°C Report (2018)
- IPCC 6th periodic report (2021-2022)

Kirin Group's response

★ **SBT2°C certified**  
(2017)

Reduce by 30% by 2030 compared to 2015

★ **SBT1.5°C certified**  
(2020)

Reduce Scope 1 and Scope 2 by 50% and Scope 3 by 30% by 2030 vs 2019



★ **SBT Net Zero certified**  
(2022)

- Reduce Scope 1, Scope 2, and Scope 3 by 90% or more by 2050.
- The remaining 10% will be offset by carbon credits (removal of carbon from the atmosphere).

- To achieve advanced resource circulation for PET bottles, we are working on horizontal recycling (42% usage rate of recycled PET resin in Japan as of 2025) and demonstration experiments for chemical recycling\* using non-food PET products across industries.
- We participate in the Business Coalition for an International Plastics Treaty and are making policy recommendations to the Japanese government to help establish a balanced and ambitious international treaty.

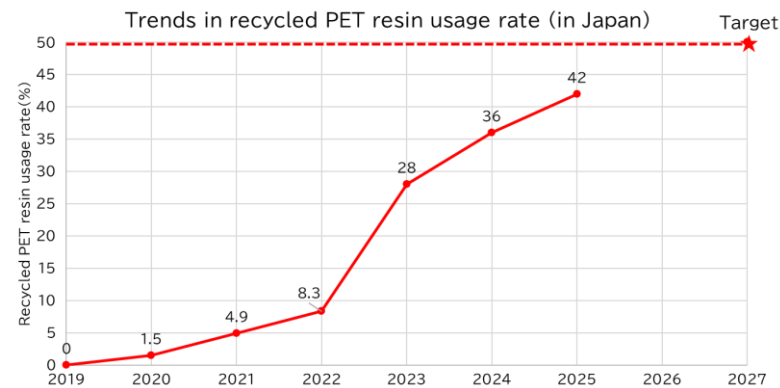
Products made with 100% recycled PET resin



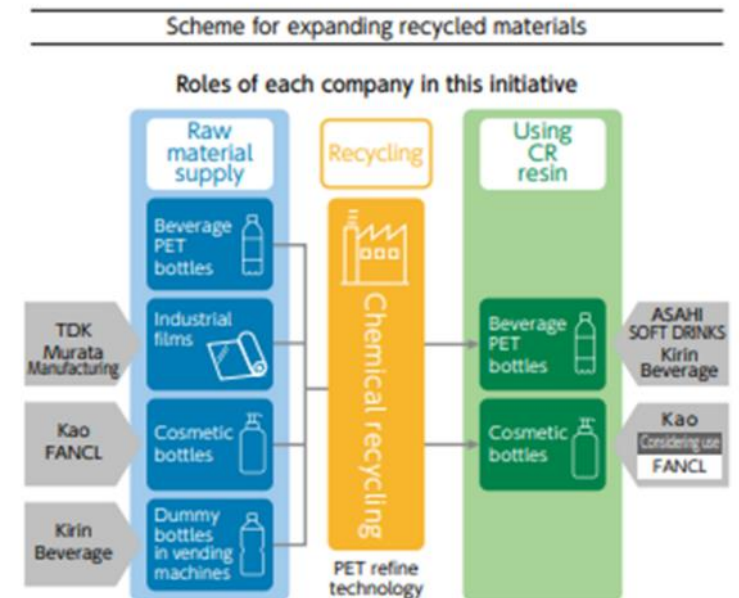
From left in the photo  
 Kirin Nama-cha: 600ml  
 Kirin Nama-cha Hojicha: 600ml  
 Kirin Nama-cha Karada Hare-cha: 525ml  
 Kirin Nama-cha Delicious Caffeine-Free: 430ml  
 Product photos are as of the end of June 2025.

Progress on the use of recycled PET resin\*

\* PET bottles for alcoholic beverages and other beverages in Japan



Chemical recycling using non-food PET products as feedstock

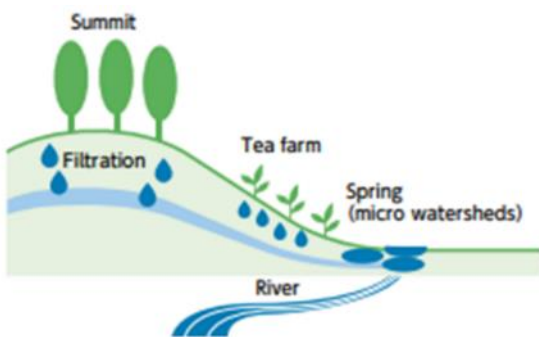


\* The process of scientifically breaking down waste plastics using various methods and reusing them as raw materials for products. The recycling method that uses waste plastic as a raw material to create new products is called material recycling.

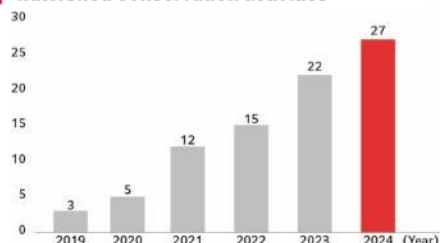
- Addressing water resource issues not only in the factory's watershed but also upstream in the value chain
- Since water risk and water stress\* vary significantly by country and region, we must understand the specific conditions of each region when conducting water risk assessments to drive solutions

### Initiatives in Raw Material Producing Regions

#### Watershed conservation activities in Sri Lanka



#### Number of tea farms in Sri Lanka conducting watershed conservation activities

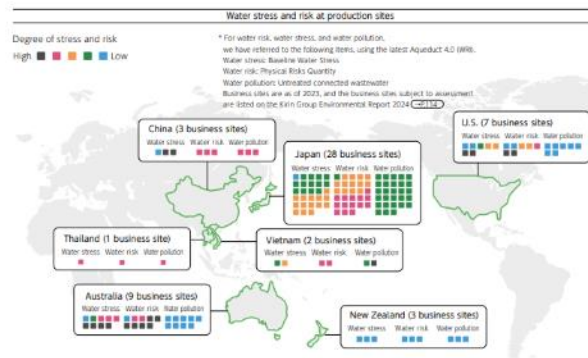


### Initiatives in the Factory Area

#### Watershed forestry activities



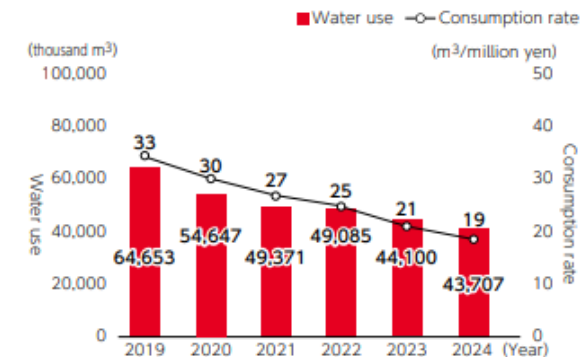
### Assessed water risk



### Initiatives in the Factory

#### Group-wide water consumption and water intensity (Water consumption / Revenue)

Water use and consumption rate (water use / sales revenue) of entire Group



\* Water risk refers to the potential impact on business operations of water-related issues such as the stable supply of water resources, river flooding, and water pollution.  
 Water stress refers to a situation where water shortages cause inconvenience in daily life.

- The results of a survey conducted at Château Mercian Mariko Vineyard (Nagano Prefecture) were presented as a case study in biodiversity restoration at COP15 (Montreal), and the vineyard was certified as a “30by30” nature-friendly site in 2023. Furthermore, in February 2025, the Jono Hira Vineyard (Yamanashi Prefecture) was certified as the Kirin Group’s second site, serving as a practical example of achieving nature-positive outcomes through business operations.
- To achieve nature-positive outcomes in the upstream supply chain, ecosystem surveys were also conducted at tea plantations in Sri Lanka (September–October 2025).

### Initiatives to restore biodiversity in the regions where ingredients are produced

One of the few certified nature-friendly sites that also produces agricultural products as a business, and a “nature-positive example” through its business activities.



The insights gained from ecosystem surveys at tea plantations in Sri Lanka contribute to the development of international metrics for nature-positive initiatives





- After formulating the Kirin Group Human Rights Policy in 2018 as a high-level policy for all initiatives related to respect for human rights, we have been implementing activities in accordance with this policy.
- In November 2023, the Human Rights Policy was revised for the first time in five years in response to social demands and the business environment surrounding the Kirin Group.

		Activity Summary	Achievements
2017	CSV Committee	<ul style="list-style-type: none"> <li>The CSV Committee in 2017 decided to promote initiatives in accordance with the United Nations Guiding Principles on Business and Human Rights, and as a first step, <b>formulated the Kirin Group Human Rights Policy</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Decided by the Board of Directors of Kirin Holdings in December 2017, established and published in February 2018.</li> </ul>
	Developed the Kirin Group Human Rights Policy		
2018	Implemented Human Rights DD* Human Rights Awareness Activities *Human Rights Due Diligence	<ul style="list-style-type: none"> <li>In line with the Guiding Principles and the Group's Human Rights Policy, we <b>initiated</b> efforts to identify, prevent, and mitigate negative human rights impacts related to the Kirin Group's business (<b>human rights due diligence</b>).</li> <li>Launched activities to gain stakeholders' understanding and support for the Kirin Group Human Rights Policy.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented with the Myanmar business and Laos coffee supply chain, which were considered high priority based on the human rights risk assessment.</li> <li>Provided briefing to joint venture partners and suppliers.</li> </ul>
	CSV Committee	<ul style="list-style-type: none"> <li>At the CSV Committee in 2020, it was agreed to establish a project team to examine initiatives to address human rights in the supply chain, with the goal of achieving the top level of the industry.</li> </ul>	<ul style="list-style-type: none"> <li>Began the development of a Group promotion system and consideration of the human rights medium- and long-term strategy.</li> </ul>
2020	Group Promotion Structure, Reviewed the Human Rights Medium- and Long-Term Strategy	<ul style="list-style-type: none"> <li>In 2021, the <b>Group Human Rights Council was established</b> to formulate a human rights medium- and long-term strategy and promote initiatives, including the establishment of a structure, based on this strategy.</li> </ul>	<ul style="list-style-type: none"> <li>Established the Group promotion system and formulated the human rights medium- and long-term strategy.</li> </ul>
	Established the Group Human Rights Council Formulated the Human Rights Medium- and Long-Term Strategy		
2021	Began operation of Group Human Rights Meeting under CSV Committee	<ul style="list-style-type: none"> <li>Started operating the Group Human Rights Conference under the Group CSV Committee, and in 2022, addressed various human rights issues, including individual human rights issues in the supply chain.</li> </ul>	
2022	Revised the Kirin Group Human Rights Policy	<ul style="list-style-type: none"> <li>Revised the Human Rights Policy in line with social demands, including laws and regulations, and changes in the business environment surrounding the Kirin Group, and based on the opinions of internal and external stakeholders, including the labor union.</li> </ul>	
2023	Expansion of Human Rights Due Diligence Scope	<ul style="list-style-type: none"> <li>The scope of human rights due diligence has been expanded beyond procurement to include manufacturing and logistics, and related initiatives have been launched.</li> </ul>	Human rights risks are currently being assessed across outsourced manufacturing and logistics operations of three domestic operating companies, and corrective actions are being requested as needed.
2024			
2025			



## Commitment in Respect for Human Rights

- This Human Rights Policy is our Group commitment to respect human rights.
- In addition to reducing negative impacts on human rights (such as human rights violations), we have clearly stated that we will create more positive impacts on society.
- To realize this goal, we will prioritize our efforts in order of priority, starting with areas with the greatest challenges.



## Global Standards Compliance

- We have developed and refined the content of the policy compared to the 2018 version by referring to the United Nations Guiding Principles on Business and Human Rights\* and examples of leading companies.

\* Formulated by the United Nations in 2011.  
Internationally used as a guideline for respecting human rights in corporate activities.



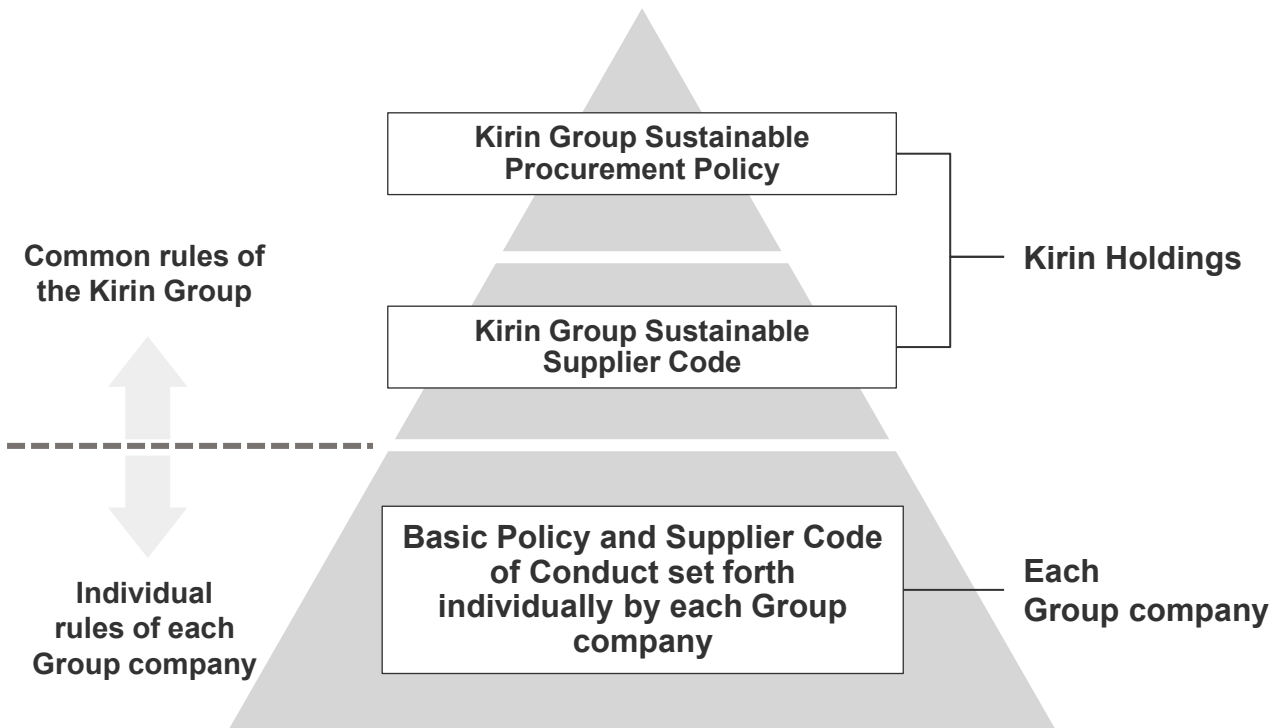
## With All Stakeholders on the Value Chain

- In addition to applying the policy to all officers and employees of domestic and overseas group companies, we have clearly stated that we require our various business partners involved in our entire business (value chain), including R&D, procurement, manufacturing, logistics, sales, distribution, and disposal, to understand and comply with this policy.

Year of Implementation	Details
2019	<p>Adopted the CSR Procurement Self-Assessment Questionnaire (standard SAQ) developed by the Global Compact Network Japan.</p> <p>Conducted a fact-finding survey of primary suppliers using the standard SAQ.</p>
2020	<p><b>Launched the Human Rights Project, following the decision by the Group CSV Committee to strengthen its supply chain human rights efforts.</b></p>
2021	<p>Established a Kirin Group Sustainable Procurement Policy and Supplier Code of Conduct covering all Group companies, held supplier briefing sessions remotely, and requested suppliers to submit a checklist against the supplier code and a letter of acceptance promising to promote efforts toward compliance and report violations.</p> <p><b>Identified and prioritized risks in the supply chain using Sedex* risk assessment tools and advice from external experts.</b></p>
2022	<p>Joined Sedex as the Kirin Group. Held supplier briefing sessions to promote membership.</p> <p><b>Conducted human rights due diligence in Sri Lankan tea leaves.</b></p>
2023	<p>Joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) and invited external experts to conduct supplier information sessions on the subject of JaCER.</p> <p><b>Plan to conduct human rights due diligence in Argentine grapes and conducted follow-up audit of Sri Lanka by our employees.</b></p>
2024	<p><b>Revision of the Kirin Group Sustainable Supplier Code</b></p> <p><b>Conducted risk assessments of upstream supply chains using Sedex SAQ</b></p>
2025	<p><b>Collaborated with suppliers to conduct human rights due diligence on tea leaves in Sri Lanka</b></p>

- Established the Kirin Group Sustainable Supplier Code , requiring suppliers to expand to primary suppliers in the supply chain.
- At the start of a procurement, we require the submission of a checklist to check for violations of the Supplier Code, as well as a letter of acceptance promising to promote efforts toward compliance and to report any violations.

## Procurement Policy



## Categories of Human Rights in Supplier Code

1	Child Labor (including Youth Labor)
2	Forced Labor
3	Freedom of Association and the Right to Collective Bargaining
4	Fair and Equitable Treatment
5	Humane Treatment and Harassment
6	Working Hours and Days Off
7	Wages and Allowances
8	Rights of Vulnerable Groups
9	Land Rights
10	Establishment of Complaint Mechanisms

- By recognizing environmental changes—such as the weakening of connections between people and society during the COVID-19 pandemic and the growing diversity of consumer values—KIRIN is creating mechanisms to address social issues through its products and services, thereby contributing to the creation of social value.
- In addition to taste, the social aspect resonates with consumers, expanding the customer base, particularly among younger generations. This not only balances the creation of economic value but also contributes to fostering a CSV mindset within the organization

## Harekaze / Good Ale (Contribution to Local Communities and Municipalities)

- Creating a “system” that connects people and society to foster community development, supporting local activities through donations generated by product purchases
- **"Kirin Beer Harekaze"**: Through the preservation of seasonal traditions, KIRIN is working to maintain and pass down traditions over the long term and increase the population of local municipalities
- **"Kirin Good Ale"**: Aiming to realize a society free from social isolation, KIRIN is working to revitalize local communities across Japan



## "Mottainai!" to "Delicious!" Project (Support for Fruit Farmers / Contribution to Reducing Food Loss)

- An initiative promoted by **"Hyoketsu® Mottainai"** to reduce food loss by utilizing non-standard fruit
- A portion of sales is donated to fruit farmers to support the sustainable development of raw material production areas
- **"Gogo-no-kocha"** participates as a cross-company project, expanding the initiative

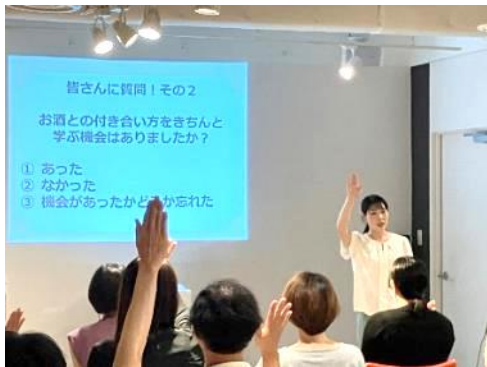


モッタイナイ!を、  
おいしい!に。

- To help eradicate harmful alcohol consumption and foster a culture of moderate drinking, **KIRIN promote awareness campaigns on responsible drinking and support the management of alcohol intake by expanding its lineup of non-alcoholic and low-alcohol products**

## Various Awareness Activities

### Conducting seminars on responsible drinking



### Conducting seminars at universities



## Expansion of non-alcoholic and low-alcohol products

- By offering non-alcoholic and low-alcohol products, Kirin aims to expand customer choices, support customers in managing their alcohol intake, and drive business growth

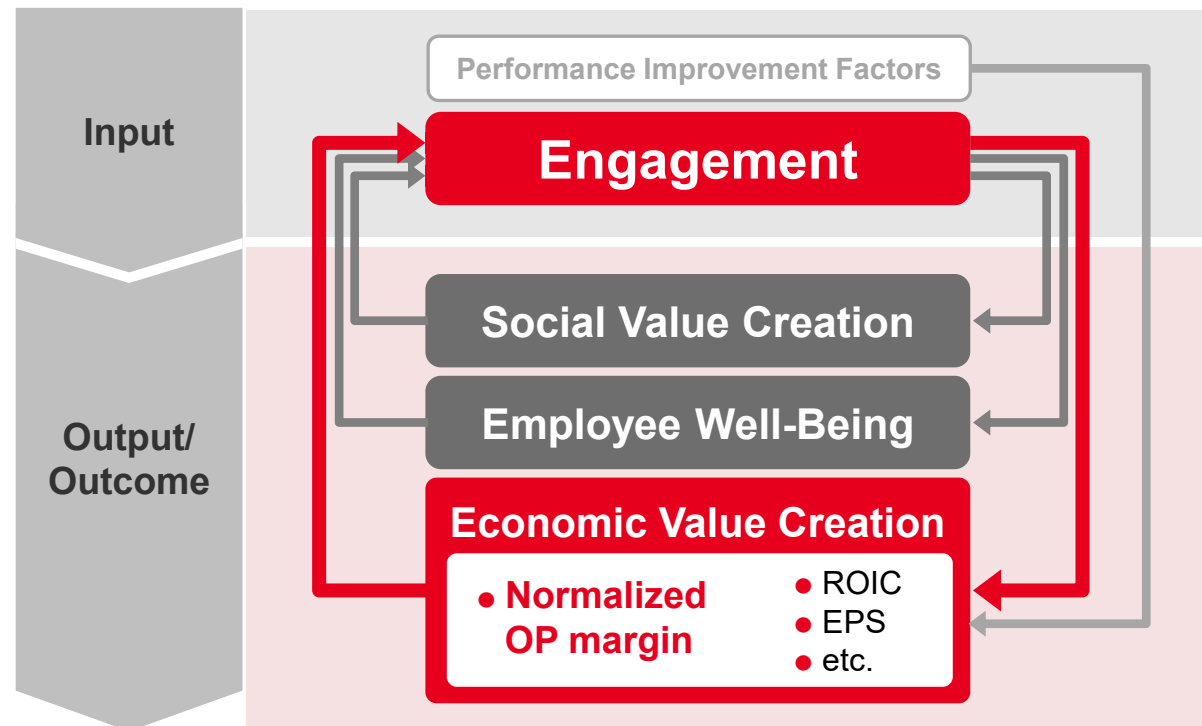
未来に向けた責任  
**DRINK FOR FUTURE**

**Alcohol&Me**

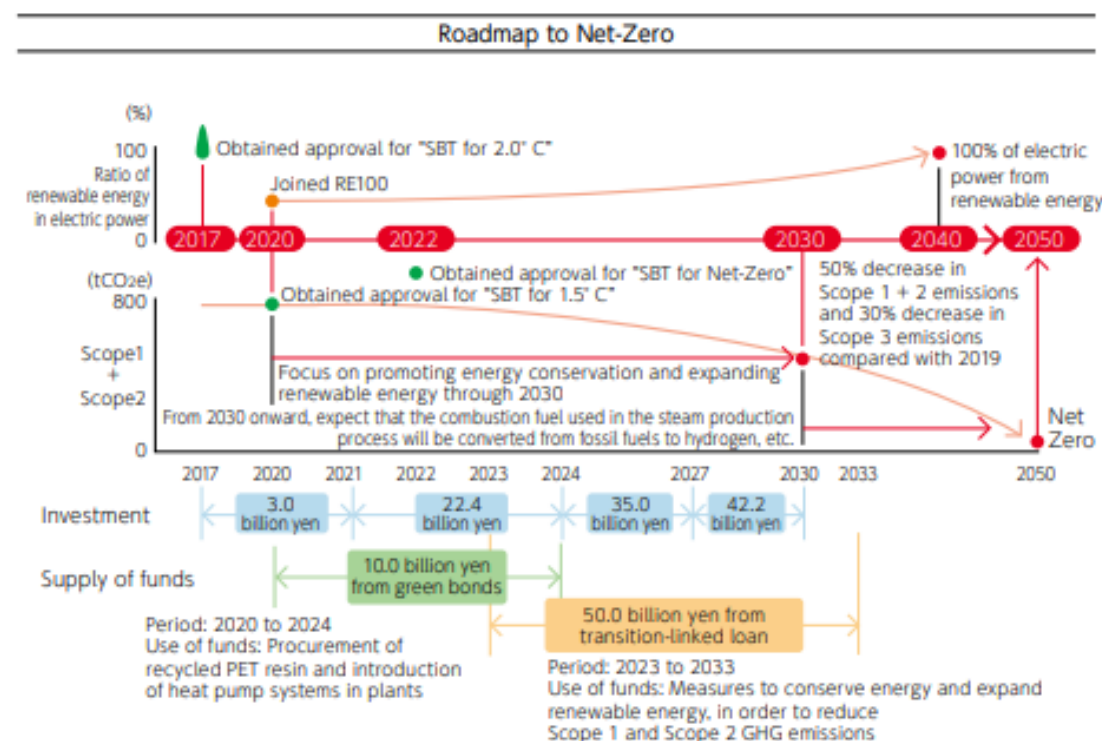
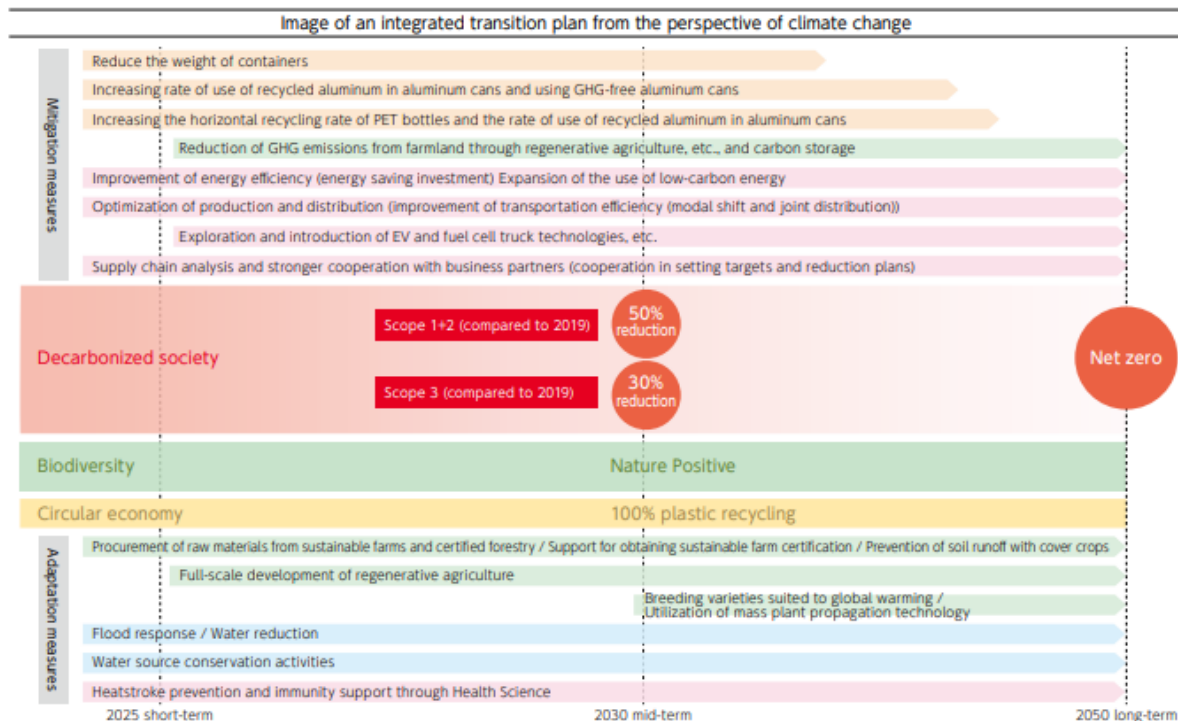


- Kirin began measuring employee engagement scores as a non-financial indicator in 2013. This has been set as a non-financial KPI from the previous Medium-Term Business Plan.
- Engagement is strongly correlated with business profitability . Engagement promotes wellbeing and social and economic value creation through work, outcomes are linked back to engagement and Output/Outcome is amplified.

## Engagement and the Output / Outcome Extended Reproduction Relationship



- In its TCFD disclosures, the company presents GHG reduction targets, investment strategies, and investment amounts in conjunction with investment funding, thereby enhancing the integration of environmental and business strategies
- The quantitative assessment of risks and opportunities, along with the integrated disclosure of metrics and targets, was recognized, leading to the GPIF being selected for both "Excellent TCFD Disclosure" and "Excellent TNFD Disclosure." We will continue to actively work on enhancing our disclosures in climate-related areas in line with the ISSB's IFRS S2.



# 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%

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- KIRIN Group History / キリングループの歴史

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### Kirin Group Long-Term Vision / 2035年に目指す姿と 企業価値最大化へのシナリオ

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### CSV / ESG

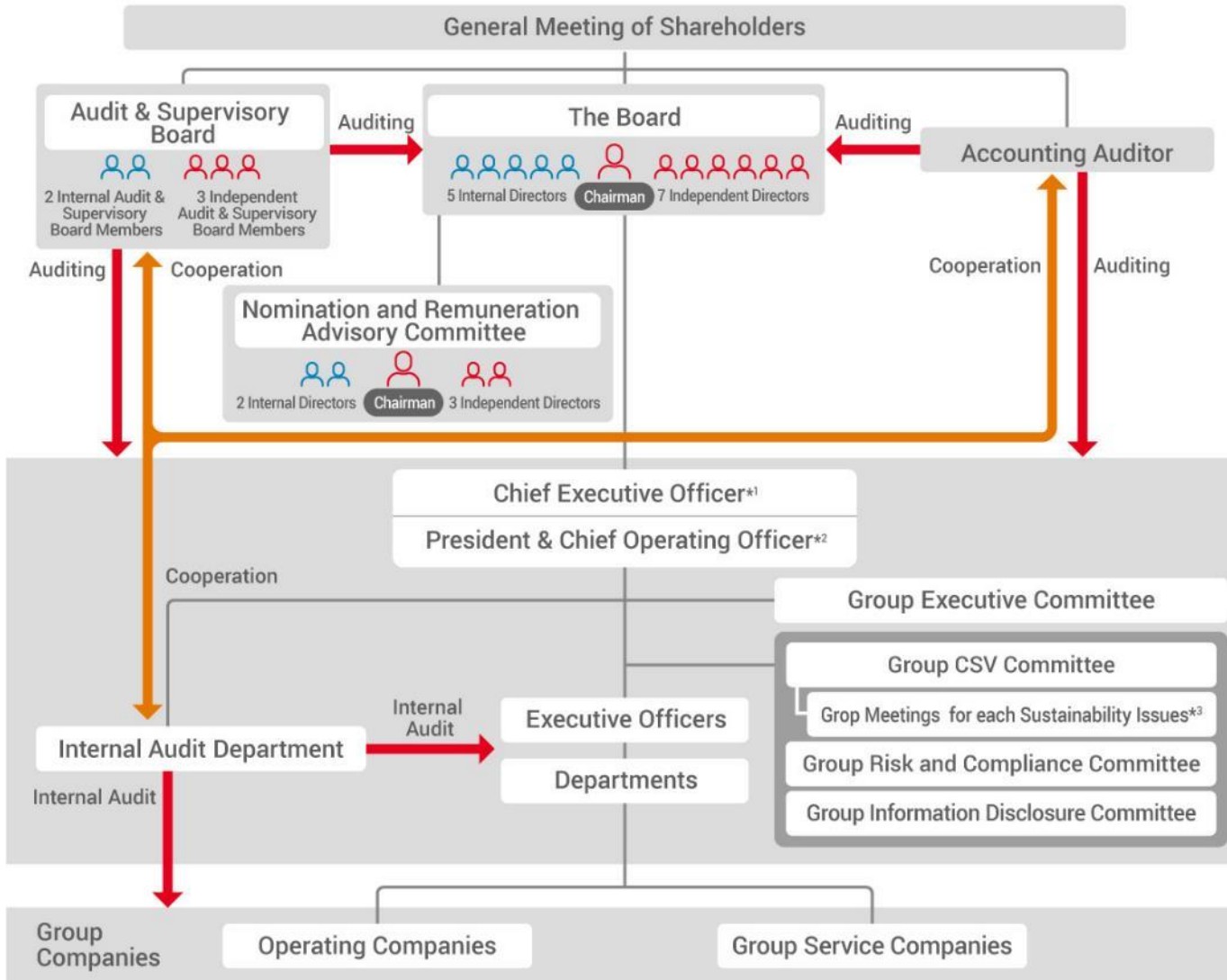
- CSV Management / CSV経営
- Environment / 環境
- Human rights / 人権
- Community / コミュニティ
- A responsible alcohol producer  
/ 酒類メーカーとしての責任
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## 9

### Functional Strategies / 機能別戦略

- HR Strategy / 人財戦略
- DX Strategy / DX戦略
- R&D Strategy / R&D戦略
- Marketing Strategy /  
マーケティング戦略

# The Board of Directors of Kirin Holdings



\*1 Chief Executive Officer(CEO) : The Executive Officer responsible for overseeing the overall management of the Group.  
 \*2 Chief Operating Officer(COO) : The Executive Officer responsible for overseeing the business operations of the Group.  
 \*3 Group Environmental Meeting, Group Business and Human Rights Meeting, Group Health and Safety Meeting, etc.

## Structure

- The Board of Directors has 12 directors, including 7 non-executive directors. From 2020, we started a structure with independent non-executive directors, accounting for the majority of the directors.
- Chairperson is an independent non-executive director. (since 2016)
- Female directors have been appointed since 2016. Currently there are 1 inside and 3 non-executive female directors, accounting for 33% of the Board of Directors.

## Involvement in ESG issues

- **Group CSV Committee:** Chaired by the President & CEO, and attended by presidents of major operating companies as committee members, they discuss CSV (ESG) issues and set goals for the entire Group, and reports to the Board of Directors.
- Recognizing the importance of ESG initiatives, the Board of Directors further strengthens the discussions on "non-financial targets (CSV commitments, etc.)"

## Opportunities for discussions by non-executive officers (including audit & supervisory board members)

- In order to improve the quality of remarks and oversee the performance of non-executive officers, the Company provides opportunities for non-executive officers to visit business locations on a regular basis to talk with the management and employees of the domestic and overseas group companies, and to inspect manufacturing and sales sites.
- Opportunities are also provided for informal discussions with executive members on specific management topics. In addition, in order to promote active and constructive discussion at board meetings, the chairman of the board of directors may hold meetings of independent non-executive directors only.
- Opportunities for conversations with investors are also provided (e.g., speaking at Investor Day, interviews in the Integrated Report, individual meetings with investors, etc.).

## Term of office, concurrent positions, etc. of non-executive directors

- The term of office for directors of the Board is one year, as stipulated in the Articles of Incorporation.
- Although there is no limit on the number of concurrent positions, the status of concurrent positions is verified at the time of appointment, and after taking office, the status of concurrent positions is regularly reviewed.

# (Reference) Criteria for Independency of Non-Executive Officers

\*As stated in the Corporate Governance Report

➤ For Non-executive Directors of the Board and Audit & Supervisory Board Members to be considered as independent, none of the following criteria may apply to the respective Non-executive Director of the Board or Audit & Supervisory Board Member.

- (1) A person for whom the Company (including its consolidated subsidiaries; the same shall apply hereinafter) is a major client
- (2) A person who is an executive Director, corporate officer, Executive Officer, manager or other employee of a firm for whom the Company is a major client
- (3) A person who is a major client of the Company
- (4) A person who is an executive Director, corporate officer, Executive Officer, manager or other employee of a firm which is a major client of the Company
- (5) A lawyer, certified public accountant, tax accountant, or consultant, etc. who receives money or other economic benefit in excess of a certain amount from the Company aside from the officer's remuneration
- (6) A person who belongs to a firm, union, or other similar entity (including a law office, auditing firm, tax accountant firm, or consulting firm, etc.) which receives money or other economic benefit in excess of a certain amount from the Company
- (7) A person who is a major shareholder of the Company
- (8) A person who is an executive Director and who executes business of a firm which is a major shareholder of the Company
- (9) A person who receives donations or other assistance in excess of a certain amount from the Company
- (10) A person who is a Director of or otherwise executes duties for a firm, union or other similar entity which receives donations or other assistance in excess of a certain amount from the Company
- (11) A person who is an executive Director, corporate officer, Executive Officer, manager or other employee of a firm for which an Executive Director or Standing Audit & Supervisory Board Member of the Companies Acts as a Non-executive Director of the Board or Audit & Supervisory Board Member
- (12) A person to whom any of aforementioned criteria (1)–(11) has applied within the past three (3) years
- (13) Where a person to whom any of aforementioned criteria (1)–(12) applies (however, excluding the person who does not serve an important role) , the person's spouse or other relations within the second degree of kinship - 20 -
- (14) A person who is a spouse or other relation within the second degree of kinship to a person who serves currently and has served within the past three (3) years as a Director, Executive Officer, manager or other key employees of the Company (Note) The following is a summary of the results for the year ended March 31, 2012.

(Notes)

1. Regarding criteria (1) and (2), "A person (or firm) for whom the Company is a major client" refers to a person (or firm) who received payment from the Company in the most recent business year that accounted for either 2% or more of consolidated sales (consolidated revenue) for the year for that person (or firm), or over 100 million yen, whichever is the higher amount. If consolidated accounting is not adopted by the person (or firm), total revenue or non-consolidated sales for the year should be employed in place of consolidated sales (consolidated revenue) for the year.
2. Regarding criteria (3) and (4), "A person (or firm) who is a major client of the Company" refers to a person (or firm) who made payment to the Company in the most recent business year that accounted for 2% or more of the Company's consolidated

revenue for the year, or who financed 2% or more of the Company's consolidated total assets at the end of the most recent business year.

3. Regarding criteria (5), (9) and (10), "a certain amount" is considered as 10 million yen per year.
4. Regarding criteria (6), "a certain amount" is considered as either 2% or more of total revenue for the most recent business year for that firm, union or other similar entity, or over 100 million yen, whichever is the higher amount.
5. Regarding criteria (7) and (8), "a major shareholder" refers to a shareholder who directly or indirectly holds more than 10% of the voting rights.

# Required Skills for the Board of Directors and Audit & Supervisory Board Members

	Name	Gender	Management / Governance					Source of Innovation				
			Corporate Management	Sustainability	Global	Finance / IR	Legal / Risk Management	R&D	Marketing	Human Resources / Organization	ICT / DX	Manufacture / Quality Assurance
Directors	Yoshinori Isozaki	Male	◎	◎	○	◎	○		○	○		
	Takeshi Minakata	Male	◎	○	○	○		◎		◎		○
	Junko Tsuboi	Female	○	○			◎		◎	◎		
	Toru Yoshimura	Male	◎	○	◎	○		○		○	○	◎
	Shinjiro Akieda	Male	○	◎	○	◎	○		○		◎	
	Hiroyuki Yanagi	Male	●					●				●
	Noriko Shiono	Female	●		●				●			
	Shinya Katanozaka	Male	●		●					●		
	Yoshiko Ando	Female		●			●			●		
	Shingo Konomoto	Male	●			●					●	
	Naoko Mikami	Female						●		●		●
Kenichi Fujinawa	Male			●		●			●			
Audit & Supervisory Board Members	Toru Ishikura	Male						●			●	●
	Hajime Kobayashi	Male			●	●	●					
	Kaoru Kashima	Female				●	●			●		
	Yoko Dochi	Female		●	●	●						
	Tim Lester	Male		●	●		●					

➤ KIRIN has announced “Inovate2035!”, a new long-term management vision looking beyond KV2027. Taking this as an opportunity, the company has reviewed the skills required of the Board of Directors and the Board of Auditors.

➤ KIRIN has determined that a deep understanding of and alignment with the “CSV Management” philosophy championed by our Group is an essential requirement shared by all of our directors and auditors. Furthermore, while assuming comprehensive “corporate management” capabilities gained through experience as top executives, KIRIN has identified expertise in the fields of “Sustainability,” “Global Affairs,” “Finance and IR,” and “Legal and Risk Management” as fundamental skills essential for ensuring the effectiveness of our management initiatives and corporate governance.

➤ KIRIN Group has set forth the vision of “making the world a more vibrant place as a leading CSV company that continues to drive innovation through the power of people and technology.” To achieve this goal, KIRIN position organizational capabilities such as “R&D,” “Marketing,” “Human Resources and Organization,” “ICT and DX,” and “Production and Quality Assurance” as the sources of innovation, and these are essential skills for highly effective decision-making and auditing.

➤ Regarding skills related to “Health Science” and “Pharmaceuticals,” which KIRIN has traditionally prioritized, KIRIN assess that they have been strengthened to a certain extent. Therefore, in this skills matrix, KIRIN treats them as foundational skills already possessed and have excluded them from the list.

# Nomination and Remuneration Advisory Committee



## Discussion Topics

- Election and retirement policies, candidate proposals, and reappointment, resignation, or dismissal of directors of the boards, audit & supervisory board members, and executive officers of Kirin Holdings and its major group companies.
- Remuneration system, level and amount of remuneration for directors of the board, audit & supervisory board members and executive officers of Kirin Holdings and its major group companies.
- Election and retirement policies, candidate proposals, reappointment, resignation, and dismissal as well as remuneration system and level of remuneration for the presidents of major group companies.
- Succession Plan for the President & CEO and the President & COO of Kirin Holdings.

## Points

- **Role of inside directors:** The inclusion of internal directors as committee members offers the advantage of a deep understanding of the current business situation and future human resource requirements. To ensure independence, the practice of excluding the relevant director from discussions and decisions on agenda items concerning themselves is strictly enforced, and transparency is enhanced by seeking advice from external experts.
- The Nomination and Remuneration Advisory Committee is chaired by an independent non-executive director, and the majority of the committee members are independent non-executive directors.
- **Develop next-generation leaders:** The Nominating and Remuneration Advisory Committee considers the succession plan, as well as the development of next-generation leaders, to be one of its most important discussion topics.
- The Human Resources Department conducts transfers and assignments as well as subject assessment evaluations through external agencies based on the training policy, and the two parties work together to promote the plan.

## The Board Evaluation for FY2025

### ➤ Evaluation Criteria

- (1) Composition and operation of the Board
- (2) Development, execution and monitoring of strategies
- (3) Supervision of risk management and crisis control
- (4) Supervision of decision-making on business acquisition/withdrawal, etc.
- (5) Supervision of remuneration for officers and succession plan, etc.
- (6) Thorough understanding and implementation of healthy corporate ethics and supervision thereof
- (7) Supervision of overall disclosures to stakeholders
- (8) Strengthening points to improve the effectiveness of the Board

**The Board is evaluated as functioning appropriately and is ensuring its effectiveness.**

➤ **Appropriate decision-making in terms of "important decision-making" and "overseeing the performance of duties"**

➤ **Appropriate agenda is set for the Board and the quality of discussion is improving**

➤ **Improvements and innovations that lead to increased effectiveness are continuously being made, and the Company is fairly well managed.**

## Enhancement for FY2026

➤ Based on the comments and areas for improvement raised for each evaluation criteria in FY2025 and our view of future changes in the business environment, we have summarized the areas to be enhanced in FY2026.

1. Discussions regarding a "stakeholder strategy" that takes stock price and cost of capital into account
2. Discussions on "Business Portfolio Strategy"
3. "Talent Strategy" to Increase Innovative Human Resources

## Basic Policy

- The Nomination and Remuneration Advisory Committee will discuss the remuneration of Directors and Executive Officers, and report to the Board.
- The Committee will consider levels of the remuneration and linkage with performance by comparing them objectively with officers' remuneration survey data of an external research body, and incorporate findings in its report to the Board of Directors.

1. The Company shall establish a remuneration structure that emphasizes the linkage of remuneration with business performance and medium- to long-term corporate value and share value with the shareholders.
2. Remuneration levels shall be appropriate for the roles and responsibilities of the Kirin Group's officers.
3. Remuneration shall be deliberated by the Nomination and Remuneration Advisory Committee, in which Non-Executive Directors constitute a majority, in order to ensure objectivity and transparency.

## Procedures for determining the remunerations

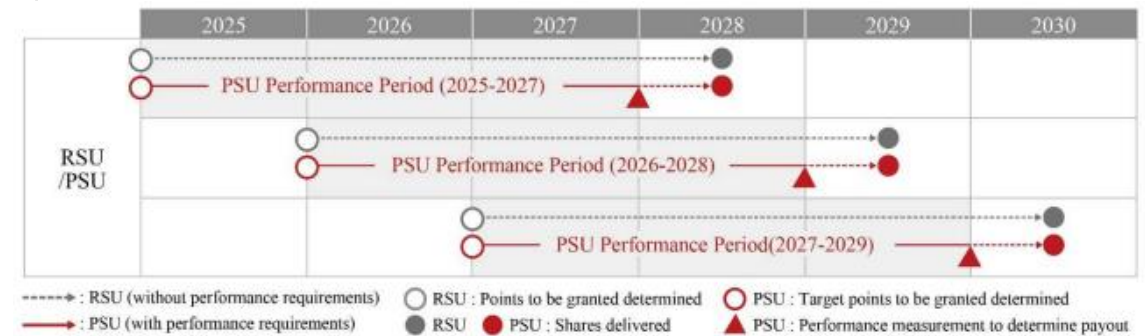
- In order to ensure fair and reasonable application of the process in line with the basic policy for executive remuneration, the Nomination and Remuneration Advisory Committee will discuss and report to the Board.
- As for determining the specific amount of remuneration, remuneration for Directors shall be decided at the Board and that for Audit & Supervisory Board members upon consultation with Audit & Supervisory Board based on the report from the Nomination and Remuneration Advisory Committee and within the limits of the remuneration amount determined in advance at the general meeting of shareholders.
- Nomination and Remuneration Advisory Committee regularly deliberates on the setting of remuneration levels, the ratio of performance-linked remuneration and its mechanisms, and meets in response to changes in the environment of laws and regulations related to executive remuneration, and submits a report to the Board.

## Composition

- Remuneration for Directors of the Board is composed of three parts: basic remuneration (fixed remuneration), bonus (short-term incentive remuneration), and Stock Compensation (medium- to long-term incentive remuneration).

Officer Type	Basic Remuneration	Bonus	Stock-based Remuneration	
Directors of the Board and Executive Officers	○	○	○	Because they are responsible for the execution of business, Kirin Holdings have established remuneration structure that takes into account the achievement of short-term consolidated performance targets and the improvement of corporate value over the medium to long term.
Non-Executive Directors	○			Because they are responsible for supervising and advising Company and Group management from an objective position, only basic remuneration (fixed remuneration) is provided.
Audit & Supervisory Board Members	○			Because of their role of auditing the performance of directors' execution of their business from an objective position, only basic remuneration (fixed remuneration) is provided.

- The ratio of base remuneration to performance-linked remuneration for the President and Representative Director is designed to be approximately 30:70 (including 30 for bonuses and 40 for stock-based remuneration), with other directors and others following suit in consideration of their positions and responsibilities.
- In order to strengthen incentives for medium- to long-term improvements in business performance and increases in corporate value, and to make the system more shareholder-oriented, from March 2025, the Company will abolish single-year PSUs and introduce three-year rolling PSU and RSU.
- The composition ratio of RSU and PSU in the base amount of stock-based compensation is the same for all eligible persons (approximately 30:70).

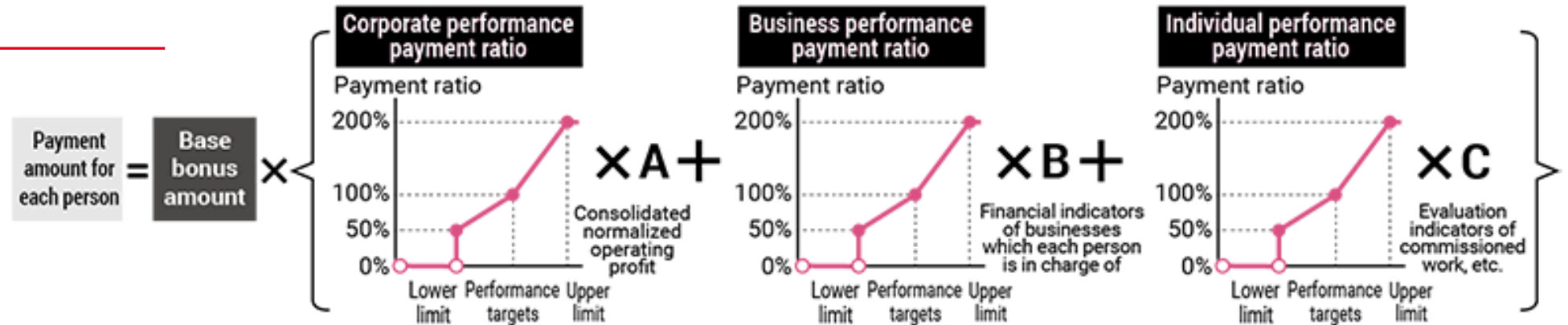


# Remuneration of Executive Officers (performance-linked remuneration)

- Remuneration for executive officers is linked to the Group's performance and medium- to long-term corporate value, and is designed to be aligned with the interests of shareholders.

## Formula for calculating the linkage of bonuses to performance

### Mechanism for linkage of bonuses to performance



## Formula for calculating the linkage of trust-type stock based compensation to performance



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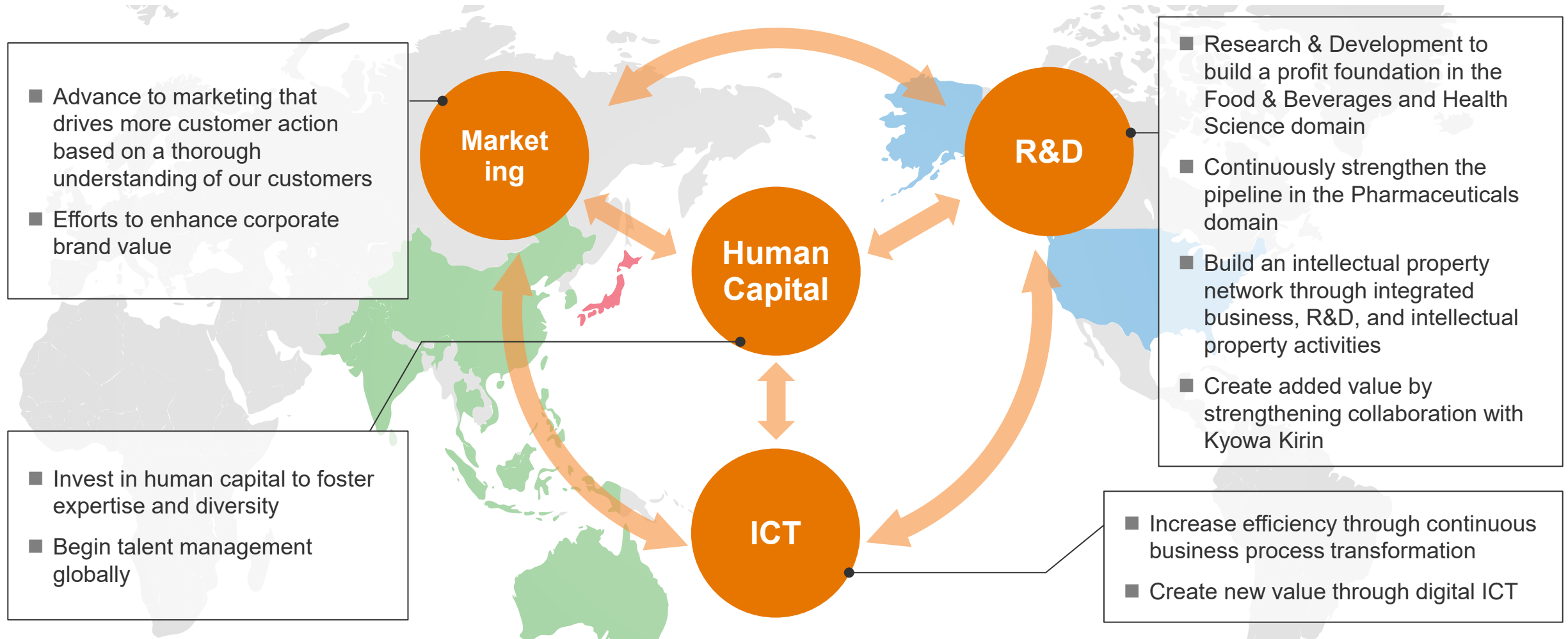
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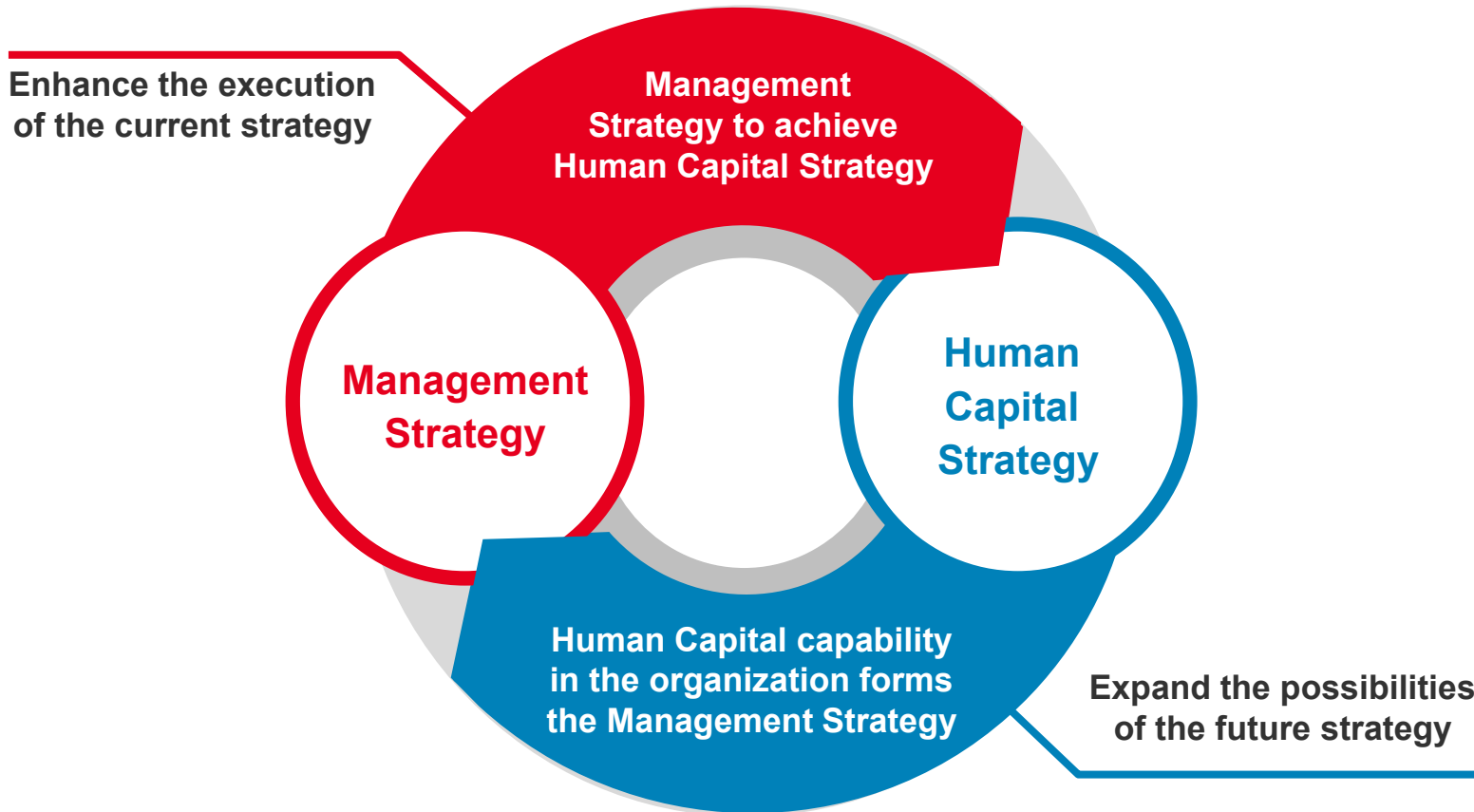
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# Work across the Group to improve organizational capabilities



**Aim to improve the organizational capabilities of the entire group by fully utilizing the knowledge of each business domain across the world**

- We are circulating between the human capital strategy to achieve the current management strategy and the strategy to expand our future possibilities.



## Strengths of Kirin Group's Human Capital

- The candidates for key management human capital will **gain a wide range of experience in the Alcoholic Beverages, Non-Alcoholic Beverages, Pharmaceuticals, and Health Science Businesses**, and grow into human capital responsible for the growth of Kirin Group
- Developed human capital will **transform the Kirin Group's management and business strategy** to create strong businesses

# Human Capital Strategy from Short-term and Medium- to Long-term Perspectives



➤ In Human capital strategy, it is necessary to improve the execution of the current strategy and a long-term strategy to enhance corporate value into the future.

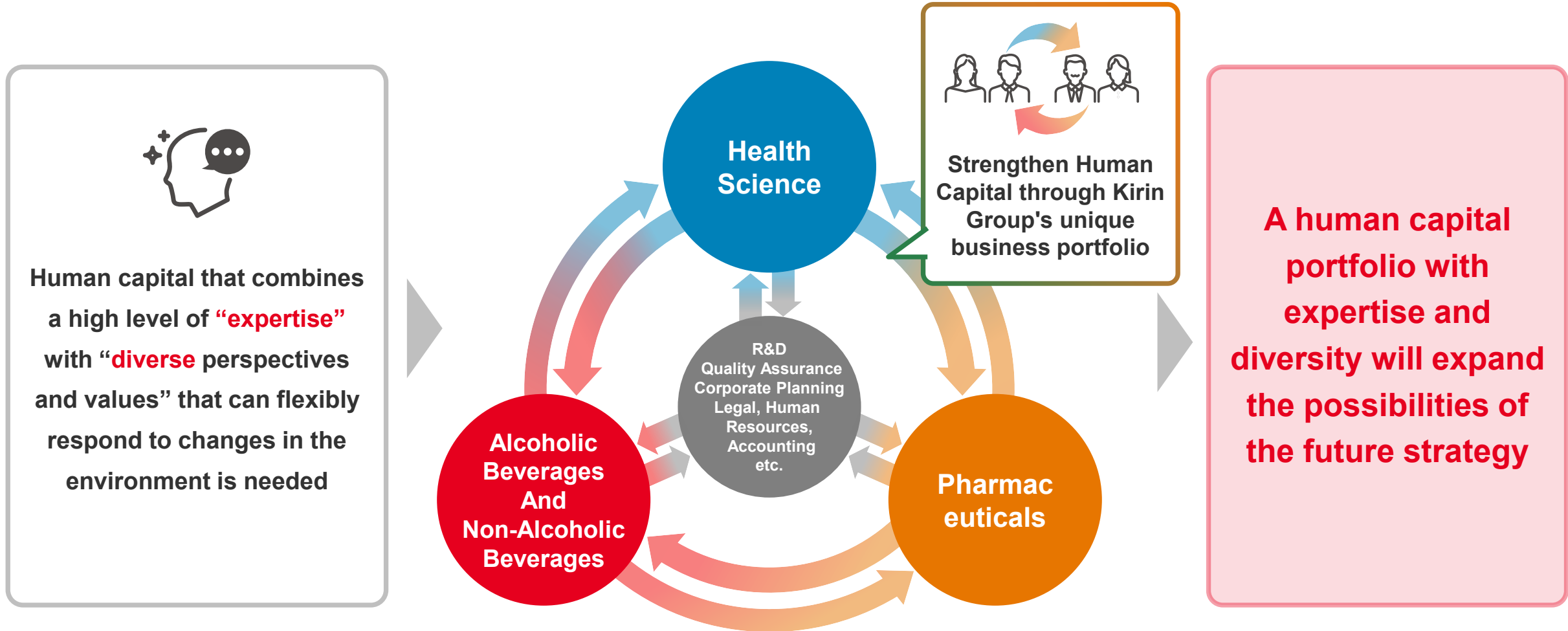


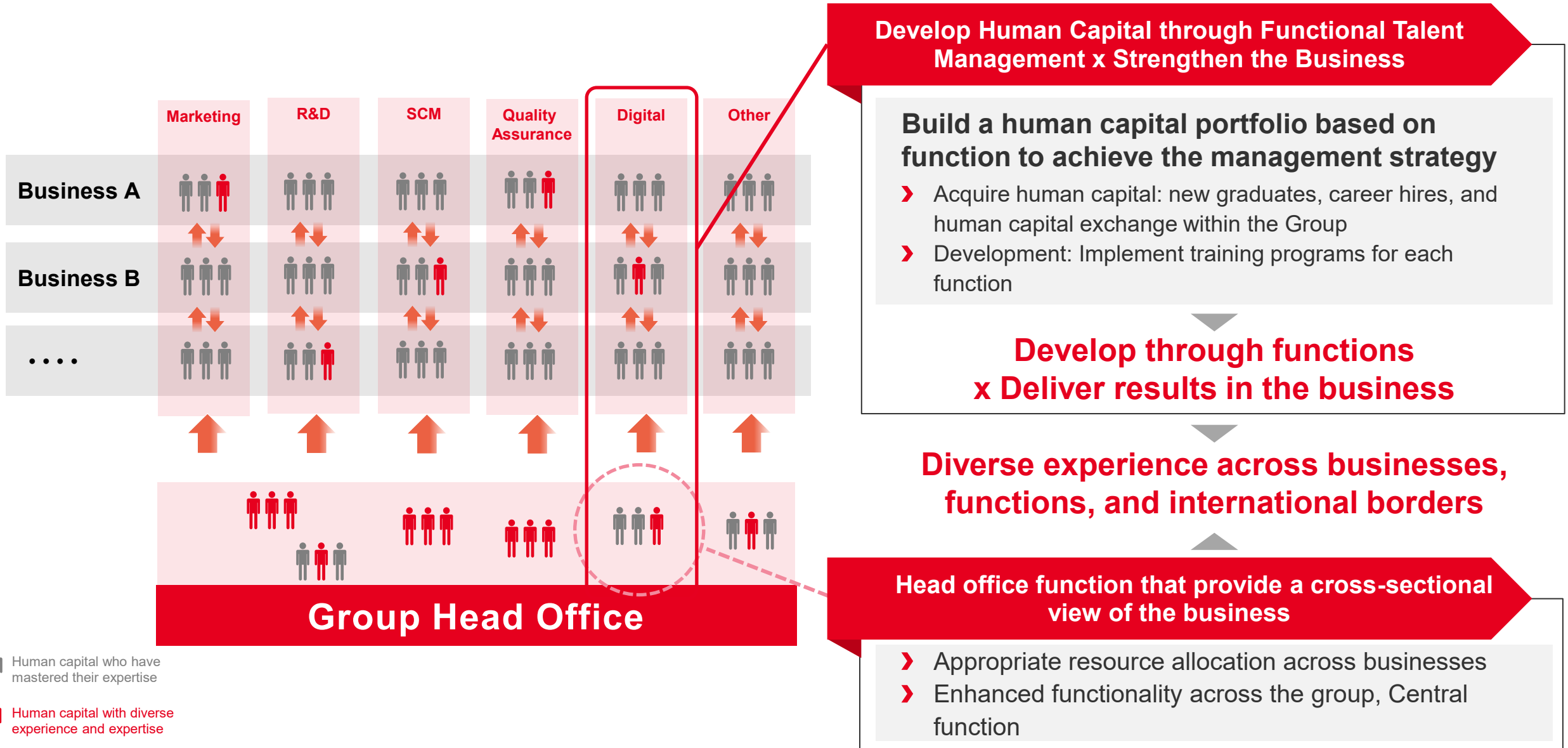
**We will update our human capital strategy linked to the management strategy in both the short- and medium- to long-term in response to changes in the internal and external environment.**


# Combine “expertise” and “diversity” to Expand the Possibilities of the Future Strategy




➤ KIRIN commits to “expertise” and “diversity” in an era where future predictions are challenging.





 Human capital who have mastered their expertise

 Human capital with diverse experience and expertise

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- In our long-term management vision, we position AI as a core technology for accelerating value creation.
- Under "KIRIN DIGITAL VISION 2035," which is aligned with this strategy, we aim to enhance the "quality," "quantity," and "speed" of value creation through digital technology, with the goal of becoming a global leader in CSV.

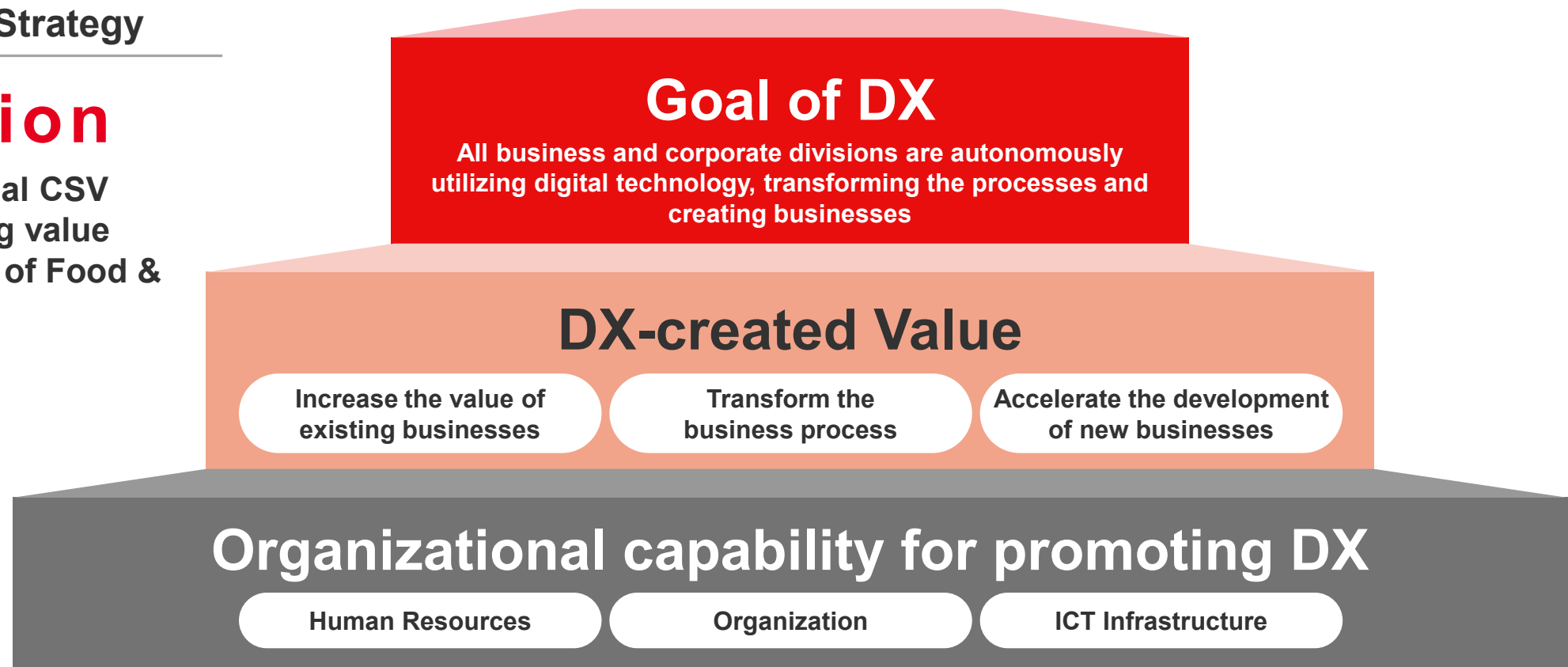


➤ Aim to quickly achieve a state where all business and corporate divisions are autonomously utilizing digital technology for business process transformation and business creation

## Kirin Group's DX Strategy

### 2027 Vision

To be a leading global CSV company by creating value across the domains of Food & Beverages and Pharmaceuticals



- KIRIN builds an execution system across the entire Group and developing and securing human capital to promote DX, with the aim to plan and execute DX initiatives in close proximity to the business operations and customers

## Organizational Structure

Establish an execution system across the Group, led by an expertise organization, to accelerate initiatives across operating companies, corporate divisions, and business domains throughout the entire Group



**Establish a DX-specialized organization for promoting DX**  
(DX Strategy Promotion Office)

**System for executing group-wide DX initiatives**  
(Group's DX Promotion Committee)

## DX Human Capital

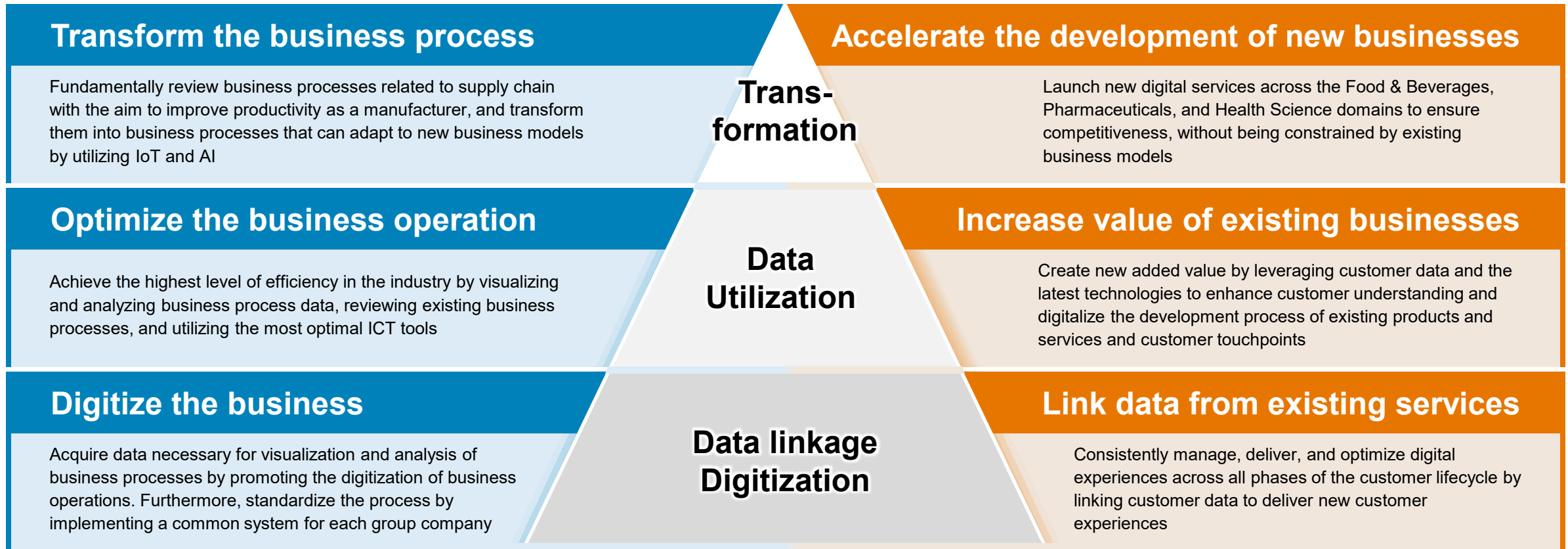
Develop and secure DX professional human capital and increase DX literacy of all employees through unique training programs to enable each company and division to autonomously promote the DX initiatives at their workplaces within the Group



**Secure DX professional human capital**  
Develop and enhance skills

**Increase DX literacy of all employees**  
(DX Dojo)

➤ Promote "cost reduction through business process reform" and "value enhancement through new business development" while expanding the foundation of "digitalization of data" and "linkage of digitalized data"



# Adaptive Areas for Value Creation through DX

➤ Achieve higher productivity as a manufacturer and accelerate and develop new businesses by promoting digital transformation across all business domains and all functions in the value chain of the Group



## Human Resources

Implement and utilize talent management tools to visualize employee information and achieve a specialized and diverse human capital management



## General Affairs

Achieved a digital office with the renovation of the Kirin Group's head office. Accelerate collaboration among employees while promoting paperless operations.



## Accounting

Improve accessibility of group-related information at a group management level with the development of a new management dashboard



## Legal

Promote paperless and cost reduction by introducing electronic contracts and digital signatures

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- R&D Strategy / R&D戦略
- **Marketing Strategy /  
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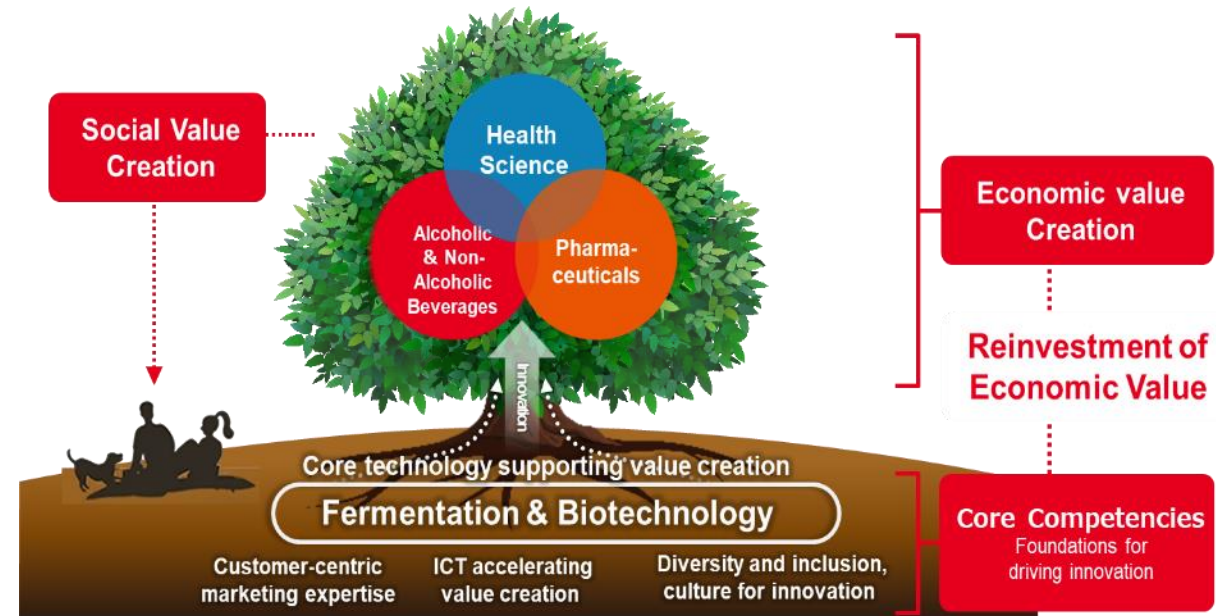
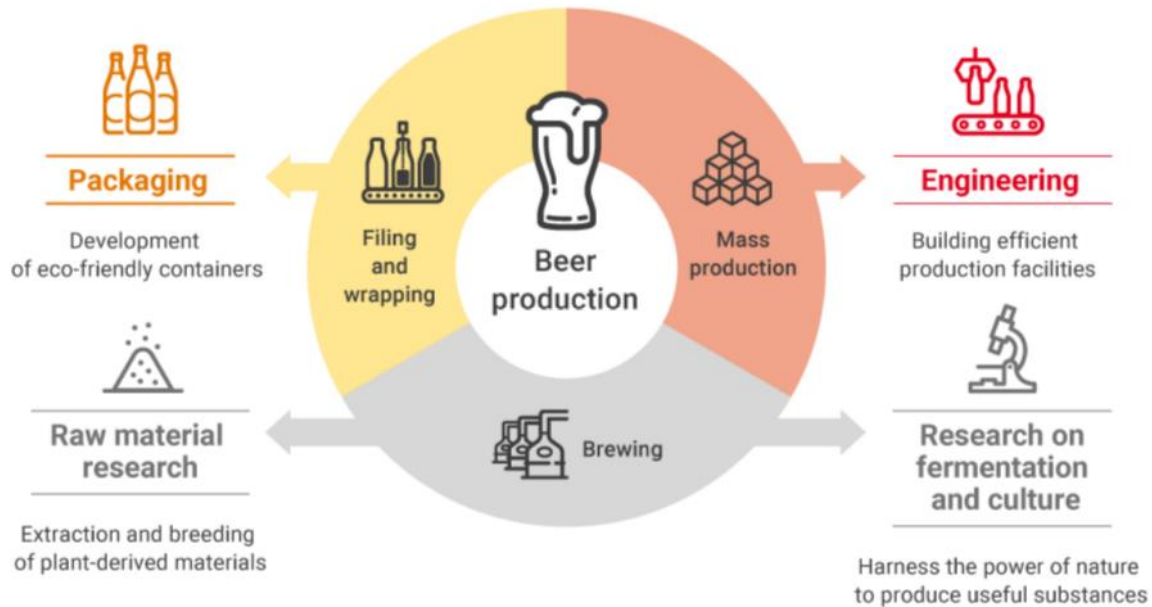
# “Core Technology that Creates Accurate Value” & Expansion of Kirin Group's Business Domain



➤ Kirin's technological expertise originates in beer brewing.  
Expanding Business Domain by Utilizing **“Fermentation and Biotechnology”**

In the course of mastering beer brewing, research on raw materials, fermentation, and cultivation is progressing.

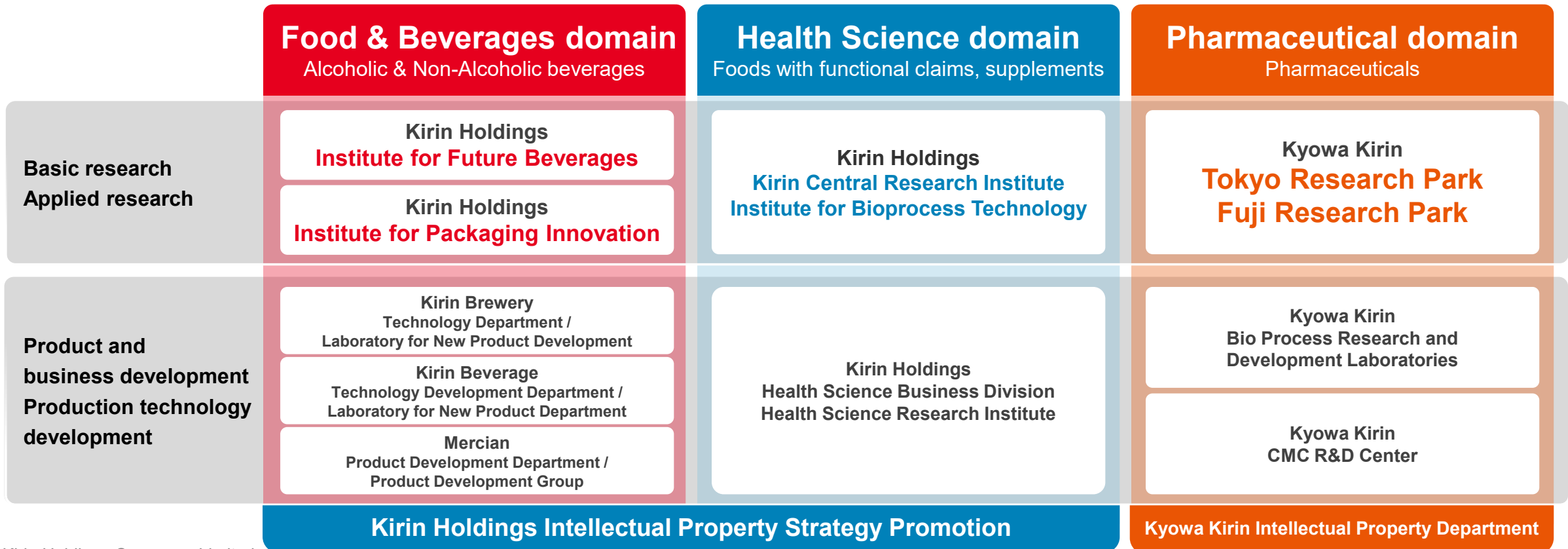
Fermentation and biotechnology are the core competencies linking the domains



# R&D System of Kirin Holdings



- In the Food & Beverages and Health Science domains, basic research and applied research for commercialization are being performed at the Kirin Holdings' Kirin Central Research Institute, Institute for Future Beverages, and Institute for Packaging Innovation. On the other hand, at each operating company's or division's research institute, R&D directly connected to business, such as product development that makes use of the technologies born there, are being performed.
- Additionally, in the Pharmaceuticals domain, most R&D activities are handled by Kyowa Kirin, who is promoting collaborative efforts with Kirin Holding's Kirin Central Research Institute in an effort to provide value that is not limited to pharmaceuticals.



# External awards received in recognition of the success of LC-Plasma



- At the FY2023 National Commendation for Invention (hosted by the Japan Institute of Invention and Innovation), Kirin Holdings Company, Limited and Koiwai Dairy Products Co., Ltd. received the Imperial Invention Prize for our invention of food compositions for immunostimulation containing lactic acid bacteria (Japanese patent number 6598824), which was awarded to our employees, the inventors for their efforts in the discovery and commercialization of LC-Plasma. This is the first time this prize has been given to a health food ingredient and the first time in 59 years to a food company. Our representatives of enterprises also received the Distinguished Service Prize for Employment of Invention.



The National Commendation for Invention is hosted by the Japan Institute of Invention and Innovation (JIll) and is held annually to honor inventions that have made significant achievements and those that are expected to make significant contributions in the future. In particular, the Imperial Invention Prize is given to inventions that have made significant contributions to the promotion of science and technology and the development of Japan's industrial economy. This Prize is also the symbolic award of the National Commendation for Invention, which is given with a gift from the Imperial Household, and is presented to the person whose invention is recognized as the most outstanding. Additionally, at the 11th Technology Management & Innovation Awards (hosted by the Japan Techno-Economics Society), which recognize outstanding innovations that will change the world, we received the Minister of Education, Culture, Sports, Science and Technology Award for our discovery, research, and commercialization of LC-Plasma.



# Examples of R&D Achievements in Each Business Domain

- R&D achievements have solved issues for consumers and patients, and consequently served as the core driving force behind the development of each business domain in the past decade

Japanese  
First Beer  
with  
zero-sugar



By integrating long-standing brewing expertise with sugar-free and de-alcoholization technologies, we fulfill the consumer need to "enjoy tasty beer while caring for their health."



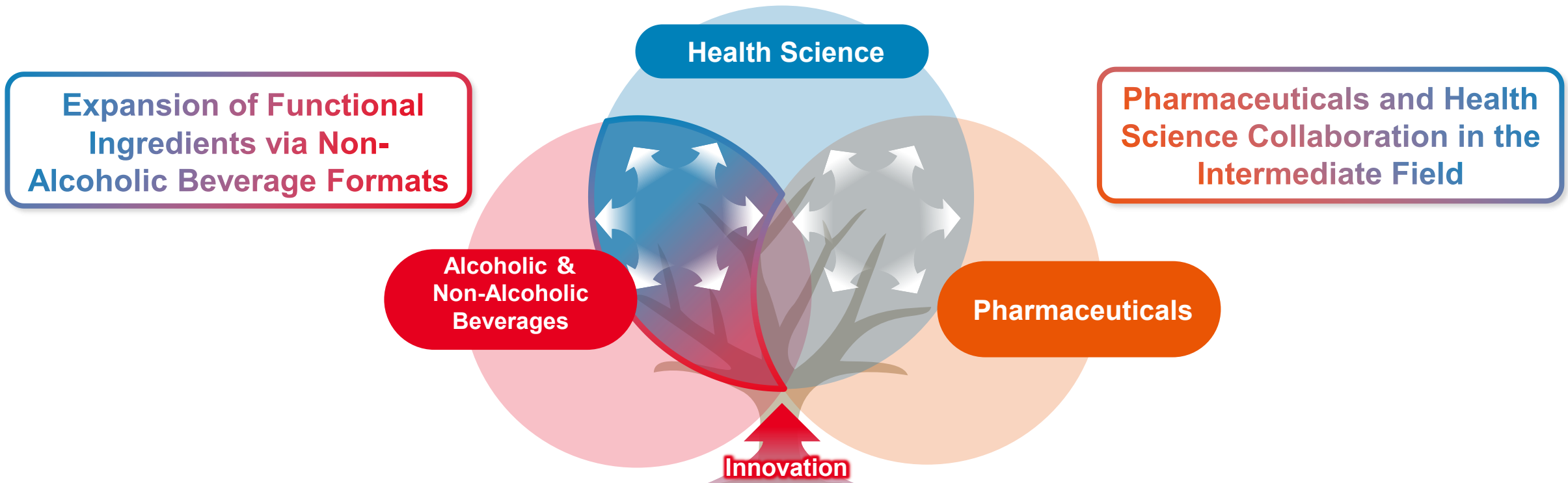
The invention (Japanese Patent No.6598824), LC-Plasma obtained Japan's first immune-function claim and won the Imperial Invention Award\*, the first time the award was given to a health food, promoted immune care amid societal anxiety since 2020.



Through the discovery of FGF23's phosphorus excretion function and pharmaceuticals utilizing fully human antibody technology, we offer solutions beyond symptomatic treatment for patients suffering from bone and joint disorders.

# Creating Value Beyond Business Domain Through R&D-Driven Innovation

- Leveraging the R&D-driven innovation to further strengthen our ability to solve social issues across three domains and their overlapping areas
- We accelerate innovation and social implementation by leveraging human capital and intellectual property across the Group



Group-wide technology platform comprised not only of fermentation & biotechnology but also of QA, production expertise, and engineering capability

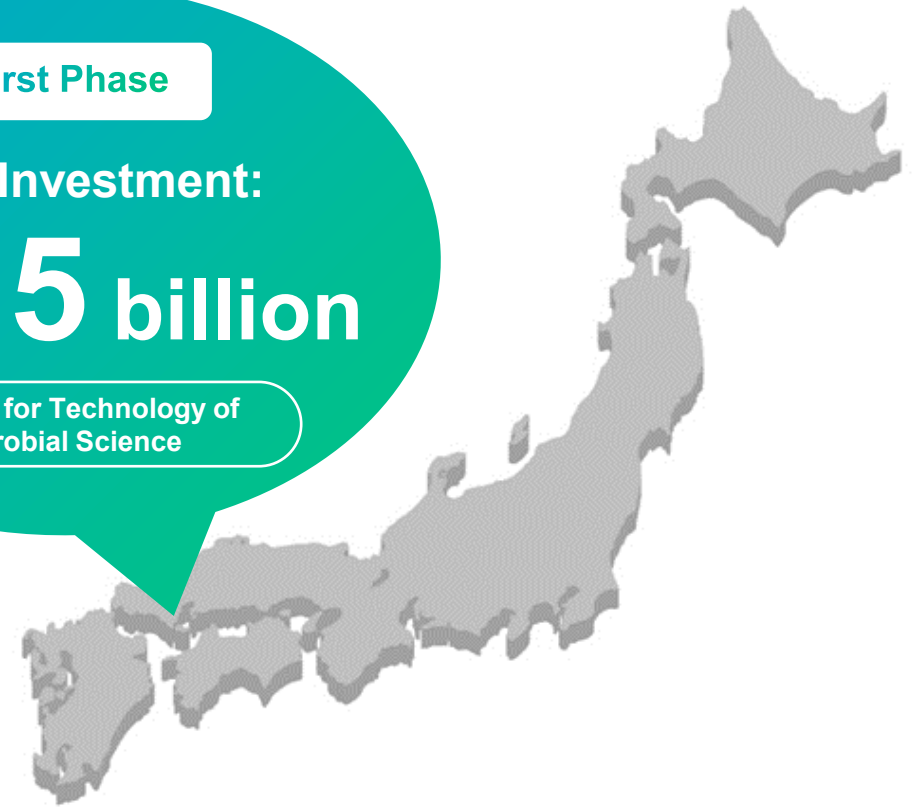
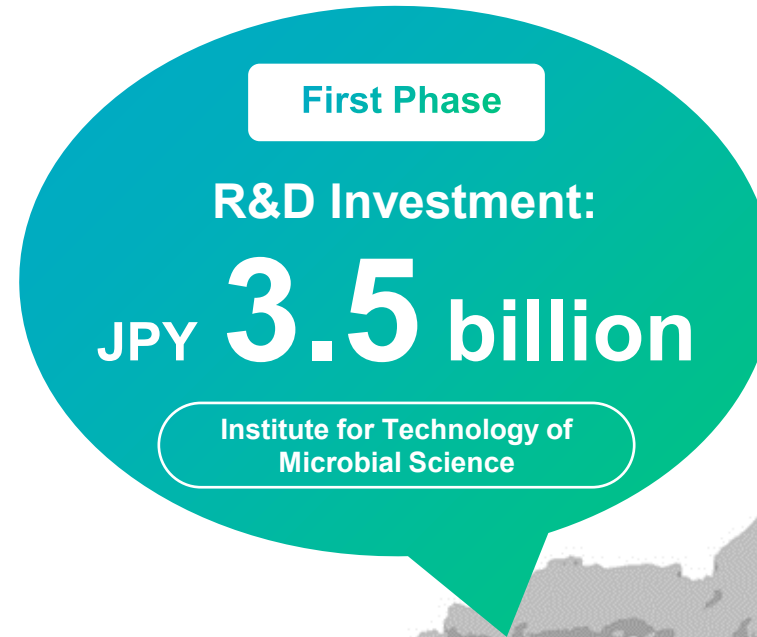
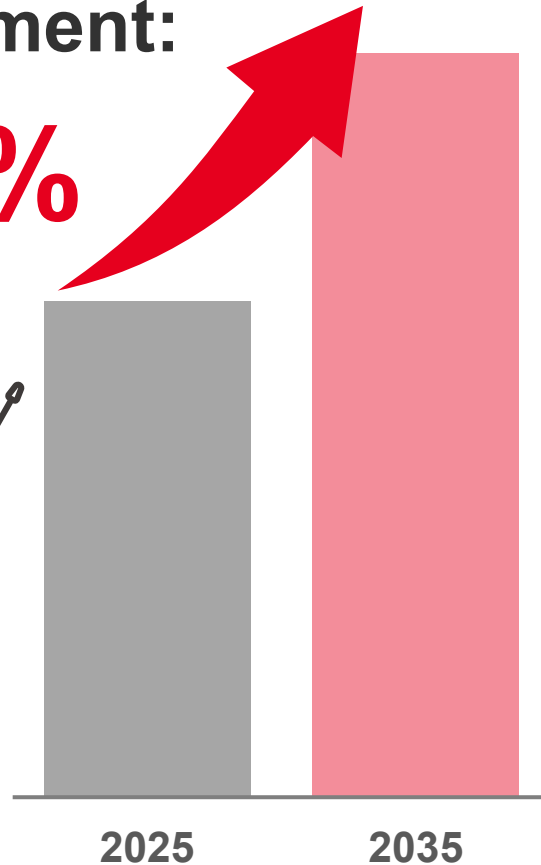
# R&D Investment Aimed at Becoming a Global Innovation Leader

- Increase R&D Investment\* to approximately 1.5 times the current level by 2035
- As the first phase, invest 3.5 billion yen in research facilities at the Institute for Technology of Microbial Science starting in 2026

\*R&D expenses in the Food & Health Science business (excluding Kyowa Kirin's R&D expenses)

## R&D Investment:

# 150%



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# Opportunities to Strengthen Marketing Capability in the Group

- The whole Group's consumer-centric marketing capability is still part way and has opportunities for further improvement.



Elevate the **"ability to understand consumers"**, which is the foundation of CSV management, to an even higher level throughout the group



Create **marketing capabilities** to be adapted in new business areas



**Develop and utilize human capital** from a group's perspective with a view on the future (⇔ individual optimization by operating companies)

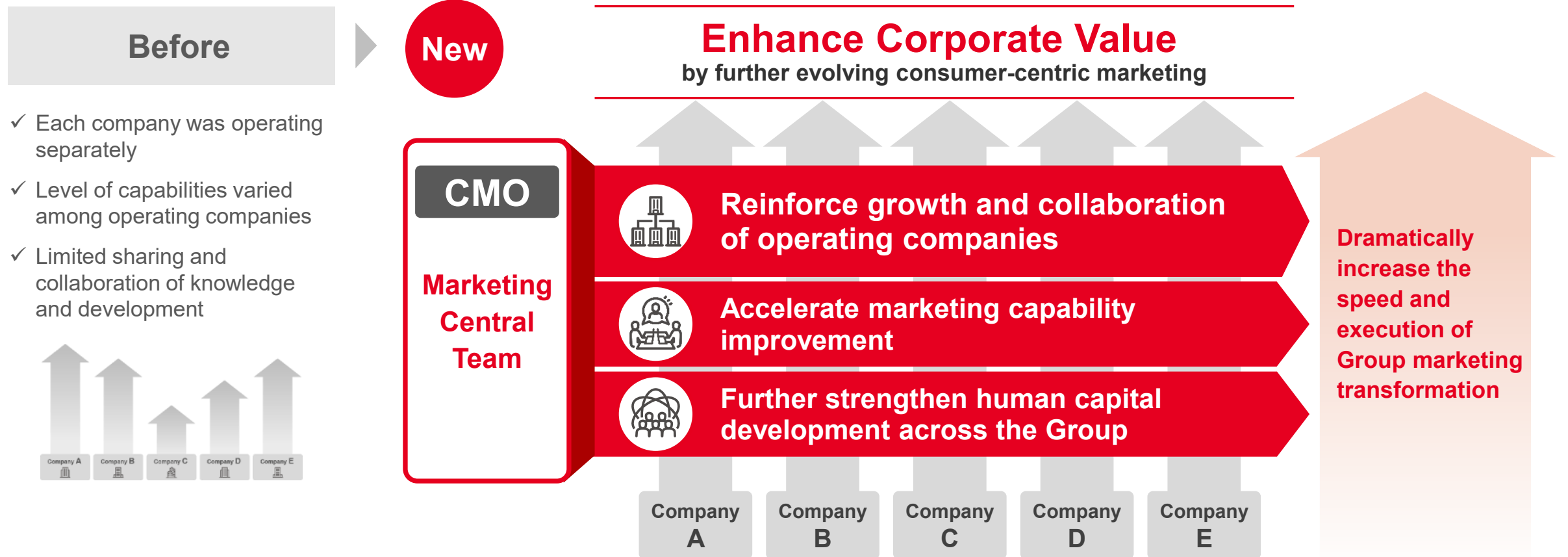


Support individual businesses in resolving their issues and **generate collaboration across companies**



# About the Group Marketing Cross-function Through a Central Team

- Strengthen the support for growth through the central team's cross-functions in addition to marketing activities by each operating company
- ⇒ Enhance corporate value by increasing the speed and execution of the transformation

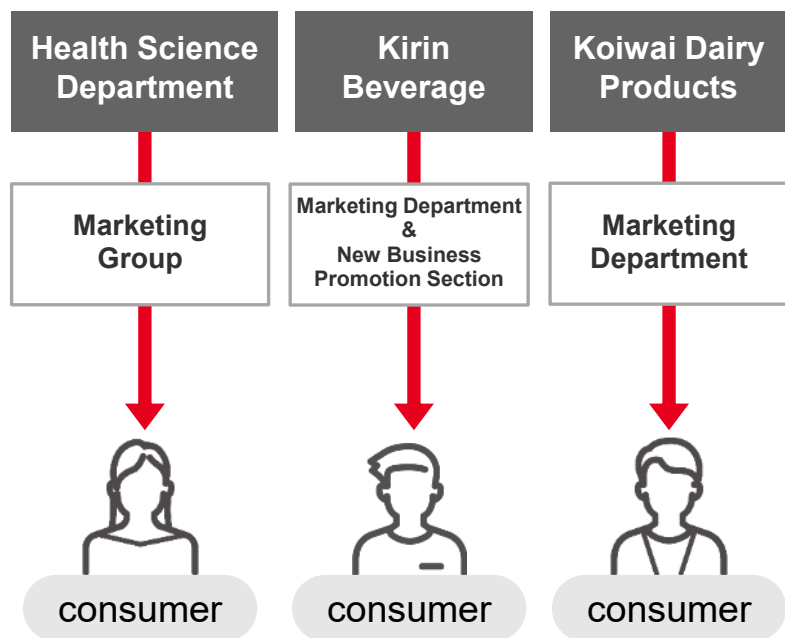


# Health Science Business (direct support for consumer-based value creation)

- The central team is responsible for consistency in the marketing strategy by directly supporting the cross-functions
- **Group initiatives will be integrated to create synergies for consumer-based value creation**

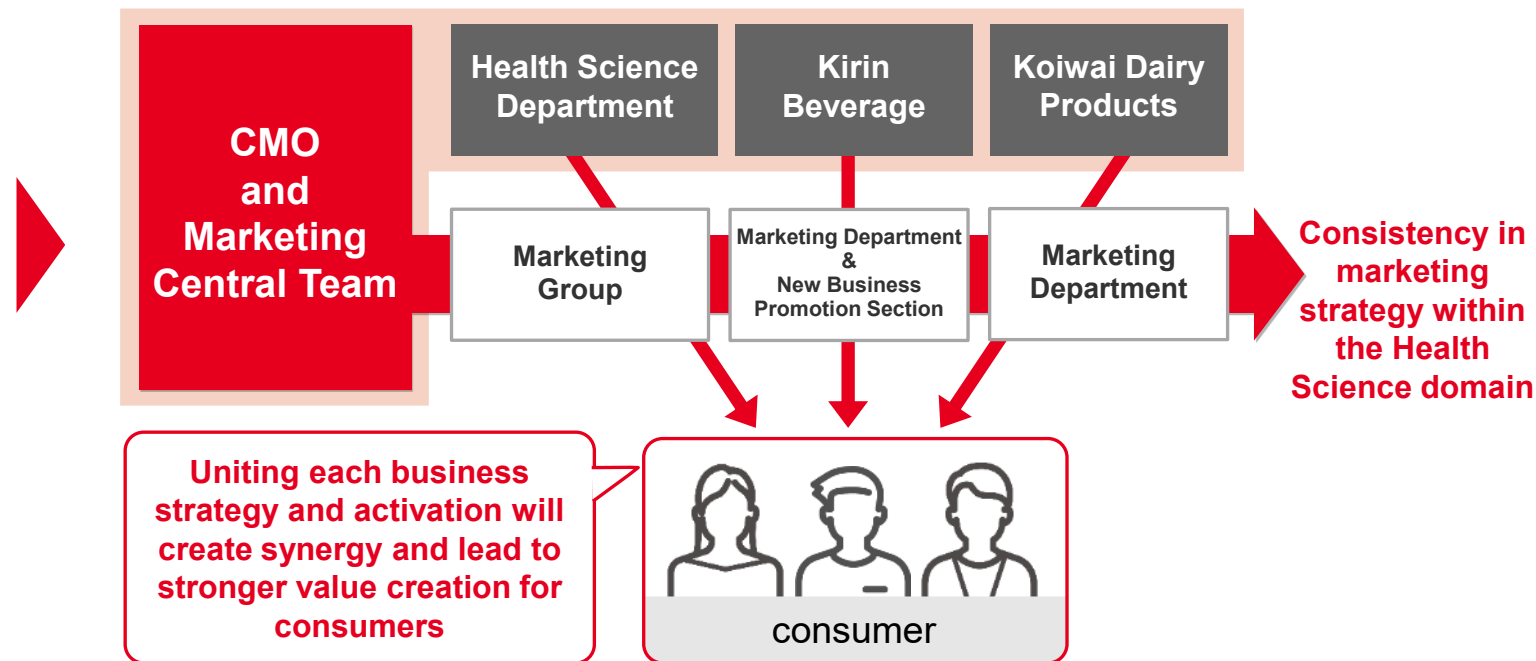
**FROM**

Individual optimization  
in each business



**TO**

The group unites to create value from the  
consumer's point of view





よろこびがつなぐ世界へ Joy brings us together