

Asahi

Asahi Europe & International (AEI)

What AEI is



90 markets
5 continents



10 000
people

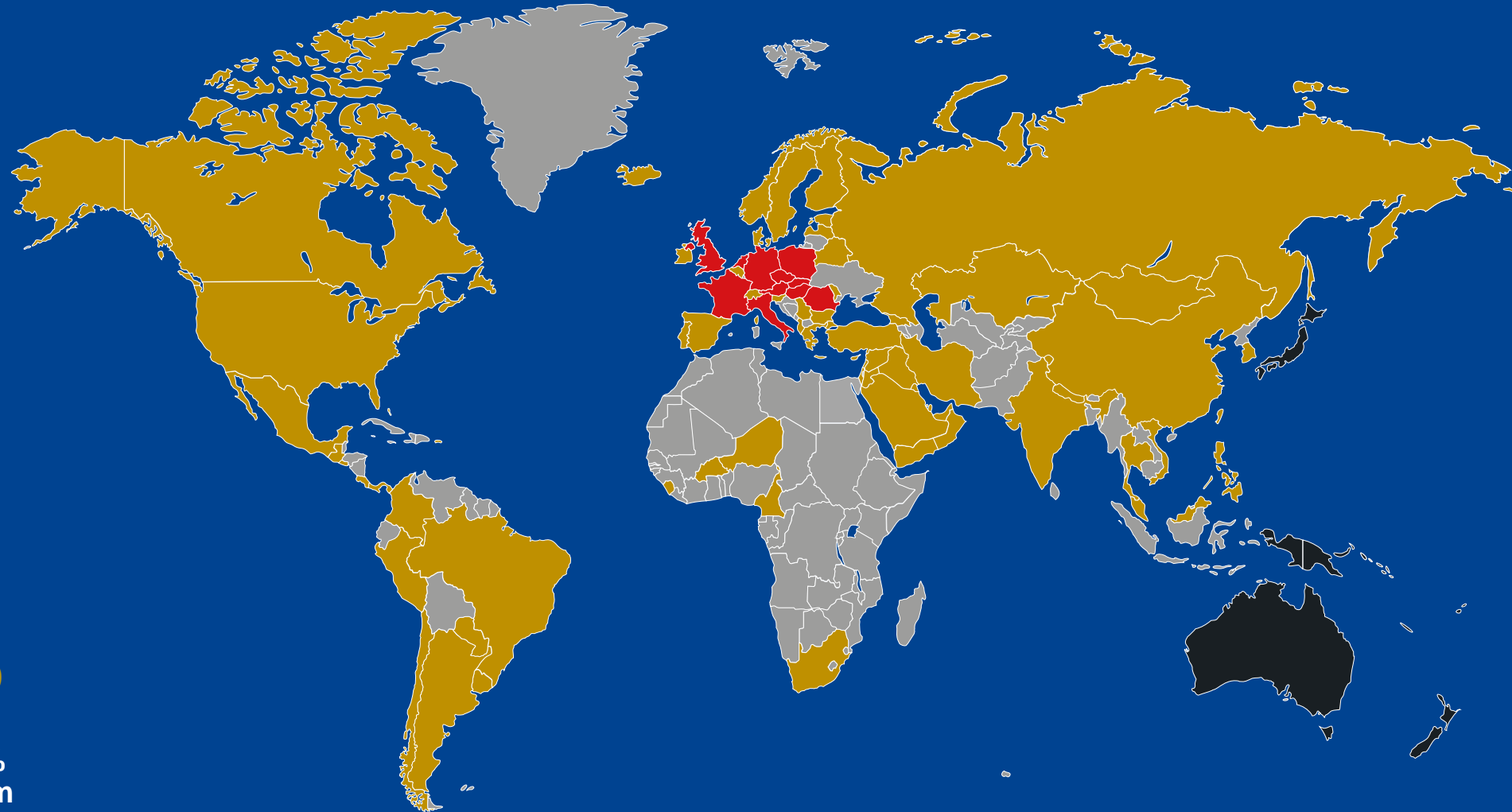


19 production facilities
in 8 countries



NPR
COP Margin
COP

2019
€3.0b
22%
€680m





Asahi Europe & International

The AEI leadership team



Paolo Lanzarotti
Chief Executive Officer

Countries worked in:
UK, Italy, France, India, Slovakia, Czechia

Companies worked for: ExxonMobil, SABMiller, Asahi

Languages spoken:
English, Italian, French



Catherine Sinclair
Chief Human Resources Officer

Countries worked in:
UK, Australia, New Zealand, Switzerland, Czechia

Companies worked for: Thames Water, Cadbury, SABMiller, Asahi

Languages spoken:
English



Drahomíra Mandíková
Chief Corporate Affairs Officer

Countries worked in:
Slovakia, India, Czechia

Companies worked for: Investment & Development Bank, SABMiller, Asahi

Languages spoken:
Slovak, Czech, English, German, Russian



David Bidau
Chief Supply Chain Officer

Countries worked in:
France, Denmark, Hong Kong, Malaysia, Indonesia

Companies worked for: Scottish & Newcastle, Carlsberg, Danone, Asahi

Languages spoken:
French, English, Spanish, Bahasa Indonesia



Reto-Urs Sahli
Chief Information Officer

Countries worked in:
Switzerland, Germany, France, Finland, UK, Singapore, Canada, Czechia

Companies worked for: PwC, IBM, Kraft Foods, Mondelez International, Asahi

Languages spoken:
German, French, English



Andrew Bailey
Chief Financial Officer

Countries worked in:
UK, New Zealand, Russia, Poland, Czechia

Companies worked for: PwC, Sony, SABMiller, Asahi

Languages spoken:
English



Grant McKenzie
Chief Marketing Officer

Countries worked in:
UK, Hungary, Spain, Romania, Czechia

Companies worked for: Mars, SABMiller, Asahi

Languages spoken:
English, Spanish, Czech



Yoshiaki Suzuki
ABEL Director & Integration Team Leader

Countries worked in:
Japan, Czechia

Companies worked for: Asahi

Languages spoken:
Japanese, English



Igor Tikhonov
MD Poland & Hungary

Countries worked in:
Russia, Ukraine, Belarus, Kazakhstan, Slovakia, Romania, Poland

Companies worked for: Mars, SABMiller, Asahi

Languages spoken:
Russian, English, Ukrainian



Paul Barnett
MD Romania

Countries worked in:
Czechia, Switzerland, Singapore, Australia

Companies worked for: Johnson&Johnson, Nestle, Bauer Media Group, SABMiller, Asahi

Languages spoken:
English, Chinese



Dragoș Constantinescu
MD Czech, Slovakia, Germany & Austria

Countries worked in:
UK, Belgium, Sweden, Netherlands, Poland, Romania

Companies worked for: British American Tobacco, Asahi

Languages spoken:
Romanian, English, Dutch, Polish, Spanish



Enrico Galasso
MD Italy

Countries worked in:
UK, USA, Hungary, Czechia, Italy

Companies worked for: Procter & Gamble, Bain & co., Ferrero, Coca Cola HBC Italia, Reckitt Benckiser, Birra Peroni

Languages spoken:
English, Italian



Andrei Haret
MD Netherlands & France

Countries worked in:
Romania, United Arab Emirates, Hungary, The Netherlands

Companies worked for: British American Tobacco, SABMiller, Asahi

Languages spoken:
Romanian; English, French



Tim Clay
MD UK & Ireland

Countries worked in:
UK

Companies worked for: CRS, AB InBev, SABMiller, Asahi

Languages spoken:
English



Kinyi Choo
MD Asia Pacific

Countries worked in:
China, UK, Indonesia, Hong Kong, Singapore

Companies worked for: Swire Beverages, The Coca-Cola Company, Treasure Wine Estates, Asahi

Languages spoken:
English, Mandarin, Cantonese, Bahasa Indonesia



Victoria Segebath
MD EMEA & Americas

Countries worked in:
UK & Europe

Companies worked for: Molson Coors, Asahi

Languages spoken:
English, French, Russian

A reminder of the constituent parts of AEI (pre-Covid)

Central Europe + International

Actual financials

NPR CAGR **+6%**

EBITDA 2019 **€657m**

Investment financials

NPR 5y CAGR **+5%**
Target

EBITDA 2017 **€497m**
Base



Western Europe + International

Actual financials

NPR CAGR **+4%**

EBITDA 2019 **€262m**

Investment financials

NPR 5y CAGR **+5%**
Target

EBITDA 2017 **€206m**
Base

A strong trajectory of growth delivering ahead of the acquisition business case

6 Quarters of Covid-19

<p>Early signs in Asia & early impact in Italy + Czechia</p>	<p>First lockdown in Europe</p>	<p>Restrictions lifted and strong YoY trading</p>	<p>Second & third waves resulting in significant lockdowns</p>	<p>Lockdowns continue</p>	<p>Gradual re-opening of On Trade as vaccination rate increase</p>
<p>On trade partially impacted</p>	<p>On trade closed</p>	<p>On trade open</p>	<p>On trade closed</p>	<p>On trade closed</p>	<p>On trade restrictions easing</p>
<p>Pandemic response plans activated</p>	<p>Business continuity actioned</p>	<p>Summer trading & Better Future 2030 developed</p>	<p>Cost management and Off Trade focus</p>	<p>Re-planning, cost mitigation, peak preparedness</p>	<p>On Trade recovering and Off Trade leverage</p>
<p>Q1/2020</p>	<p>Q2/2020</p>	<p>Q3/2020</p>	<p>Q4/2020</p>	<p>Q1/2021</p>	<p>Q2/2021</p>

Our performance in 2020

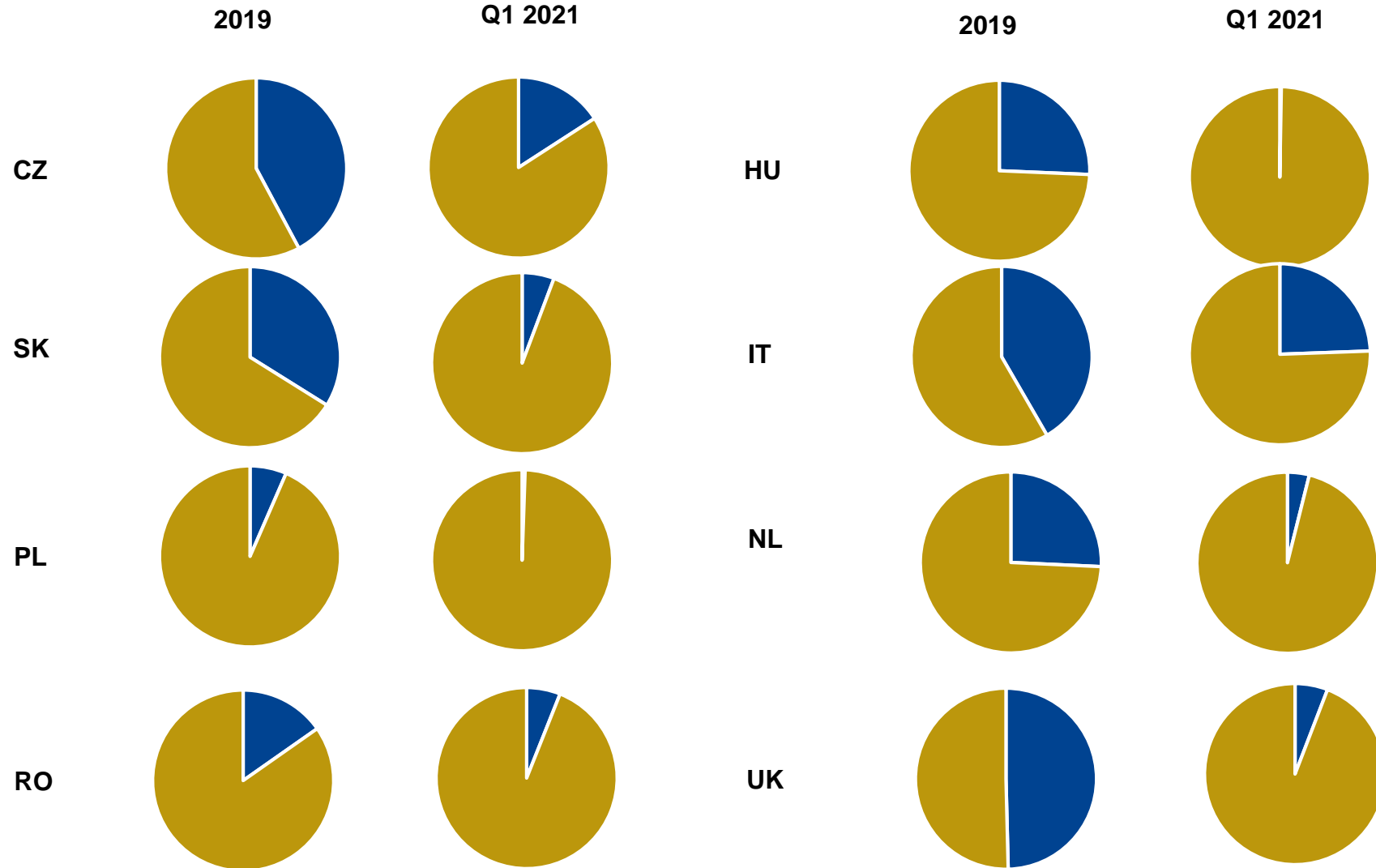
QUARTERLY TOPLINE

AEI	C20 Actual Q1		C20 Actual Q2		C20 Actual Q3		C20 Actual Q4	
	Q1	vs C19 ACT	Q2	vs C19 ACT	Q3	vs C19 ACT	Q4	vs C19 ACT
@ C20 Bud Rates								
Volume (khl)	8 177	(4,0)%	11 084	(12,5)%	12 987	(1,4)%	8 398	(10,3)%
NPR (EUR m)	552	(3,6)%	702	(20,5)%	892	(2,4)%	553	(18,4)%

C20 Full Year	
EURm @ C20 Budget rate	vs. PY %
NPR	
CZ & SK & GE & AU	(10%)
Poland	(3%)
Romania	2%
Hungary	(6%)
Italy	(20%)
NL & FRA	(31%)
UK & IRE	(25%)
EMEA	3%
Asia	(22%)
AEI	(11%)

AEI	C20 Actual Full Year	
	Full Year	vs C19 ACT
@ C20 Bud Rates		
Volume (khl)	40 647	(7,0)%
NPR (EUR m)	2 698	(11,5)%
COP (EUR m)	499	(26,6)%

The impact of the On-Trade has been material



Our principles for managing through Covid-19

1. We prioritized the **health** and **well-being** of our people and those around us
2. We ensured that **business continuity plans** were robust, active and dynamic. We continued to operate our breweries under strict hygienic conditions
3. We planned for a **better future** and for the **lockdown exit** in an orderly and responsible manner leveraging our strong market positions
4. We **empowered** for reaction as close to where action occurred

10 millió forinttal támogatja Kőbányát a Dreher

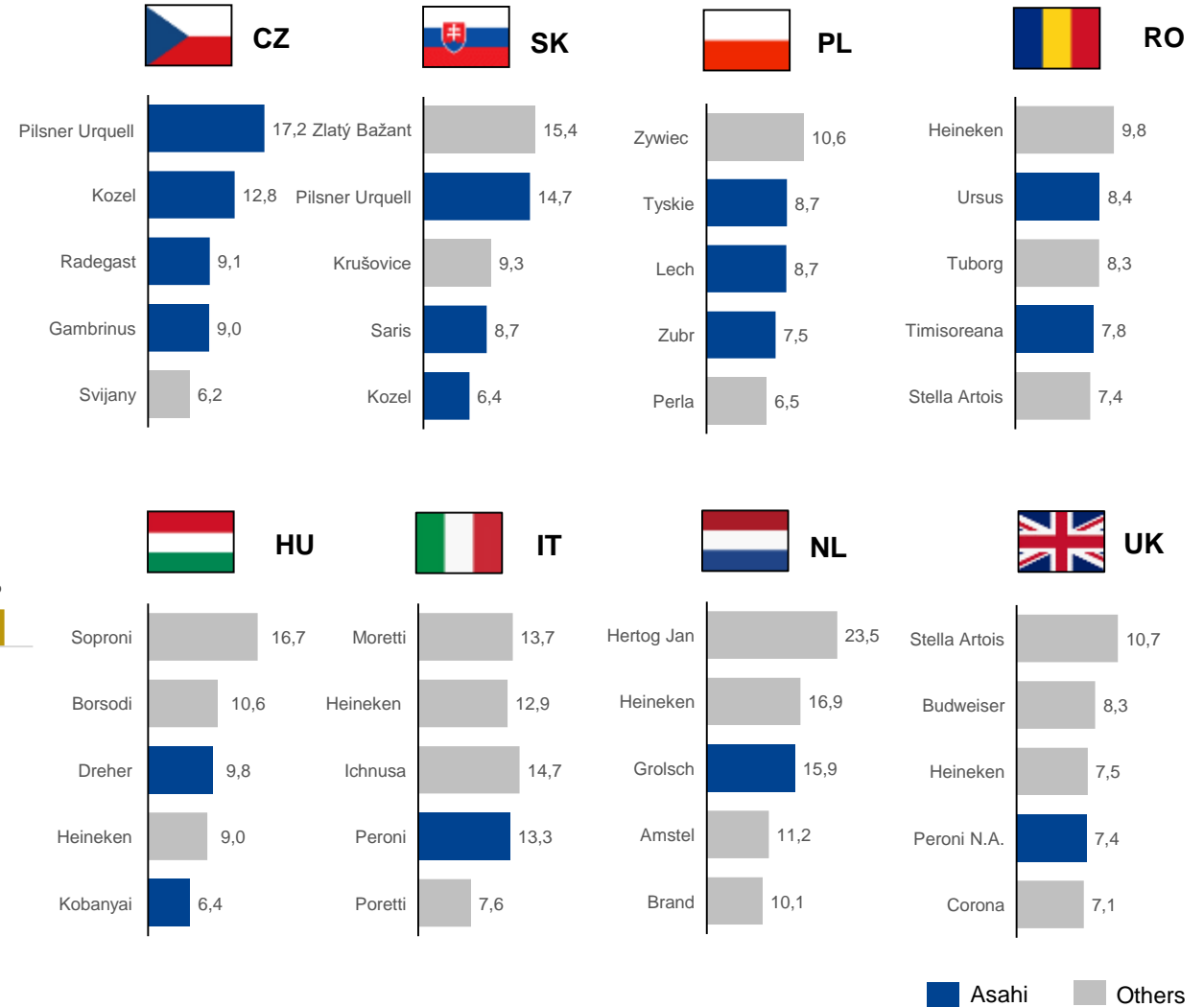
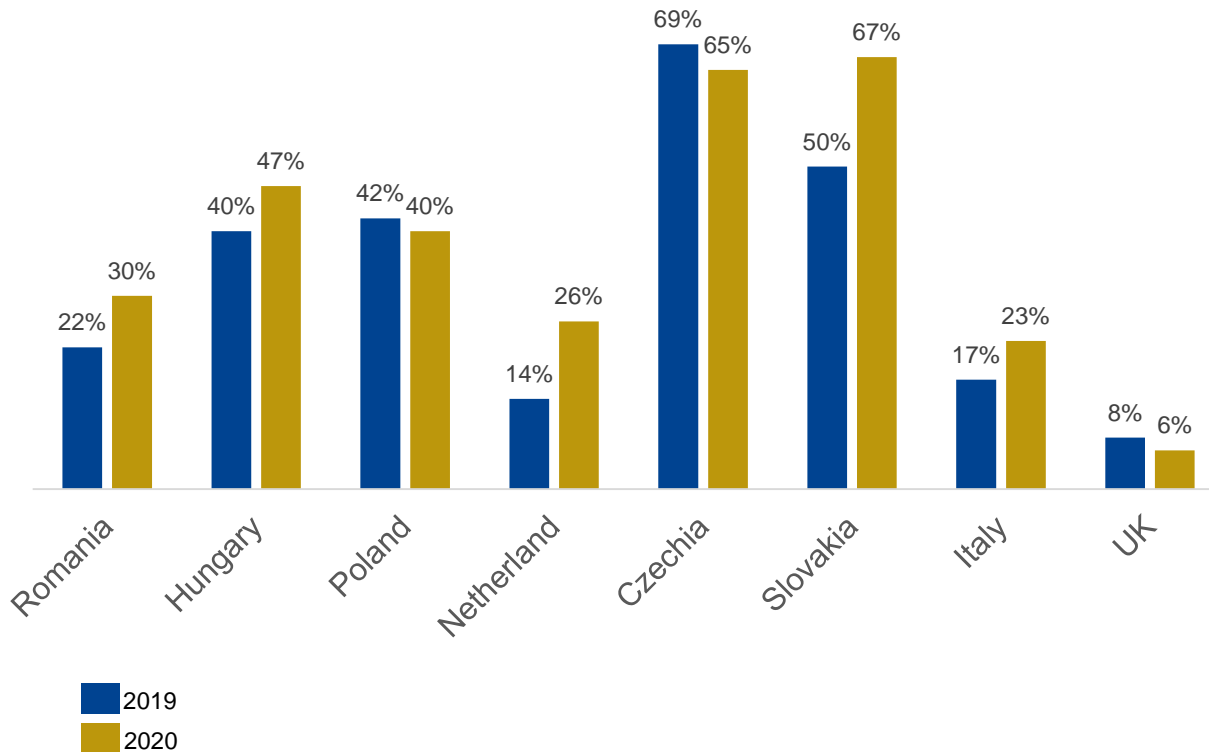


londonpride As a small token of our thanks to all key workers across the country right now, we are offering a 20% discount via our online shop. Just use the code THANKYOU20 at checkout 🙏
<https://shop.fullersbrewery.co.uk/>
 #drinkresponsibly



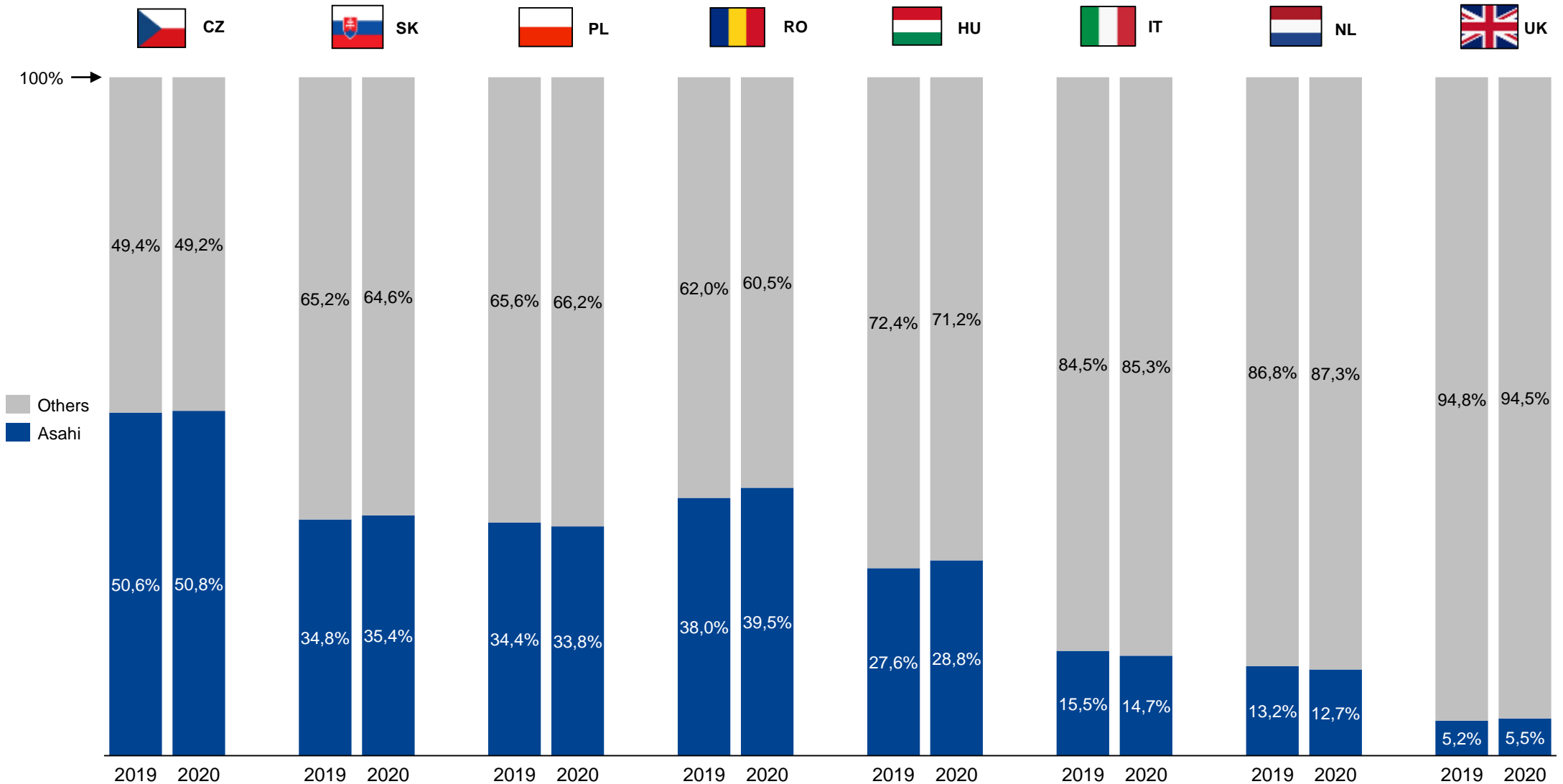
Sustained share of voice has supported good brand equity performance

Share of voice



Asahi Others

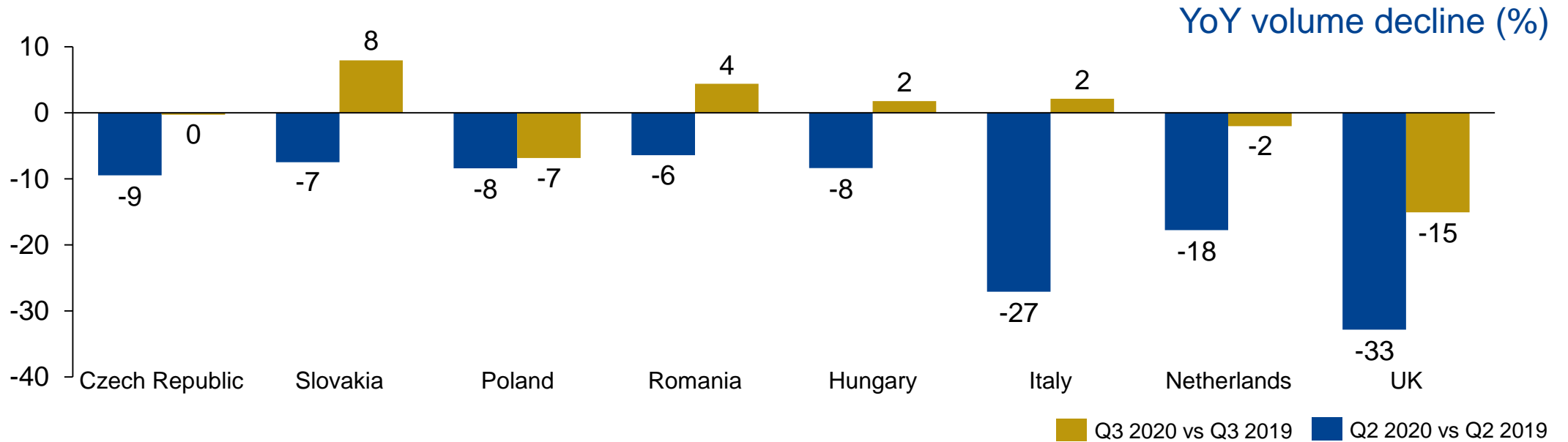
Our market performance vs competition was good



And we also managed for cost and cash

- Upweighted focus on Integrated Spend Management and Value Engineering
 - Continued hiring freeze and active pay cost management
 - Travel and physical meeting ban in place since Q1 2020
 - Balanced approach to DME investment banking savings where appropriate while continuing to invest judiciously in long term brand equity on strategic brands
 - Upweighted focus on leveraging procurement scale
 - Active management of commodity and forex risk e.g. advantageous hedging programs in place on aluminum, diesel, etc
- Rephased capex capability plan in light of market context to maximise short term cash position without compromising mid term capability
- Structural change combining ABEG and AIL with the creation of AEI releasing cost synergies in excess of €10m pa

In the short term we are confident that On-Trade recovery is possible



Czechia	Slovakia	Hungary	Romania	Poland	The Netherlands	Italy	UK
ON TRADE MEASURES							
Only outdoor open as of May 17	Only outdoor open as of April 26	Indoor open as of May 1, outdoor as of April 24	Outdoor open, in some localities also indoor	Only outdoor open as of May 15	Only outdoor open as of April 28	Only outdoor open as of April 26	Only outdoor open April 12

This is confirmed by early signals in the UK in Q2 2021

Volume share of Beer PP change vs 2019

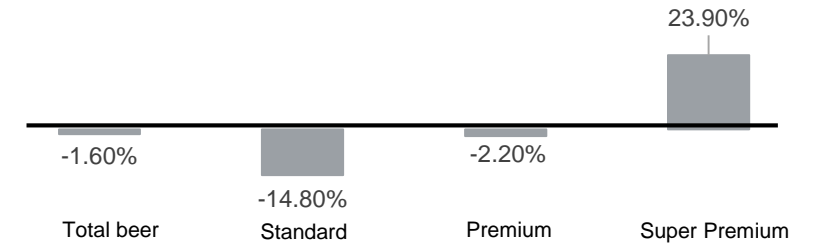
	w/e 17 April	w/e 24 April	w/e 1 May	w/e 8 May
Asahi	+3.0	+3.2	+3.3	+3.2
DIAGEO	+1.1	-0.3	+0.5	+0.8
HEINEKEN	+0.6	+1.7	+0.5	+0.5
ABInBev	=	-0.3	-0.4	-0.2
CARLSBERG	-3.0	n/a	n/a	n/a
MOLSON Coors	n/a	-2.8	-3.2	-3.8

Source
CGA MANAGED VOLUME POOL: EPOS DATA FROM A SAMPLE OF 7K MANAGED OUTLETS

Total Off-Trade Value change vs YA

	52w	12w	4w/e 24 April
TOTAL BEER	+28%	+14%	-1.6%
Asahi	+36%	+24%	+14%

Value change vs YA / Latest 4 weeks



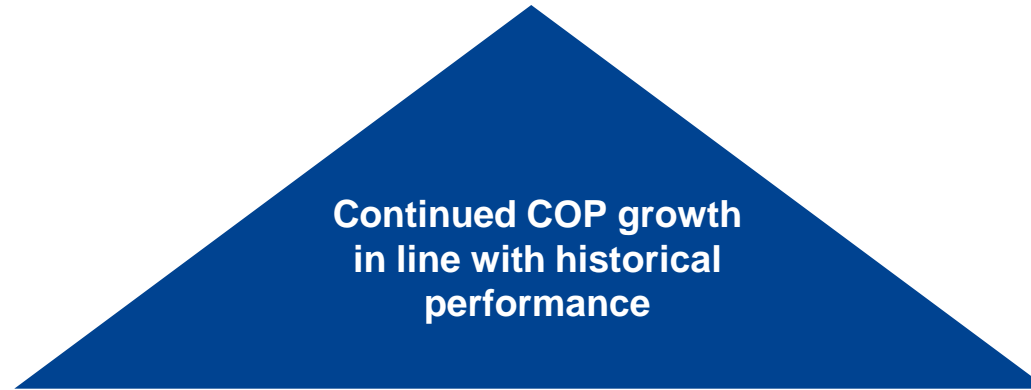
Source: NIELSEN 24.4.2021



AEI is well positioned for the mid-term

- In November 2020 we created AEI (Asahi Europe & International) combining AIL and ABEG
- The new entity has continued focus on leveraging scale in domestic markets and building scale in targeted international markets
- But we are able to do this more effectively
 - Removal of overlapping roles & duplication of expensive headcount
 - Streamlined organizational design
 - Lower infrastructure costs
- And importantly we are able to do this more efficiently
 - Full production grid optimization
 - Procurement synergies
 - More seamless talent management
 - Easier and faster best practice transfer
 - One Global Brands Team, globally
 - Increased speed of innovation from ideation, creation of product, through to execution in market

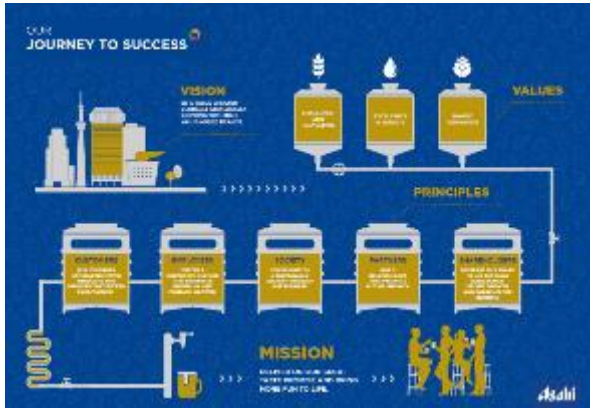
And we have articulated an ambition for a Better Future 2030



-
- | | |
|--|--|
| Revenue Management | Trade marketing |
| Digital Customer and Consumer Interaction | Route to Market Planning |
| Marketing Insights | Sustainable Development Initiatives |
| Innovation concept to launch | Financial decision support |
| Develop & Perform | Portfolio strategy and management |

CORE BEER

Our strategic focus is locally relevant but globally integrated



Portfolio - Local hero brands

Local hero brands are growing through renovation: improved recipes, refreshed design, premium innovation and exciting activation



+41%



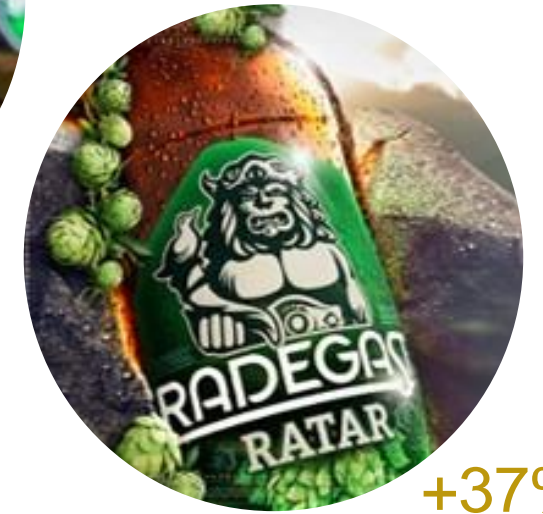
+40%



+64%



+66%



+37%

Portfolio - Local Crafted Premium

WAMP 121



WAMP 156



WAMP 164



WAMP 141



WAMP 112



WAMP 129



WAMP 151



A spectrum of craft products are developing scale at premium price

Portfolio - New Crafted premium

New approach to craft. Moving from buying to building. Brew faster at lower costs with passion of our own people

Romania (Cluj)



Czechia (Plzeň)

Portfolio - Non-Alcohol Beer Highlights

Non alcohol extensions of our brands are effectively developing the market and driving growth



Total +79%

Portfolio - Non-Alcohol Flavoured Beer

Flavoured NAB is the fastest growing segment and with 40% market share we are the leaders



+242%



+714%



+255%



+57%



+279%

Portfolio - Flavoured Alcoholic Offerings

In markets with flavoured brands (Poland, Czechia), incremental growth is booming at high margin

Poland
new launch



+317% (vs. 2018)
@87k



+129% (vs. 2016)
@86k



Portfolio - Entry into Hard Seltzer category



Proposition

- Simple and impactful brand name
- "Sparkling water with a bite"
- Lime and cranberry flavours
- Unique Bottle and Can (both 330ml)

Availability

- Launching in UK, Netherlands, Romania, Czechia, Hungary and Austria

Full mix of commercial support in all launch markets

Portfolio - Global Brands - the opportunity

1	2	3	4	21	40	47	63	77
GLOBAL POSITION	GLOBAL POSITION	GLOBAL POSITION	GLOBAL POSITION	GLOBAL POSITION	GLOBAL POSITION	GLOBAL POSITION	GLOBAL POSITION	GLOBAL POSITION
32	28	28	11	2.3	1.7	1.3	0.9	0.7
MHL	MHL	MHL	MHL	MHL	MHL	MHL	MHL	MHL
13%	26%	15%	12%	19%	21%	23%	18%	18%
LAST YR GROWTH	LAST YR GROWTH	LAST YR GROWTH	LAST YR GROWTH	LAST YR GROWTH	LAST YR GROWTH	LAST YR GROWTH	LAST YR GROWTH	LAST YR GROWTH
22	6	7	5	1	2	2	0	0
+322 HL MARKETS	+322 HL MARKETS	+322 HL MARKETS	+322 HL MARKETS	+322 HL MARKETS	+322 HL MARKETS	+322 HL MARKETS	+322 HL MARKETS	+322 HL MARKETS



Our global brands are currently outside the top 20 without true global reach at scale

We have 5 very distinctive brands

- 2 brands from the "new worlds" of beer (ASD, PNA)
- 3 brands with traditional heritage beer provenance

Our opportunity for growth is therefore significant with increased global reach and high impact marketing

Portfolio - Global Brands / Peroni Nastro Azzuro

Global partnership with Formula ONE Team Platform delivers **scale globally**

- 1.9 billion TV audience
- 10 months a year in 22 countries
- Core markets covered – Europe, Japan, China, Canada, Australia, USA

Aston Martin /PNA aspirational luxury brands

- Major activation in >10 markets
- Full mix marketing and trade exploitation
- Hosting at events

Higher support for Innovation

- Global roll-out of Peroni Libera 0.0% to 16 countries with more planned.



Portfolio - Global Brands / Asahi SuperDry

High impact partnerships, sponsorships that are culturally and brand relevant taking ASD to a broader audience



RUGBY WORLD CUP - 2023

1BN

TV Audience

200

Countries TV broadcast

45

Days tournament

Discover Tokyo led campaign to increase visibility in key trading periods and amplify brand positioning



Portfolio - Global Brands / Pilsner Urquell, Grolsch, Kozeł



New packaging addressing our sustainability commitments

Launch of new international TVC
'Nothing beats the original' featuring Robbie Williams



New packaging successfully introduced in 2020

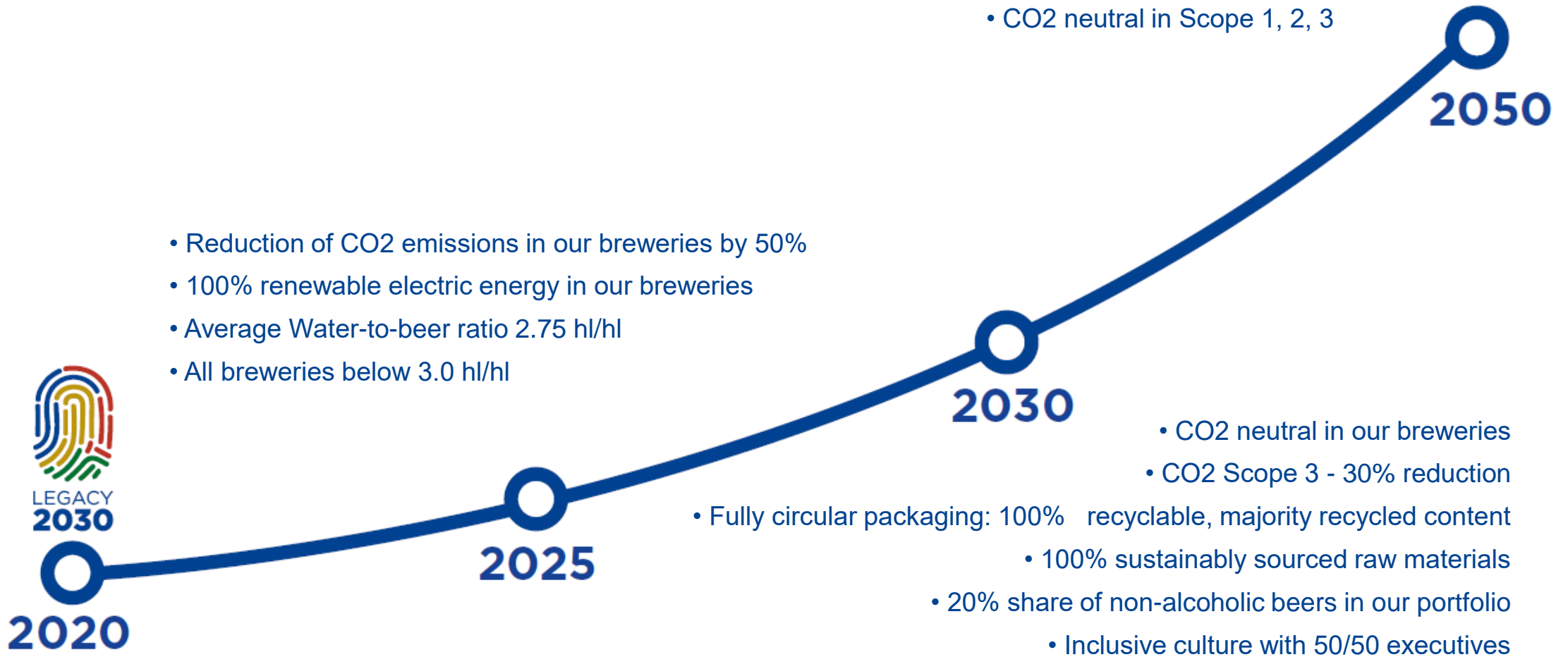
New 4% imported recipe for the UK to tap into **premium 4% market**



New packaging ensured high stand-out and brand/variant recognition in premium segment

Amazing advertising awarded by global **Kantar's Creative Effectiveness Awards**

Planet - Legacy 2030



Planet - our flagship projects



100% Renewable Electricity across our Polish grid.
Renewable Electricity Projects in Italy and Romania.
Renewable Heat Project in progress in Netherlands



Campus Peroni Project in Italy fostering dialog, knowledge exchange and innovation such as Blockchain Traceability



Top Clip Project in NL
Circular Packaging projects & initiatives for primary & secondary packaging



Water Risk Assessment planning across Europe
Continue pilot projects, new technologies, optimization in breweries



People - Learning, growing, achieving together

Welcoming inclusive and progressive culture



- Ensure all people are welcomed and respected
- Increase female executives from 19% to 50% by 2030
- Create access to opportunities for all social backgrounds
- A modern, progressive, flexible workplace.

Learning consumer focused organization



- Build next generation capabilities to support our Better Future 2030 growth ambition
- Accelerate agile as a way of working throughout the organization
- Shift the mind-set from organization led learning to self-directed development

Accelerate the growth of talent



- Advance new world leadership skills
- Build careers and talent with diversity of experience and 80% of senior appointments Internally from within Asahi, globally

Health and wellbeing of consumers and employees



- Ensure our work environment will have a positive impact on employee's health and well-being – both physical as well as mental

Transform the way AEI operates

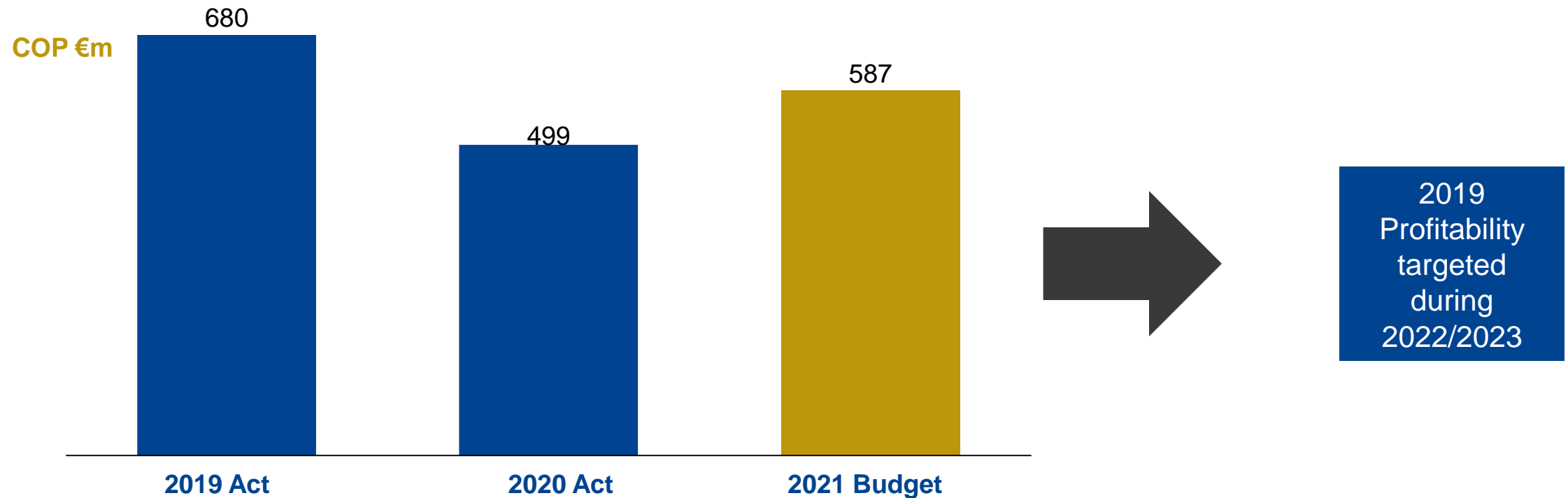


- Set up and operationalize business models in line with the Better Future 2030 ambition
- Accelerate the Standardization of processes and transactional activities where it makes sense



Profit - Recovery to pre-Covid performance has started ...

.....but is not without challenge



* COP numbers on this page are reflected in EUR on a constant currency basis (C21 Budget FX rate)

Our performance in Q1 2021

@ C21 Bud Rates	Q1 2021	vs Q1 2020
Volume (khl)	7 471	(8.6)%
NPR (EUR m)	473	(14.1)%
COP (EUR m)	3	(95.2)%

- Q1 decline is Covid related and most felt in major markets with significant On-Trade (Czechia, UK, Netherland, Italy) due to lockdowns and other restrictions
- Trading accelerated in less affected markets (Romania, Hungary, EMEAA and Asia)
- Cost initiatives applied to partially mitigate the adverse impact on topline
- Commercial plans reconfigured and strong to win the summer and recover in On Trade as restrictions ease

Profit - but we are ready for 2021 peak in the On-Trade



Profit - key innovations are in market



Profit - our Global brands are being activated

Asahi Europe & International





Asahi Europe & International

Profit - and our scale in Off-Trade is being leveraged



Profit - 2H Management focus

- Delivery & activation of innovations
 - ✓ typically premium / super premium
 - ✓ beyond core beer occasions & consumers e.g. Viper, Hardmade
 - ✓ Creating valuable future profit pools
- With On-Trade expected to have re-opened in most markets, focus on:
 - ✓ Speed of recovery
 - ✓ Helping customers & trade adapting to new rules e.g. limit people inside – support beer terrace expansions, internal remodeling, etc.
 - ✓ New outlet acquisition programs
- Leveraging summer peak and Q4 mini peak
- Continued focus on DME investment balancing short term profit delivery and rate of sale and long-term brand building
- Assessment of pricing opportunities in light of raw material increases and market pressures
- Continued assertive management of fixed costs and capex
- All of the above while continuing to focus on people & safety – keeping production sites safe, being able to meet customer demand & ensuring continuity of supply

- The Asahi Group acquisitions in Europe, albeit run separately through 2020, both delivered ahead of expectations through portfolio premiumization, leveraging of scale and solid cost management
- 2020 has been a year of change and consolidation with the creation of Asahi Europe & International, and a year of resilience and flexibility and learning
- As we look to the immediate future, we expect Asahi Europe & International to recover to 2019 profit levels in the 2022/2023 period, flexing to the realities of the new normality impacted by Covid-19 but continuing to build on the trends that stay relevant going forward
- As we look further out, we see new growth opportunities emerging through Better Future 2030 and the expansion of the Asahi Group Global Brands in Asahi Europe & International and throughout Group