

**Financial Results Presentation
for 2020**

**2020 Overview
2021 Direction**



February 2021

2020 Summary

- ◆ **Revenue down 3%, core operating profit down 21% YoY due to impact of COVID-19 pandemic**
 - Negative impact on our strengths expanded, such as Alcohol Beverage Business's on-premise demand, Soft Drink Business's vending machine sales, Food Business's *Mintia*, etc.
 - Resilience exceeded forecasts, due to flexible marketing, channel strategies, and profit structure reforms.
- ◆ **Expanded foundations for growth through acquisition of Australian beer business and ensured financial soundness**
 - Built a global platform with three core pillars in Japan, Europe, and Australia with addition of CUB business.
 - Achieved optimal financing plan implementation including public offerings; improved cash flow generation capability.

Direction for 2021

- ◆ **Targeting 13% revenue growth and 30% core operating profit growth driven by recovery of existing businesses and impact from consolidation of CUB business**
 - Continuation of premiumization strategies focused on each region's core brands; creation of new value/new demand.
 - Strengthen global management based on three core pillars in Japan, Europe, and Australia; generating synergies through CUB business integration.
- ◆ **Update Medium-Term Management Policy to accelerate management reforms in anticipation of business environment changes**
 - Restructure earnings power with revision of guidelines in response to the COVID-19 pandemic and acquisition of CUB business.
 - Achieve 50 billion JPY in cost efficiency through streamlining over three years and reinvest for upgrading management resources and reinforcing ESG initiatives.

Enhancing “Glocal Value Creation Management” based on Asahi Group Philosophy

- ◆ **Strengthening earnings power** by further enhancing added value and earnings structure reform
 - Promoting the premiumization strategy by enhancing high- added-value brands in all businesses and expanding the five global brands
 - Reforming the earnings structure in response to changes in the business environment
 - Targeting the efficiency of improving earnings structure (total for 2021–2023): over ¥50.0 billion for reallocating on business performance recovery and investments in the enhancement of management resources and reinforcing of ESG initiatives.
- ◆ **Enhance management resources** aimed at expanding new foundations for growth
 - Bolstering investment in intangible assets (R&D, human resources, etc.) with the aim of boosting innovation and new value creation
 - Constructing new operating model by accelerating DX (Digital Transformation)
- ◆ **Reinforce ESG initiatives** supporting our sustainable value creation process
 - Integrating sustainability into management strategy through such initiatives as “Asahi Group Environmental Vision 2050” and “Sustainable Communities”
 - Enhancing risk management systems (enterprise risk management), strengthening global governance centered on the three pillars in Japan, Europe, and Australia

⇒Promoting constructive dialogue based on the above Key initiatives as the "engagement agenda"

◆ Key Performance Indicator Guidelines

	2017 Result	Guidelines from 2018 in 3 years out	2020 Result
Revenue	JPY 2,084.9 billion	•Stable growth from existing businesses – Business restructuring + New M&As	–
Core Operating Profit	JPY 196.4 billion	•CAGR : mid to high single digit	-5.1%
EPS (adjusted*)	262.2 yen	•CAGR : mid to high single digit	-9.2%
ROE (adjusted*)	13.7%	•Maintain 13% or above	7.5%

*Adjusted figures are calculated after the deduction of one off special factors including business portfolio restructuring and foreign exchange impact

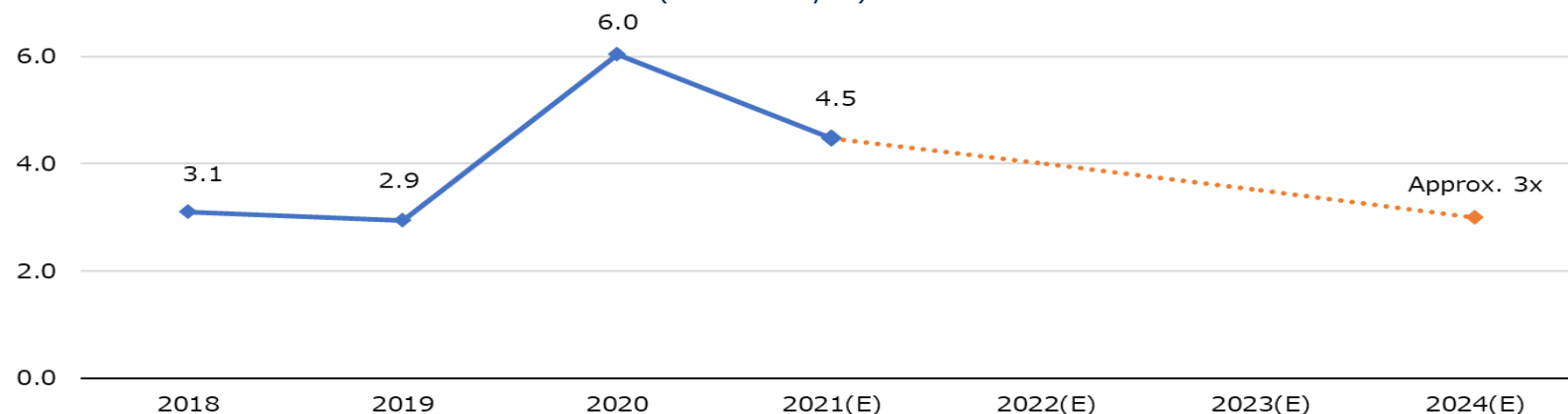
- Withdrawing existing guidelines in light of the impact of the COVID-19 pandemic, planning to establish new guidelines in 2022
- Targeting a recovery to 2019 profit level* in 2022

*Based on 2019 operating performance with the inclusion of CUB business results (estimated figures from January to December)

◆ Financial and Cash Flow Guidelines

	Guidelines from 2021 onward
Cash Flow	<ul style="list-style-type: none"> •FCF: above ¥200.0 billion or higher (annual average) (FCF = operating cash flow – investment cash flow) *Excluding M&A and other business restructuring.
Investment for Growth/Debt Reduction	<ul style="list-style-type: none"> •FCF will be allocated first to debt reduction to increase capacity for growth investment •Net Debt/EBITDA: Around 3 times by 2024 (Calculated after excluding 50% of subordinated bonds from Net Debt)
Shareholder Returns	<ul style="list-style-type: none"> •Stable dividend increases with the aim of a dividend payout ratio of 35% (aiming at dividend payout ratio of 40% in the future)

< Changes of Net debt/EBITDA > *Calculated by deducting 50% of the outstanding subordinated bonds (300 billion yen) from Net Debt.



◆ Breakdown of efficiency improvement plan

	2021-2023 3-year forecast	Initiatives
Alcohol Beverages	Over ¥35.0 billion	-Improve efficiency of advertisement and sales promotion expenses and production efficiency by concentrating on core brands and new value products -Optimize production and logistics systems to respond to shifts in demand between containers and categories
Soft Drinks		-Optimize inventory levels by improving SCM efficiency, such as through more sophisticated demand forecasting -Improve total cost of goods sold and logistics costs by promoting in-house production
Food		-Improve productivity by automating manufacturing equipment and improving manufacturing processes -Reduce variable costs by improving the accuracy of supply and demand forecasts and optimizing inventory levels and the number of SKUs
Overseas	Over ¥15.0 billion	-Reduce fixed manufacturing costs using automated warehouses and increase efficiency through the organizational integration (Europe) -Create synergies through business integration, including integration of logistics bases and reduction of procurement costs (Oceania)
Consolidated total	Over ¥50.0 billion	



Targeting the efficiency of improving earnings structure (total for 2021–2023):
over ¥50.0 billion for reallocating on business performance recovery and investments
in the enhancement of management resources and reinforcing of ESG initiatives

◆ Integrating sustainability in our management



Initiatives and results for 2020

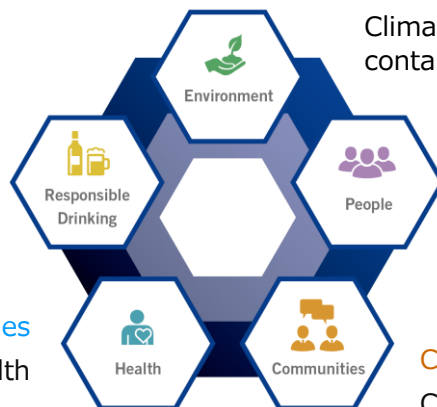
- Jan. 31 Issued IARD Joint Statement
- Jul. 6 Formulated Basic Policy and Vision on Sustainability, renewed material issues, built promotion framework
- Jul. 8 Disclosed information relating to TCFD recommendations
- Oct. 15 Issued Green Bonds
- Oct. 29 Joined global environmental initiative "RE100"
- Dec. 7 Held Global Sustainability Committee conference
- Dec. 8 Recognized as CDP "Climate Change A List 2020" company

◆ Our material issues

Contribute to efforts to reduce harmful drinking and promote the sound development of the alcohol beverage culture

Reduction in inappropriate drinking/Solution of social issues through creation of new drinking opportunities

Become a close part of people's healthy lifestyles
Secure food safety & reliability/Create value of health



Protect the gifts of nature

Climate change/Sustainable raw material procurement, containers/packaging and water resources /Circular economy

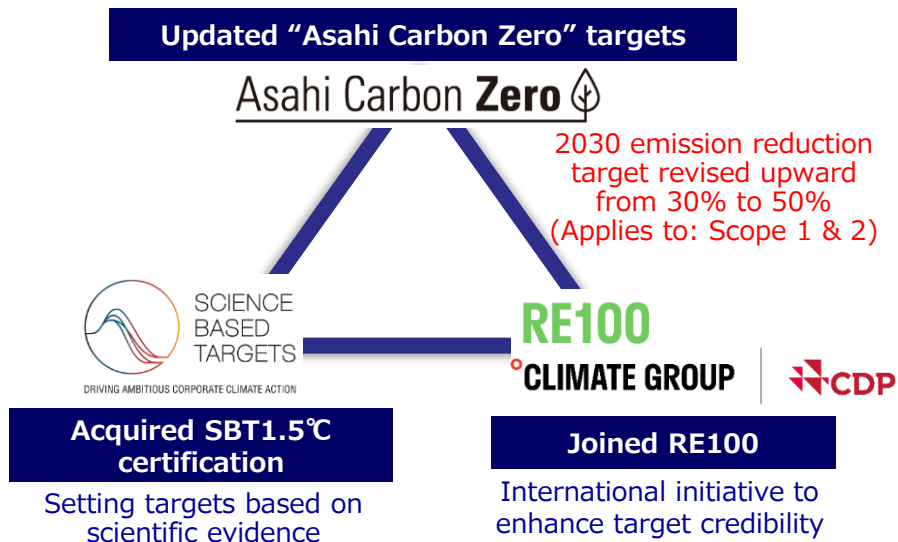
Uphold respect for human rights and maximize the potential of people

Respect for human rights/Human resources development/Diversity/Workforce health and safety

Connect people to create and share enjoyment

Create people-to-people connections/Realize sustainable supply chains

◆ Response to climate change: Aiming for zero CO₂ emissions by 2050 with “Asahi Carbon Zero”



<Japan>

- Expanding use of “green electricity” to production of *Asahi Super Dry* in 500 ml cans (already used for *Asahi Super Dry* in 350 ml cans, *Dry Zero* in 350 ml cans, etc.)

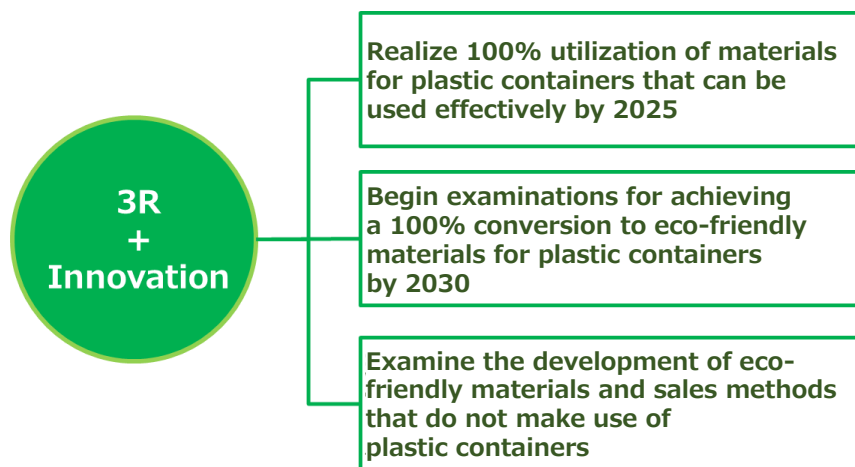
<Europe>

- Switched to 100% renewable energy at seven breweries in Italy, Netherlands, and Poland

<Australia>

- Using 100% solar-generated power for production of *Victoria Bitter*

◆ Response to plastic problem



<Japan>

- Expanding label-less PET bottle products/channels

<Europe>

- From 2020, *Grolsch* commenced transition from plastic six-pack film packaging to Top Clip cardboard packaging



<Australia>

- Introduced bottles made from 100% recycled PET plastic for *Cool Ridge* water brand



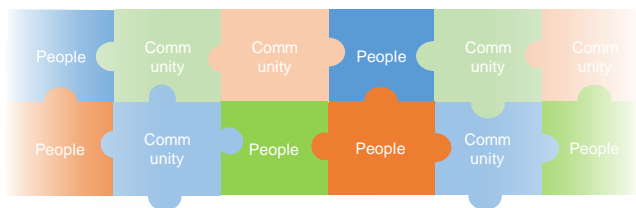
◆ Strengthening “Sustainable Community” Initiatives

Revitalizing connections between people and their communities that have been weakened by economic development, COVID-19, etc.

Community Activity Slogan “RE:CONNECTION”



Collaborating with local communities
Key areas: Food, local environment,
disaster assistance



**Sharing happy times with local
community members**
“Bringing more fun to life”

【Major initiatives】

<Italy: Birra Peroni>

To support farmers, “Campus Peroni” project was launched in 2018 in partnership with a malting plant, the National Agricultural Research Center, and the agricultural departments of several local universities to explore the cultivation of barley and other grains that can be used to make sustainable beer. The project involves the advancement of initiatives promoting research, training, innovation, and exchange between agricultural producers.

**Campus Peroni partnerships
aimed at producing sustainable
malt**



<Malaysia>

Deploying a program to purchase raw milk at a stable price from farmers who maintain certain quality standards and production volumes. As well as promoting improved quality and productivity among dairy farmers, the project also provides a framework for securing enhanced or stable incomes for farmers, and contributes to supporting farmers aiming for a new career in dairy farming.

**Malaysian Dairy Farmer
Support Program**



Global Slogan : Responsible Drinking Ambassador

- ◆ To eliminate harmful drinking and generate new drinking opportunities, we promote non-alcohol beverage strategies across the entire Group.

As a signatory to the IARD, an international NPO, we work together with leading alcohol beverage producers around the world to promote responsible drinking.

Japan

“Smart Drinking” declaration

- Aiming to realize a society where those who drink, and those who do not, can respect each other’s perspectives
- Online disclosure of net alcohol quantities (in grams) by June 2021
- Aiming for a sales volume ratio of 20% for products with an alcohol by volume (ABV) level of 3.5% or lower by 2025



Europe

Promoting premiumization to expand growth opportunities

- Aiming for a sales volume ratio of 20% for non-alcohol product by 2030



Oceania

Developing the market through the use of brands

- By launching non-alcohol beers from core brands such as *Great Northern* and *Carlton*, aiming for a sales volume ratio of 25% for products with an ABV of 3.5% or lower by 2025



Overview of Business for 2020

Business Strategy for 2021

◆ **Core operating profit for 2020 decreased by 21.1% due to the spread of COVID-19. (constant currency basis)**

- Alcohol : YoY decline in revenue and profits due to the sales decrease mainly in the on-premise channel, despite promoting sales for the off-premise channel and control of overall fixed costs.
- Soft Drinks : YoY decline in revenue and profits due to weak vending machine sales, despite concentrating on core brands and promoting control of overall fixed costs.
- Food : YoY decline in revenue and profits due to the sales decrease of *Mintia* brand, despite the promoting sales to capture the staying-at-home demand and control of overall fixed costs.
- Overseas : YoY increase in revenue due to the impact from the consolidation of CUB business, and yet YoY decline in profits due to the sales decrease in the on-premise market and worsening mix.

◆ **In 2021, we aim to increase profit by 27.7% by responding flexibly to changes in the business environment. (constant currency basis)**

<Revenue and Core operating profit> *constant currency basis (based on previous year's FX rates)

(JPY billion)

	2020				2021 forecast		
		YoY (Amount / %)		Against Target		YoY (Amount / %)	
Alcohol Beverages Business	758.3	- 128.6	- 14.5%	- 7.3	782.5	35.5	4.8%
Soft Drinks Business	353.4	- 23.5	- 6.2%	- 2.6	372.4	19.1	5.4%
Food Business	123.5	- 5.5	- 4.2%	- 1.1	128.7	5.2	4.2%
Overseas Business	799.8	101.2	14.5%	18.8	971.8	178.9	22.6%
Other Business	93.2	- 4.6	- 4.7%	0.3	111.7	7.0	6.7%
Adjustmenet (corporate and elimination)	- 93.5	6.4	-	2.5	- 94.9	- 1.2	-
Revenue	2,034.6	- 54.5	- 2.6%	10.5	2,272.2	244.4	12.1%
Alcohol Beverages Business	80.4	- 25.1	- 23.8%	0.1	87.0	4.0	4.9%
Soft Drinks Business	27.8	- 5.6	- 16.9%	1.6	29.5	1.7	6.3%
Food Business	11.0	- 2.7	- 19.9%	0.1	11.3	0.3	2.8%
Overseas Business	94.4	- 7.8	- 7.6%	10.9	144.8	50.7	53.9%
Other Business	1.3	- 0.2	- 13.2%	1.2	- 1.7	- 0.6	-
Adjustmenet (corporate and elimination)	- 21.4	1.0	-	2.6	- 27.8	- 6.5	-
Amortization of acquisition-related intangible assets	- 25.5	- 4.4	-	3.5	- 28.8	- 3.3	-
Core operating profit	168.1	- 44.9	- 21.1%	19.9	214.3	46.4	27.7%

Financial Results Highlights (actual currency basis)



<Revenue and Core operating profit (actual currency basis) >

(JPY billion)

	2020				2021 forecast		
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Alcohol Beverages Business	758.3	- 128.6	- 14.5%	- 7.3	782.5	35.5	4.8%
Soft Drinks Business	353.4	- 23.5	- 6.2%	- 2.6	372.4	19.1	5.4%
Food Business	123.5	- 5.5	- 4.2%	- 1.1	128.7	5.2	4.2%
Overseas Business	793.0	94.4	13.5%	29.1	995.6	202.7	25.6%
Other Business	93.2	- 4.6	- 4.7%	0.3	111.7	7.0	6.7%
Adjustmenet (corporate and elimination)	- 93.5	6.4	-	2.5	- 94.9	- 1.2	-
Revenue	2,027.8	- 61.3	- 2.9%	20.8	2,296.0	268.2	13.2%
Alcohol Beverages Business	80.4	- 25.1	- 23.8%	0.1	87.0	4.0	4.9%
Soft Drinks Business	27.8	- 5.6	- 16.9%	1.6	29.5	1.7	6.3%
Food Business	11.0	- 2.7	- 19.9%	0.1	11.3	0.3	2.8%
Overseas Business	94.1	- 8.1	- 8.0%	12.1	148.6	54.5	57.9%
Other Business	1.3	- 0.2	- 13.2%	1.2	- 1.7	- 0.6	-
Adjustmenet (corporate and elimination)	- 21.4	1.0	-	2.6	- 27.8	- 6.5	-
Amortization of acquisition-related intangible assets	- 25.5	- 4.3	-	3.2	- 29.4	- 3.9	-
Core operating profit	167.8	- 45.1	- 21.2%	20.8	217.5	49.7	29.6%
Operating profit	135.2	- 66.3	- 32.9%	11.2	216.0	80.8	59.8%
Profit attributable to owners of parent	92.8	- 49.4	- 34.7%	12.8	152.0	59.2	63.7%

【2020】

- Revenue: -2.9% YoY decline in the total due to the YoY decline of the three domestic businesses, despite YoY increase of the overseas business due to the impact from the consolidation of CUB business.
- Core OP: YoY decline with -21.2% in the total due to the worsening channel mix and the sales decrease in various countries.

【2021】

- Revenue: Expected to increase by +13.2% YoY due to recovery in demand in various countries and brand development centered on high value-added products.
- Core OP: Expected to increase by +29.6% YoY due to recovery in sales volume and improved mix, as well as the effect of consolidation of CUB business.

Operating Profit/Profit attributable to owners of parent



(JPY billion)

	2020				2021 forecast		
		YoY (Amount / %)		Against Target	YoY (Amount / %)		
Revenue	2,027.8	- 61.3	- 2.9%	20.8	2,296.0	268.2	13.2%
Core operating profit	167.8	- 45.1	- 21.2%	20.8	217.5	49.7	29.6%
Adjustment item	- 32.7	- 21.1	-	- 9.7	- 1.5	31.2	-
Gain (loss) on sales and retirement of non current assets	1.8	5.8	-	1.0	28.8	27.0	-
Business integration expenses	- 8.9	- 3.5	-	- 6.8	-	8.9	-
Impairment loss	- 8.8	- 8.8	-	- 8.8	-	8.8	-
Others	- 16.7	- 14.6	-	5.0	- 30.3	- 13.6	-
Operating profit	135.2	- 66.3	- 32.9%	11.2	216.0	80.8	59.8%
Finance income or loss	- 7.6	- 3.3	-	0.6	- 13.0	- 5.3	-
Share of profit (loss) of investments accounted for using equity method	0.3	- 0.6	- 67.3%	0.3	0.3	- 0.0	- 12.0%
Gain (loss) on sales of investments accounted for using equity method	- 2.3	- 2.3	-	-	-	2.3	-
Others	- 0.1	0.5	-	1.4	- 0.3	- 0.2	-
Profit before tax	125.4	- 72.0	- 36.5%	13.4	203.0	77.6	61.9%
Income tax expense	- 32.8	23.3	-	- 0.3	- 51.0	- 18.2	-
Profit	92.6	- 48.7	- 34.5%	13.1	152.0	59.4	64.2%
Profit attributable to owners of parent	92.8	- 49.4	- 34.7%	12.8	152.0	59.2	63.7%
Profit attributable to non-controlling interests	- 0.2	0.7	-	0.3	-	0.2	-

【2020年】

- Operating profit: -32.9% YoY decrease due to lower Core OP and impairment loss, despite improvement in gain (loss) on sales and retirement of non current assets.
- Profit(※): -34.7% YoY decline due to lower operating profit and higher finance loss, despite lower income tax expense.

【2021年】

- Operating profit: Expected to increase by +59.8% YoY due to higher Core OP and gain on sales and retirement of non current assets, despite increase in other expenses.
- Profit(※): Expected to increase by +63.7% YoY mainly due to higher operating profit, despite higher finance loss and income tax expenses.

(※) Profit refers to profit attributable to owners of parent.

(JPY billion)

	2020				2021 forecast		
		YoY (Amount / %)		Against Target		YoY (Amount / %)	
Total Assets	4,439.4	1,298.6	41.3%	105.4	4,320.0	- 119.4	- 2.7%
Total Equity	1,517.8	269.5	21.6%	313.8	1,522.0	4.2	0.3%
Interest-bearing debt	1,823.6	880.4	93.3%	- 326.4	1,670.0	- 153.6	- 8.4%
Net DE ratio ※1, 2	0.98	0.26	35.9%	- 0.75	0.88	- 0.10	- 10.2%
Net Debt / EBITDA ※2	6.03	3.10	105.5%	- 2.23	4.48	- 1.55	- 25.7%
Cash flows from (used in) operating activities	275.9	22.4	8.8%	97.9	282.0	6.1	2.2%
Cash flows from (used in) investing activities	- 1,243.4	- 1,139.7	-	- 4.9	- 43.5	1,199.9	-
Cash flows from (used in) financing activities	956.8	1,115.6	-	- 124.7	- 237.0	- 1,193.8	-
Free cash flow	196.8	23.8	13.8%	-	220.5	23.7	12.0%
Dividend per share (yen)	106	6	6.0%	-	109	3	2.8%
Dividend payout ratio (%)	53.9%	21.7%	-	-	36.3%	- 17.6%	-

(※1) Calculated by adding 50% of the outstanding subordinated bonds (300 billion yen) to the equity.

(※2) Calculated by deducting 50% of the outstanding subordinated bonds (300 billion yen) from Net Debt.

【2020】

BS: Total assets increased by 1,298.6 billion yen from the end of the previous fiscal year, mainly due to an increase in goodwill and trademarks resulting from the acquisition of CUB business.

Interest-bearing debt increased due to funding for the acquisition, but was significantly reduced compared to the forecast due to public offering, increase in profit, and measures to expand cash flow.

CF, Div.: Generated significantly more cash than forecasted by reducing working capital, selling non-operating assets, and continued to stably increase dividends.

【2021】

BS: Aim to repay more than 150 billion JPY of interest-bearing debt by increasing cash generation capacity, and to achieve Net Debt/EBITDA of 4.5x.

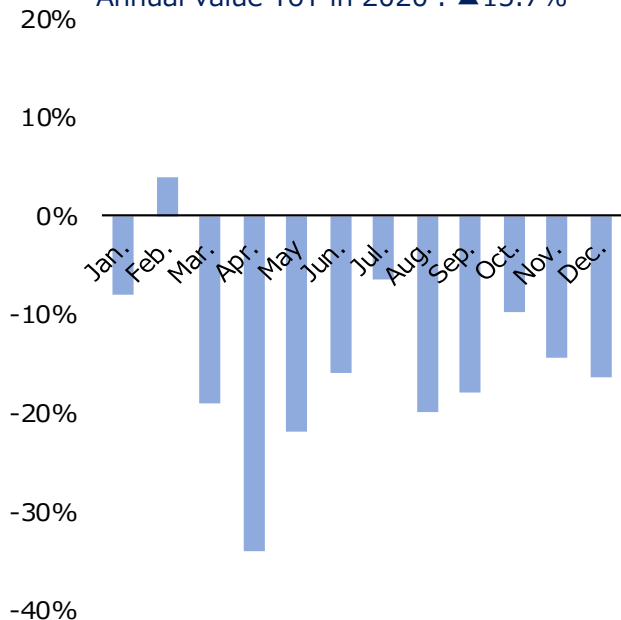
CF, Div.: Plan to increase annual dividend by 3 JPY to 109 JPY per share by improving cash generation capacity through profit recovery and asset reduction.

◆ Monthly Beer Sales in the Key Businesses

【Domestic Alcohol Business】

*Beer-type beverages value basis

Annual value YoY in 2020 : ▲15.7%

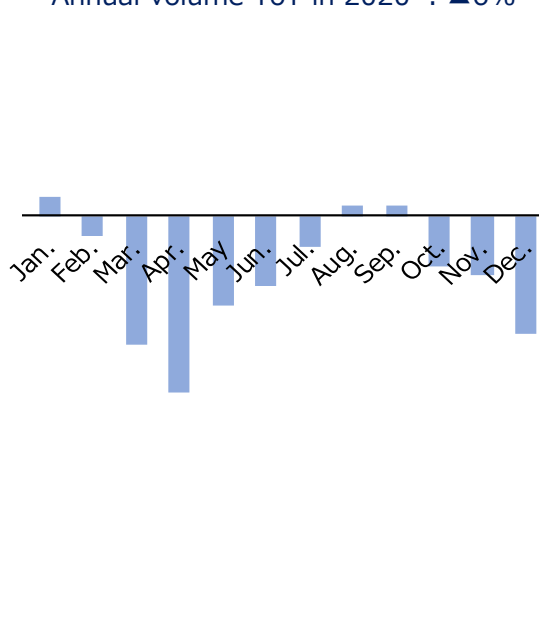


- Temporary recovery after May, but declined after August due to the reemergence of COVID-19.
- On-premise: Recovered after October with the launch of the "Go To Campaign", but declined again due to the reemergence of COVID-19.
- During the year, new genres for off-premise channel expanded, but not enough to cover the decline in total beer sales.

【European Business】

*Volume basis

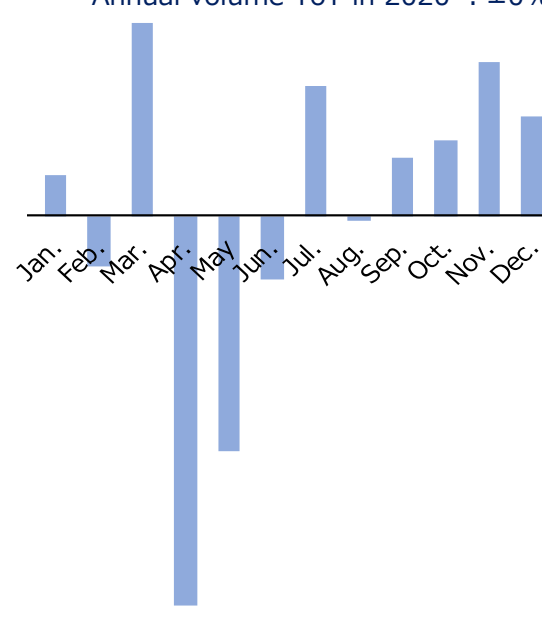
Annual volume YoY in 2020 : ▲6%



- Demand for On-premise channel was sluggish due to the lockdown since March, but after lifting, demand recovered gradually from May and exceeded the previous year's level in the summer.
- On-premise: Sluggish due to the 2nd lockdown and tighter regulations.
- During the year, off-premise channel expanded, but not enough to cover the decline in on-premise one.

【Australian Existing Business and CUB】*Volume basis

Annual volume YoY in 2020 : ±0%



- Sluggish in Apr. due to the lockdown, but after lifting in May, it recovered.
- On-premise: Recovered after July due to the deregulation. (Victoria remains on lockdown until October)
- At its peak, the recovery trend continued, though regulations remained in some states.
- During the year, expanded off-premise channel covered declined on-premise one and led to the almost previous year's level

(JPY billion)	2020				2021 forecast		
		YoY (Amount / %)		Against Target		YoY (Amount / %)	
Revenue	758.3	- 128.6	- 14.5%	- 7.3	782.5	35.5	4.8%
Core OP	80.4	- 25.1	- 23.8%	0.1	87.0	4.0	4.9%

2020 Overview

- ◆ Promoted prioritization of investment in core brands and revision of cost structure in light of the COVID-19 pandemic
- ◆ Challenges included revitalization of beer market and offering new value following liquor tax revisions, and structural reform of sales channels

Direction for 2021

- ◆ Strengthening of new value offered through core brands, creation of new markets in anticipation of changes in consumption structure
- ◆ Promotion of fundamental earnings structure reforms, including improvements in channel/category mix

◆ Initiatives for Asahi Super Dry

Invigoration of Asahi Super Dry and enhancement of brand value by offering the highest levels of quality and new consumption opportunities

- Off-premise: Strengthen appeal of beer's great taste and enjoyableness through new containers and by providing new drinking opportunities and experiences
- On-premise: Support for enhancing keg draft product quality, strengthening appeal of the brand through premium drinking experiences, etc.

THE JAPAN BRAND
SUPER
“DRY”



Asahi Super Dry Nama Jokki Can
(Pre-sale at convenience stores from April 6,
and nationwide sale from April 20)

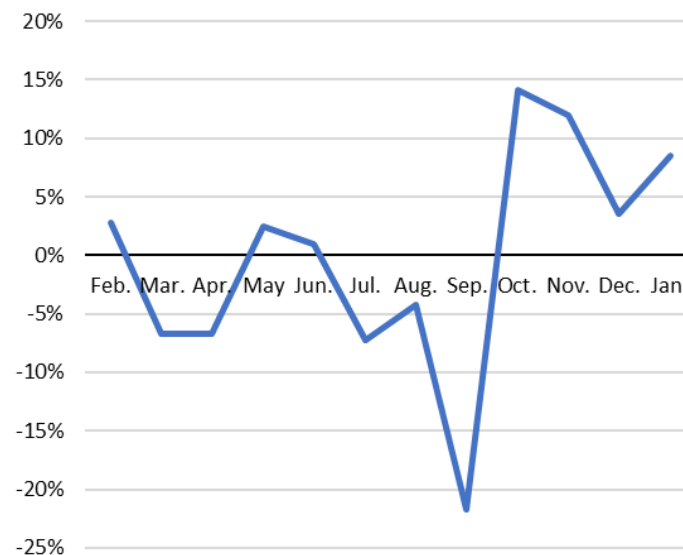


Server for home use
(Scheduled to start
operations in May)



「ASAHI SUPER DRY
VIRTUAL BAR」

<Beer can market YoY>



Source: Intage SRI+ Beer Can Market Estimated Sales Volume YoY
Feb. 2020 ~ Jan. 2021
Seven channels (SM/CVS/liquor DS/HC/DRUG/general
liquor stores/commercial liquor stores)

◆ New genre standard brands

Clear Asahi: Strengthen year-round sales promotion
Asahi THE RICH: Increase promotional communications via digital technologies



<Total of the four new genre standard brands *1>

Jan.-Dec. 2020 volume YoY

+5%

*1 New genre standard brands: *Clear Asahi*, *Asahi THE RICH*, *Asahi Gokujo Kire Aji*, and *Prime Rich*

◆ Zero sugar brands

Style Free: In response to increased consumer health consciousness, strengthening sales promotion including first TV commercials in 3 years



<Total of the three zero sugar brands*2>

Jan.-Dec. 2020 volume YoY

+5%

*2 Zero sugar brands: *Style Free*, *Zeitaku Zero*, and *Asahi Off*

◆ RTD

Promote growth and profit structure reforms, prioritizing investment in 3 brands with distinctive value



<RTD can>

Jan.-Dec. 2020 volume YoY

+6%

(*Zeitaku Shibori*: +21% YoY)

◆ Alcohol-taste beverages

Dry Zero: Achieving a taste closer to beer to expand customer base

Beery: Creating a low alcohol (alcohol content <1%) category to enjoy in the setting and at the pace of your choice



<Asahi Dry Zero can>

Jan.-Dec. 2020 volume YoY

+5%



Beery: Pre-sale in Tokyo and 9 prefectures from March 30, nationwide sale from June 29

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Core OP	27.8	- 5.6	- 16.9%	1.6	29.5	1.7	6.3%

2020 Overview

- ◆ Improved category mix with focus on bolstering carbonated beverages, promoted profit structure reforms such as enhanced capacity utilization
- ◆ Challenges included offering value that is responsive to business environment changes, weak vending machine sales, and improving channel mix

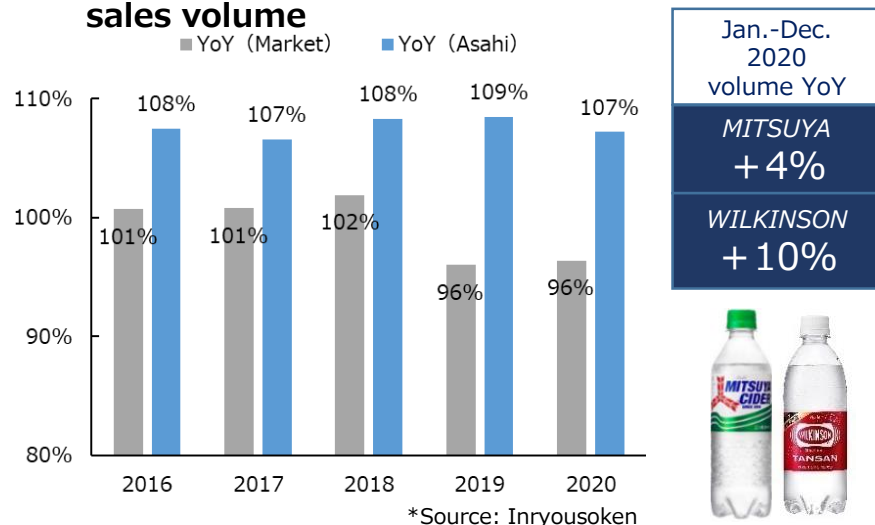
Direction for 2021

- ◆ Offer new value that is responsive changing needs, strengthen sales channel measures to supplement vending machines
- ◆ Build optimal production and distribution structure, accelerate prioritization of brand investment through “selection and focus”

◆ Initiatives for Carbonated drinks

Growth continues to outpace the market

- **MITSUYA** and **WILKINSON** set new records for sales volume



Aiming to achieve further growth and take on new challenges, leveraging the strength of centenarian brands

- Developing products and marketing tailored to changes in consumer needs



2021 Sales plan (YoY)

『MITSUYA』: +3%

『WILKINSON』: +8%

◆ Initiatives in a pandemic (responding to staying-home demand)

Concentrated **CALPIS**

- Set new sales volume record, increasing its sales weighting among **Calpis** brand products



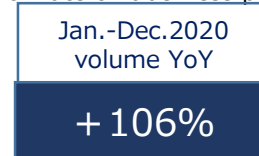
Composition within "CALPIS"
 2019:10.7% → 2020:12.6%

E-commerce channels

- Achieved record sales volume through proactive development of label-less products



< Growth rate of label-less products >



< Growth rate of EC channel >



(JPY billion)	2020				2021 forecast		
		YoY (Amount / %)		Against Target		YoY (Amount / %)	
Revenue	123.5	- 5.5	- 4.2%	- 1.1	128.7	5.2	4.2%
Core OP	11.0	- 2.7	- 19.9%	0.1	11.3	0.3	2.8%

2020 Overview

- ◆ Promoted marketing suited to health-conscious lifestyles and stay-at-home demand, and promoted overall streamlining of fixed costs
- ◆ Challenges included a decline in sales of core brand *Mintia* and growth strategies that are responsive to market environment changes

Direction for 2021

- ◆ Restore sales momentum by restructuring category portfolio in response to business environment changes
- ◆ Promote earnings structure reforms, such as prioritizing investment in growing categories and optimization of inventory levels

◆ Initiatives of *Mintia*

Mintia in the age of new lifestyles
-Reforming into “No. 1 brand for refreshing the mind”



New products for new lifestyles

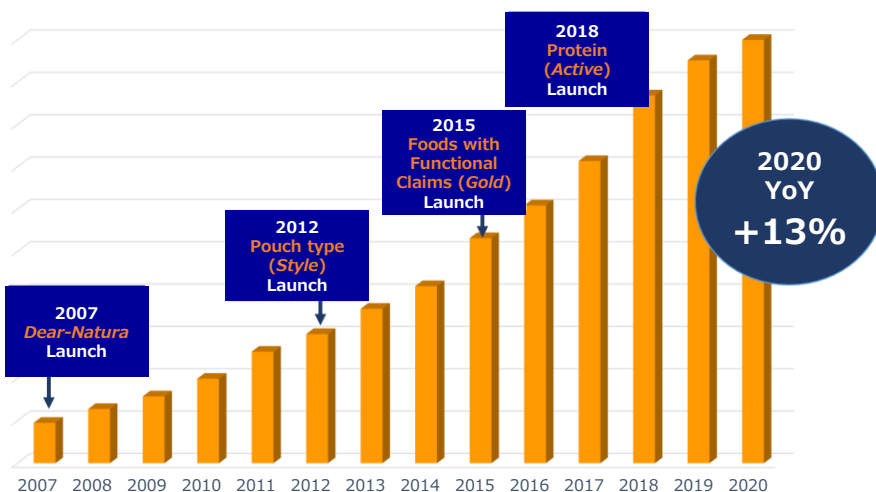
- Special products for wearing masks
- Launch of Food with Nutrient Function Claims (first for *Mintia*)
- New products in tabletop bottles



2021 Sales Plan (YoY)
Mintia: +3%

◆ Initiatives of *Dear-Natura*

Sales growth for 13 consecutive years since launch



Expand Food with Functional Claims using functional ingredients derived from *Calpis* lactic acid bacteria research



2021 Sales Plan (YoY)
Dear-Natura: +2%

*constant currency basis (based on previous year's FX rates)

(JPY billion)	2020				2021 forecast		
		YoY (Amount / %)		Against Target	YoY (Amount / %)		
Revenue	352.0	- 36.3	- 9.3%	3.5	481.2	70.2	17.1%
Core OP	59.6	- 18.1	- 23.3%	2.9	71.6	11.3	18.7%

2020 Overview

- ◆ Gains in off-Premise but not sufficient to compensate for on-Premise loss. Profit supported by cost savings.
- ◆ Challenge: Adverse mix due to the sales decrease in on-Premise market.

Direction for 2021

- ◆ Continue to promote premiumization in all brands and non-alcohol products, and expand sales channels for five global brands
- ◆ Appropriate allocation of resources and investment to address changes in market structure, and cost optimization through integration of European businesses.

◆ 2020 Results ※constant currency basis

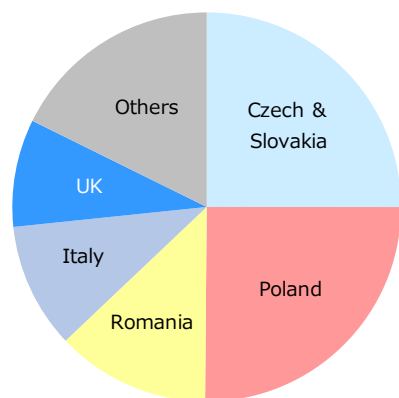
<Europe Business (Before integration) >

chl. million Euro	2020 Result	YoY*2	Against Target*3
Sales Volume	39,964	△ 6%	0%
Net Sales (exc liquor tax)	2,375	△ 8%	△ 0%
Core OP*1	489	△ 21%	5%

<Asahi International Ltd>

Sales Volume	4,055	△ 10%	△ 5%
Net Sales (exc liquor tax)	476	△ 18%	△ 8%
Core OP*1	7	△ 89%	△ 71%

< Europe Business (After integration)
Revenue Composition by Country (2020) >



◆ 2021 Forecast ※constant currency basis

<Europe Business (After integration) >

chl. million Euro	2021 Target	YoY*2
Sales Volume	43,691	8%
Net Sales (exc liquor tax)	3,157	17%
Core OP*1	587	19%

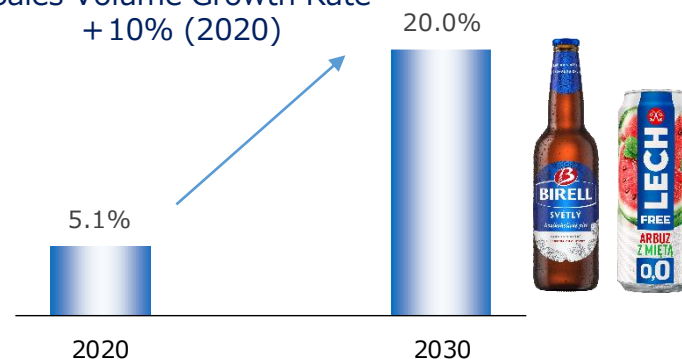
*1 Core OP before deduction of one-off cost

*2 Comparison in FX rate of the same period of the previous year

*3 Comparison in budget FX rate

◆ Share of non alcohol beverages in our total sales volume*

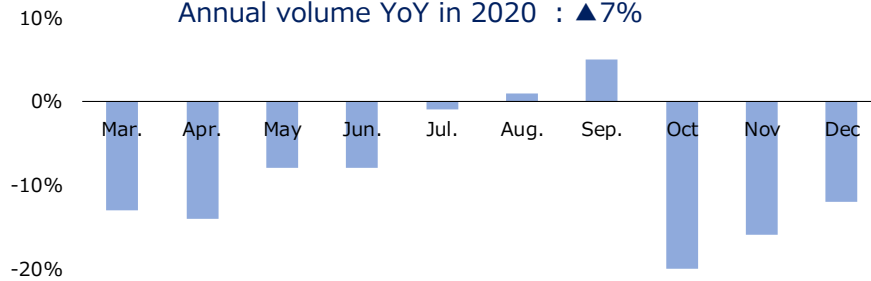
Sales Volume Growth Rate
+ 10% (2020)



*Europe Business before integration basis

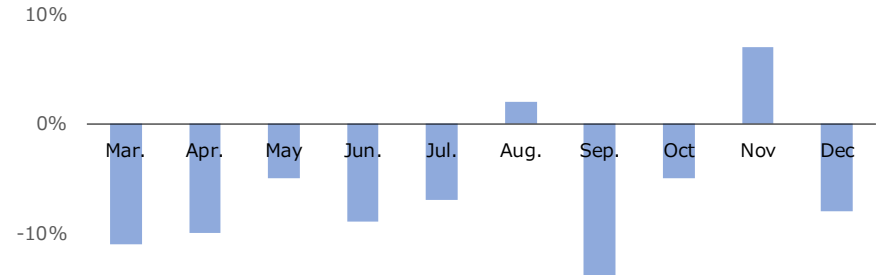
Reference: COVID-19 Impacts (Europe)

[Czech] *Volume basis On-premise ratio: mid-double digit
Annual volume YoY in 2020 : ▲7%



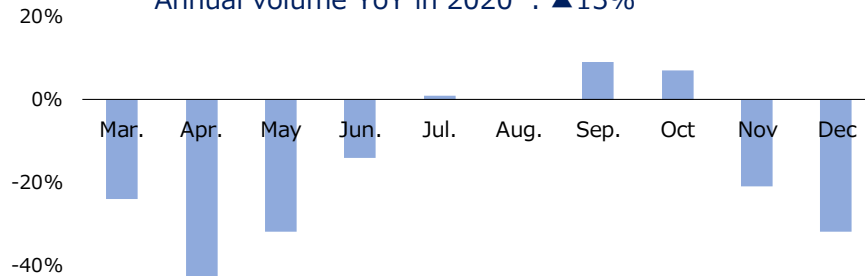
- On-trade: Moderate improvements over summer period as restrictions were lifted, however decline from Oct due to the new lockdown.
- Off-trade: Steady demand, although slowed down with new restrictions and not sufficient to compensate for loss of On-trade.
- Total Business: Strong performance in Q3, however decline from Oct due to the lockdown.

[Poland] *Volume basis On-premise ratio: mid single digit
Annual volume YoY in 2020 : ▲5%



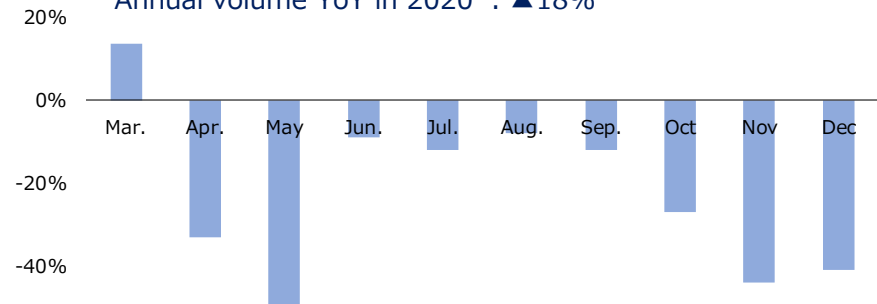
- On-trade: Outlets reopened over summer period, however closed again from mid-Oct due to lockdown.
- Off-trade: Year-on-year decline due to cycling good weather in previous year. Impacted by restrictions.
- Total Business: Solid demand but impacted by covid restrictions

[Italy] *Volume basis On-premise ratio: mid-double digit
Annual volume YoY in 2020 : ▲13%



- On-trade: Improvements from mid-May as restrictions lifted, but decline from Oct due to new increased restrictions.
- Off-trade: Steady demand with increase in home consumption but not sufficient to compensate for loss of On-trade.
- Total Business: Strong performance in Q3, however decline from Oct due to new restrictions.

[UK] *Volume basis On-premise ratio: mid-double digit
*Including the effect from the acquisition of Fuller's from Apr 2019
Annual volume YoY in 2020 : ▲18%



- On-trade: Reopened in July, but restrictions increased from late Sep.
- Off-trade: Increased market share through key customers but not sufficient to compensate for loss of On-trade.
- Total Business: Heavily impacted by restrictions in the On-trade.

*constant currency basis (based on previous year's FX rates)

(JPY billion)	2020				2021 forecast		
		YoY (Amount / %)		Against Target		YoY (Amount / %)	
Revenue	344.0	165.2	92.4%	26.8	447.7	108.6	32.0%
Core OP	33.2	17.9	117.7%	9.4	70.3	37.3	113.3%

2020 Overview

- ◆ Integrate and create synergies by integrating CUB into Asahi Beverages region, and strengthen sales in the off-premise channel in both alcohol and non-alcohol
- ◆ Challenge for responding to the decline in the on-premise channel, investing in core brands and accelerating top-line synergies

Direction for 2021

- ◆ Promote the premium strategy by leveraging the integrated and robust brand portfolio and sales channels
- ◆ Accelerate cost synergies through organizational integration and reinvest to create top-line synergies by leveraging Asahi Beverages' scale with speed

◆ Break down of Oceania Business

<Revenue and Core OP *constant currency basis (based on previous year's FX rates)>

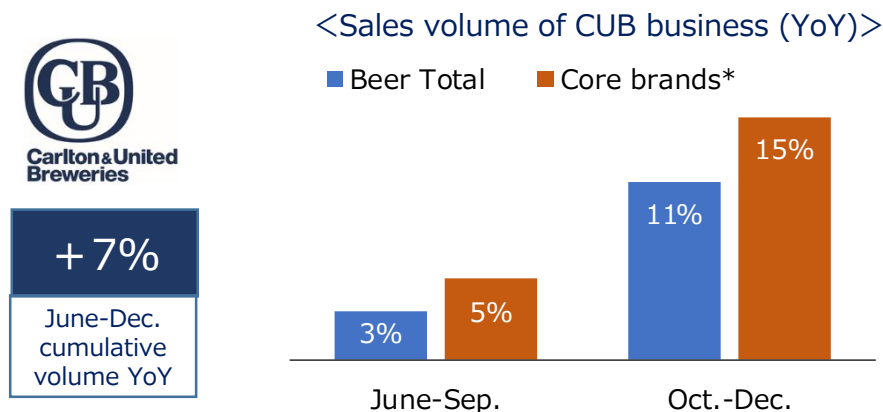
(JPY billion)

	2020				2021 forecast		
		YoY (Amount / %)		予想比	YoY (Amount / %)		
Existing business	178.7	- 0.1	- 0.1%	- 2.3	-	-	-
CUB business (from June 2020)	165.3	165.3	-	29.1	-	-	-
Revenue	344.0	165.2	92.4%	26.8	447.7	108.6	32.0%
Net business profit	44.4	28.9	186.2%	9.1	73.2	29.0	65.7%
Temporary expenses	- 11.2	- 11.0	-	0.4	- 2.9	8.3	-
Core Operating Profit	33.2	17.9	117.7%	9.4	70.3	37.3	113.3%

* Due to the reorganization of the Oceania business in October, only the total of the business profit is shown, as the allocation of expenses is no longer comparable to the previous year.

◆ Sales volume of CUB business for 2020 (YoY)

Strong recovery of sales volume due to strengthening sales of core brands



* Core Brands : Victoria Bitter, Great Northern, Carlton Dry, and Carlton Draught

◆ Efforts and Targets for Synergy Creation

<Top-line synergies>

Growth opportunities to provide full multi-beverage solutions across alcohol and non-alcohol (including post-mix) in key channels and customers

Existing Brands

Expanding our presence, especially in the super-premium market through accelerating the growth of Super Dry and Peroni by expanding sales channels.

Non-beer

Creating new growth opportunities, such as expanding sales channels for alcoholic beverages and soft drinks other than beer.



Target for Synergy Creation by 2024 (Profit basis)

Top-line Approx. ¥5 billion

Cost More than ¥10 billion

<Cost Synergies>

SCM

Establishing an optimal production and distribution system by integrating and mutually utilizing distribution centers.

Procurement

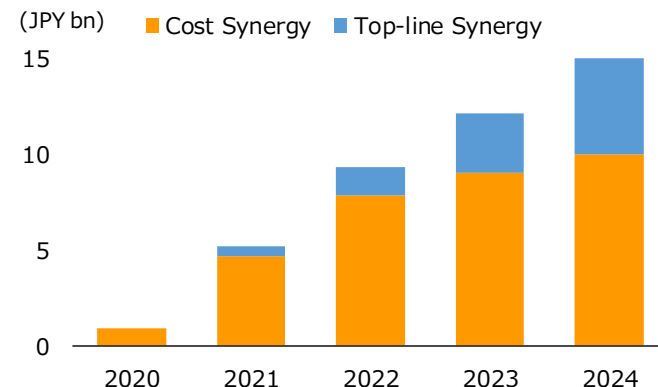
Strengthening and optimizing procurement capabilities by leveraging scale economies.

IT

Improving efficiency and optimization by reviewing infrastructure, systems, and functions.

Other

Improving efficiency through consolidation of shared services sites and revision of operational processes.



REFERENCE

Overview of

Financial Results for 2020 &

Full Year Forecasts for 2021

- * The effects of change from 1 to 5 below resulting from business reorganization effective January 1, 2021 were reflected in figures from the beginning of 2021 and comparable previous year's results in 2020.
- 1 We transferred NADAMAN CO., LTD. and ASAHI FOOD CREATE, LTD. which was previously in Alcohol Beverages Business to Other Business.
- 2 Asahi Group Foods, Ltd. absorbed and merged ASAHI CALPIS WELLNESS CO., LTD. which was previously in Other/elimination in Food Business.
- 3 Asahi International.,Ltd was merged into Europe business.
- 4 Existing business and CUB business were merged into Oceania business. In 2020, the effect of the consolidation of the CUB business is included in sales revenue and business profit only for June-December. Amortization of intangible assets is also included only as an expense for the same period above.
- 5 We transferred Asahi Loi Hein Company Limited which was previously in Southeast Asia business to Other Business.

Alcohol Beverages Business (Revenue of Beer-typed/Sales Volume by Brands)



<Sales Volume by Brands>

	2020	2020		Against Target
		YoY (Amount / %)		
Super Dry	65.17	- 18.38	- 22.0%	- 1.23
Style Free	11.65	0.57	5.1%	0.25
Clear Asahi	17.68	- 1.16	- 6.2%	- 0.22

*Super Dry sales by container (Bottle-44%, Can-5%, Keg-37%)

<Revenue of Beer-type beverages>

	2020	2020		Against Target
		YoY (Amount / %)		
Beer-type beverages total	561.3	- 104.6	- 15.7%	- 1.26

(Millions of cases)

	2021 forecast	
	YoY (Amount / %)	
	71.00	5.83 8.9%
	12.50	0.85 7.3%
	17.80	0.12 0.7%

(JPY billion)

	2021 forecast	
	YoY (Amount / %)	
	597.0	35.7 6.4%

<Market Trend>

(Volume basis)

	2020 YoY	2021 Est. YoY
Beer	Approx. -22%	+6~7%
Happoshu	-1~2%	-1~2%
New Genre	+2~3%	-3~4%
Total	-9~10%	±0~+1%

【Market Total】

·2020 : YoY contraction by -9 to -10% in the volume due to the contraction of the on-premise market and the scale reduction of traditional events, despite the stronger consumption of New Genre in the off-premise market.

·2021 : YoY expansion by 0 to +1% due to recovery in demand of beer in the on-premise market, despite the contraction of New Genre by tax revision.

【Revenue/Sales Volume by Brands】

<2020>

·YoY decline with -15.7% due to the sales decrease in the on-premise channel and the scale reduction of traditional events, despite the strong sales of Happoshu and New Genre.

<Asahi Super Dry> YoY decline with -22.0% due to the decrease in the on-premise channel and the scale reduction of traditional events, despite strengthening sales promotion for the off-premise market.

<Style Free> YoY increase with +5.1% due to the effective promotion to meet the growing health consciousness.

<Clear Asahi> YoY decline with -6.2% due to the decrease in the on-premise channel and competitive new products, despite strengthening sales promotion linked to meals.

<The Rich> Total shipments reached 7.82 million cases, and achieved the highest sales of any new beer-typed product in our company's last 10 years.

<2021>

·YoY increase with 6.4% due to recovery in demand in the on-premise channel, and further stimulating demand in the off-premise market by improving the value of main brands.

<Asahi Super Dry> YoY increase with +8.9% due to recovery in demand in the on-premise channel and providing new drinking values/opportunities, including the launch of new containers, etc.

<Style Free> YoY increase with +7.3% due to the enhanced promotion to meet the growing health consciousness, etc.

<Clear Asahi> YoY increase with +0.7% due to the enhanced promotion through the year and quality improvement by renewal, etc.

<Revenue>

(JPY billion)

| | | 2020 | | |
|------------------------------|-------|------------------|---------|----------------|
| | | YoY (Amount / %) | | Against Target |
| Asahi Breweries Revenue | 745.2 | - 118.2 | - 13.7% | - 9.1 |
| Other/elimination in segment | 13.1 | - 10.4 | - 44.3% | 1.8 |
| Revenue total | 758.3 | - 128.6 | - 14.5% | - 7.3 |

| | 2021 forecast | | |
|--|------------------|------|-------|
| | YoY (Amount / %) | | |
| | 780.5 | 35.3 | 4.7% |
| | 1.9 | 0.2 | 10.5% |
| | 782.5 | 35.5 | 4.8% |

<Reference: Revenue by category (before rebate deduction)>

| | | | | |
|---------------------------|------|-------|---------|-------|
| Whiskey and spirits | 52.6 | - 5.5 | - 9.5% | 0.8 |
| RTD low-alcohol beverages | 46.3 | 0.8 | 1.8% | - 0.8 |
| Wine | 40.2 | - 1.9 | - 4.5% | 2.5 |
| Shochu | 23.3 | - 3.1 | - 11.8% | 0.4 |
| Non-alcohol beverages | 32.1 | - 1.0 | - 3.1% | 0.4 |

| | | | |
|--|------|-------|---------|
| | 53.0 | 0.4 | 0.8% |
| | 46.5 | 0.2 | 0.5% |
| | 40.0 | - 0.2 | - 0.4% |
| | 19.0 | - 4.3 | - 18.6% |
| | 39.5 | 7.4 | 23.1% |

[Revenue of Other Alcohol Beverages]

2020 :

- YoY decline in total due to the sales decrease in each category in the on-premise channel, despite the sales increase of RTD by strengthening *Zeitakushibori* brand and launce of high value-add products.
- 3.1% YoY decline in Non-alcohol beverages due to the sales decrease in the on-premise channel and backlash from new products in the previous year.

2021 :

- YoY increase in total due to sales recovery in the on-premise channel and strengthening *Zeitakushibori* brands
- +23.1% YoY increase in Non-alcohol beverages due to the enhanced promotion and quality improvement by renewal brand *Asahi Dry Zero* and the creation of a low alcohol (alcohol content <1%) market with the launch of *Beery*.

<Core Operating Profit>

(JPY billion)

| | 2020 | | | 2021 forecast | | |
|---|-------|------------------|----------------|---------------|------------------|-------|
| | | YoY (Amount / %) | Against Target | | YoY (Amount / %) | |
| Change in sales, category and container mix | - | - 38.5 | - 4.0 | - | 17.5 | |
| Cost reduction in manufacturing | - | 1.9 | - 0.4 | - | 4.8 | |
| Cost increase in manufacturing | - | - 2.8 | - 0.3 | - | - 1.9 | |
| Advertisement and Sales promotion expenses | - | 6.8 | 0.3 | - | - 6.4 | |
| Other expenses | - | 10.4 | 3.9 | - | - 9.8 | |
| Asahi Breweries | 82.7 | - 22.2 | - 21.2% | - 0.4 | 87.0 | 4.2 |
| Other/elimination in segment | - 2.3 | - 2.9 | - | 0.4 | 0.0 | - 0.2 |
| Core Operating Profit | 80.4 | - 25.1 | - 23.8% | 0.1 | 87.0 | 4.0 |
| | | | | | | 4.9% |

[2020:Factors Contributing to Increase/Decrease]] (JPY billion)

<Breakdown of main factors>

- Change in sales and others:-38.5 (Sales decrease in beer-type -36.2, Sales decrease in other alcohol beverages -4.9, Change in category and container mix , etc.)
- Cost reduction in manufacturing: +1.9 (Raw materials +0.5, Other than beer-typed +0.4, Utilities +0.3, Transportation +0.5, etc.)
- Cost increase in manufacturing: -2.8 (Raw materials -0.6, In other than beer -0.8, Transportation -0.9, etc.)
- Decrease in sales promotion expenses : +6.8 (Advertisement +2.8, Promotion +4.0) (Beer-type +2.0, Other +4.8)
- Other expenses: +10.4 (HR +0.5, Depreciation +0.8, Equipment for selling +1.6, Others +7.5)

[2021:Factors Contributing to Increase/Decrease]] (JPY billion)

<Breakdown of main factors>

- Change in sales and others:+17.5 (Sales volume increase in beer-type +13.1, Sales increase in other alcohol beverages +3.1, Change in category and container mix , etc.)
- Cost reduction in manufacturing: +4.8 (Raw materials +0.8, Other than beer-type +1.1, Utilities +0.5, Disposal +0.5 , etc.)
- Cost increase in manufacturing: -1.9 (Raw materials -0.9, Other than beer-type -0.3, Transportation -0.6 and others, etc.)
- Increase in sales promotion expenses : -6.4 (Advertisement -2.7, Promotion expenses -3.7) (Beer-type -4.6, Other -1.8)
- Other expenses : -9.8 (HR -0.9, Depreciation -0.4, Equipment for selling ±0 , Others -8.5)

Soft Drinks Business (Sales Volume)



<Sales Volume>

| | 2020 | 2020 | | |
|--------------------|--------|------------------|----------------|--------|
| | | YoY (Amount / %) | Against target | |
| Carbonated drinks | 78.20 | 5.22 | 7.2% | - 0.51 |
| Lactic acid drinks | 43.79 | - 5.08 | - 10.4% | - 1.21 |
| Coffee | 35.46 | - 5.68 | - 13.8% | - 0.62 |
| Tea | 35.05 | - 4.91 | - 12.3% | - 1.69 |
| Mineral Water | 16.47 | - 3.45 | - 17.3% | - 1.41 |
| Fruit juice | 14.33 | - 4.89 | - 25.4% | - 1.09 |
| Other drinks | 25.36 | 2.31 | 10.0% | - 0.60 |
| Sales Volume | 248.67 | - 16.47 | - 6.2% | - 7.13 |

(Millions of cases)

| | 2021 forecast | | |
|--|------------------|-------|-------|
| | YoY (Amount / %) | | |
| | 81.59 | 3.39 | 4.3% |
| | 46.92 | 3.12 | 7.1% |
| | 36.58 | 1.12 | 3.1% |
| | 36.59 | 1.54 | 4.4% |
| | 18.42 | 1.95 | 11.9% |
| | 14.53 | 0.19 | 1.3% |
| | 27.38 | 2.02 | 8.0% |
| | 262.00 | 13.33 | 5.4% |

<Market Trend>

| 2020 | 2021 forecast |
|--------------|---------------|
| YoY | YoY |
| Approx. -4% | - |
| Approx. -11% | - |
| Approx. -9% | - |
| Approx. -7% | - |
| Approx. -3% | - |
| Approx. -7% | - |
| - | - |
| Approx. -7% | Approx. +2% |

<Sales Volume by Brands>

| | 2020 | 2020 | |
|------------------|-------|------------------|---------|
| | | YoY (Amount / %) | |
| MITSUYA CIDER | 40.75 | 1.60 | 4.1% |
| WILKINSON | 29.66 | 2.72 | 10.1% |
| CALPIS | 37.67 | - 4.11 | - 9.8% |
| WONDA | 33.56 | - 5.94 | - 15.0% |
| Asahi Juroku-cha | 21.53 | - 1.31 | - 5.8% |
| OISHII MIZU | 16.47 | - 3.45 | - 17.3% |

<By container type>

| 2020 | YoY |
|--------------|---------|
| Can | - 5.6% |
| PET total | - 4.8% |
| Large PET | - 7.6% |
| Small PET | - 3.3% |
| Glass bottle | - 36.9% |
| Others | - 17.9% |

<By channel>

| 2020 | YoY |
|-----------------|---------|
| Vending machine | - 15.7% |
| CVS | - 2.0% |
| SM | 1.2% |
| Others | - 16.8% |

【Market Total】

•2020:-7% YoY decline in total volume mainly due to the sales decrease except supermarkets cause by consumption trends from staying at home demand.

•2021:+2% YoY increase in total volume mainly due to a partial recovery in vending machines and steady sales in supermarkets and convenience stores.

【Asahi Soft Drinks Sales Volume】

•2020: -6.2% YoY decline due to the sales decrease of Coffee and Fruit juice drinks, despite the sales increase in Carbonated drinks

•2021: +5.4% YoY increase due to the continuous sales increase of Carbonated drinks and a recovery in vending machines and additional growth in supermarkets.

<Core Operating Profit>

| | 2020 | | | | (Millions of cases / JPY billion) | | |
|---|--------|------------------|------------------|----------------|-----------------------------------|------------------|---------------|
| | 2020 | YoY (Amount / %) | | Against Target | 2021 forecast | | |
| | | 2020 | YoY (Amount / %) | | 2021 forecast | YoY (Amount / %) | 2021 forecast |
| Sales Volume Total | 248.67 | - 16.47 | - 6.2% | - 7.13 | 262.00 | 13.33 | 5.4% |
| Revenue Total | 353.4 | - 23.5 | - 6.2% | - 2.6 | 372.4 | 19.1 | 5.4% |
| Change in sales, category and container mix | - | - 9.6 | | 0.6 | - | 6.0 | |
| Cost reduction in manufacturing | - | 4.7 | | - 0.4 | - | 2.4 | |
| Cost increase in manufacturing | - | - 0.8 | | 0.1 | - | - 0.8 | |
| Advertisement and Sales promotion expenses | - | 1.7 | | 0.8 | - | - 1.3 | |
| Other expenses | - | - 1.6 | | 0.6 | - | - 4.6 | |
| Asahi Soft Drinks | 27.8 | - 5.6 | - 16.9% | 1.6 | 29.5 | 1.7 | 6.3% |
| Other/elimination in segment | - | - | - | - | - | - | - |
| Core Operating Profit | 27.8 | - 5.6 | - 16.9% | 1.6 | 29.5 | 1.7 | 6.3% |

[2020:Factors Contributing to Increase/Decrease]] (JPY billion)

<Breakdown of main factors>

- Change in sales and others: -9.6 (decrease in sales volume -7.9, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +4.7 (Raw materials +0.3, Packages +2.4, operational efficiency / in-house production +2.0, etc.)
- Cost increase in manufacturing: -0.8 (Raw materials -0.2, Packages -0.6, etc.)
- Change in sales promotion expenses : +1.7 (Advertisement +0.9, Promotion expense +0.8)

[2021:Factors Contributing to Increase/Decrease]] (JPY billion)

<Breakdown of main factors>

- Change in sales and others: +6.0 (Increase in sales volume +5.6, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +2.4 (Raw materials +0.3, Packages +1.1, operational efficiency / in-house production +1.0)
- Cost increase in manufacturing: -0.8 (Raw materials -0.2, Packages -0.6)
- Change in sales promotion expenses : -1.3 (Advertisement -0.1, Promotion expenses -1.2)

<Revenue>

(JPY billion)

| | | 2020 | | | 2021 forecast | | |
|---------------------|-------|------------------|----------------|-------|------------------|-----|-------|
| | | YoY (Amount / %) | Against Target | | YoY (Amount / %) | | |
| Asahi Group Foods | 112.4 | - 5.3 | - 4.5% | - 0.9 | 128.4 | 5.2 | 4.2% |
| Other / elimination | 11.1 | - 0.2 | - 1.9% | - 0.2 | 0.3 | 0.0 | 15.1% |
| Revenue | 123.5 | - 5.5 | - 4.2% | - 1.1 | 128.7 | 5.2 | 4.2% |

<Core Operating Profit>

(JPY billion)

| | | 2020 | | | 2021 forecast | | |
|-----------------------|------|------------------|----------------|-------|------------------|-------|--------|
| | | YoY (Amount / %) | Against Target | | YoY (Amount / %) | | |
| Asahi Group Foods | 10.1 | - 2.4 | - 19.0% | 0.2 | 11.2 | 0.3 | 2.8% |
| Other / elimination | 0.8 | - 0.4 | - 30.1% | - 0.2 | 0.1 | - 0.0 | - 4.9% |
| Core Operating Profit | 11.0 | - 2.7 | - 19.9% | 0.1 | 11.3 | 0.3 | 2.8% |

[2020]

- Revenue: -4.2% YoY decline mainly due to the sales decrease of *Mintia* brand, despite the sales increase of freeze-dried foods caused by consumption from staying at home.
- Core OP: -19.9% YoY decline due to the sales decrease and the worsening product mix, despite promoting to control overall fixed costs such as advertisement and sales promotion expenses.

[2021]

- Revenue: Expected to increase by +4.2% YoY due to stronger sales of growing categories in new lifestyles and the rollout of new *Mintia* products.
- Core OP: Expected to increase by +2.8% YoY due to sales increase and improving profitability through more efficient manufacturing and logistics.

<Revenue (including liquor tax) ※constant currency basis (based on previous year's FX rates)>

(JPY billion)

| | 2020 | | | | 2021 forecast | | |
|-------------------------|--------|------------------|---------|----------------|---------------|------------------|---------|
| | | YoY (Amount / %) | | Against Target | | YoY (Amount / %) | |
| Europe business | 352.0 | - 36.3 | - 9.3% | 3.5 | 481.2 | 70.2 | 17.1% |
| Oceania business * | 344.0 | 165.2 | 92.4% | 26.8 | 447.7 | 108.6 | 32.0% |
| Southeast Asia business | 44.4 | - 0.5 | - 1.1% | 0.7 | 42.3 | 0.7 | 1.6% |
| Asahi International | 78.5 | - 25.8 | - 24.7% | - 8.9 | - | - | - |
| Other / elimination | △ 19.1 | - 1.3 | - | - 3.4 | 0.6 | - 0.6 | - 50.8% |
| Revenue | 799.8 | 101.2 | 14.5% | 18.8 | 971.8 | 178.9 | 22.6% |

<Performance including foreign exchange impact>

| | | | | | | | |
|---------|-------|------|-------|------|-------|-------|-------|
| Revenue | 793.0 | 94.4 | 13.5% | 29.1 | 995.6 | 202.7 | 25.6% |
|---------|-------|------|-------|------|-------|-------|-------|

* CUB business has been consolidated since June 2020.

【Revenue (constant currency basis)】

<2020>

- Europe: -9.3% YoY decline due to the sales decrease in the on-premise channel despite the solid sales of premium beer in the off-premise channel.
- Oceania : +92.4% YoY increase driven by the consolidation of the CUB business and the sales increase of RTD and carbonated drinks.
- Southeast Asia : -1.1% YoY decline due to the sales decrease of beverages except for dairy products in Malaysia.
- Asahi International : -24.7% YoY decline due to the lower sales volume in UK and other areas mainly in the on-premise channel.

<2021>

- Europe: Expected to increase by +17.1% YoY due to recovery in the on-premise channel and sales expansion of premium beer and non-alcoholic beverages in the off-premise channel.
- Oceania: Expected to increase by +32.0% YoY due to sales increase mainly from core brands and the addition from CUB business for January-May.
- Southeast Asia: Expected to increase by +1.6% YoY due to recovery in demand by rolling out new products in line with the reopening of economic activities

<Core OP ※constant currency basis (based on previous year's FX rates)>

(JPY billion)

| | 2020 | | | | 2021 forecast | | |
|-------------------------|-------|------------------|---------|----------------|---------------|------------------|--------|
| | | YoY (Amount / %) | | Against Target | | YoY (Amount / %) | |
| Europe business | 59.6 | - 18.1 | - 23.3% | 2.9 | 71.6 | 11.3 | 18.7% |
| Oceania business * | 33.2 | 17.9 | 117.7% | 9.4 | 70.3 | 37.3 | 113.3% |
| Southeast Asia business | 1.7 | - 0.5 | - 22.6% | 0.4 | 2.1 | 0.7 | 51.5% |
| Asahi International | 0.8 | - 6.3 | - 88.4% | - 1.9 | - | - | - |
| Other / elimination | - 0.9 | - 0.9 | - | 0.1 | 0.8 | 1.4 | - |
| Revenue | 94.4 | - 7.8 | - 7.6% | 10.9 | 144.8 | 50.7 | 53.9% |

<Performance including foreign exchange impact>

| | | | | | | | |
|-----------------------|------|-------|--------|------|-------|------|-------|
| Core Operating Profit | 94.1 | - 8.1 | △ 8.0% | 12.1 | 148.6 | 54.5 | 57.9% |
|-----------------------|------|-------|--------|------|-------|------|-------|

* CUB business has been consolidated since June 2020.

[Core OP (constant currency basis)]

<2020>

- Europe: -23.3% YoY decline due to the on-premise sales decrease and a deteriorated mix despite the control of various fixed costs.
- Oceania: +117.7% YoY increase driven by the consolidation of the CUB business while the worsening mix in the existing business by the on-premise sales decrease.
- Southeast Asia: -22.6% YoY decline due to the worsening mix and rising prices of raw materials despite the control of advertisement and sales promotion expenses.
- Asahi International: -88.4% YoY decline due to the sales decrease in on-premise channel and the worsening mix in the UK despite the control of various fixed costs.

<2021>

- Europe: Expected to increase by +18.7% YoY due to recovery in sales volume and improved mix through premiumization while intensified brand investment.
- Oceania: Expected to increase +113.3% YoY due to the addition of the CUB business for January-May and the creation of synergies from the business integration.
- Southeast Asia: Expected to increase by +51.5% YoY due to recovery in sales volume and improvement in mix as well as control of various fixed costs

◆ FX impact on P/L (result and forecast)

(JPY billion)

| Business | Currency | 2020 | 2021 |
|-----------------------------------|----------|---------|----------|
| | | Results | Forecast |
| Europe | Euro | -0.4 | 4.4 |
| Oceania | AUD | -4.9 | 20.1 |
| Southeast Asia | - | -1.3 | -0.7 |
| Asahi International | Euro | -0.1 | - |
| Others | - | -0.1 | -0.0 |
| Revenue | | -6.8 | 23.8 |
| Europe | Euro | -0.1 | 0.7 |
| Oceania | AUD | -0.2 | 3.2 |
| Southeast Asia | - | -0.0 | -0.0 |
| Asahi International | Euro | -0.0 | - |
| Others | - | 0.0 | 0.0 |
| Amortization of intangible assets | - | 0.0 | -0.5 |
| Core Operating Profit | | -0.3 | 3.2 |

◆ FX sensitivity for 2021

<Impact of 1 yen change (full year)>

(JPY billion)

| Currency | Assumption | Revenue | Core OP |
|----------|------------|---------|---------|
| Euro | 123.0 | ±3.9 | ±0.6 |
| AUD | 77.0 | ±6.1 | ±1.0 |

* The above figures do not include the effect of exchange rates on amortization of intangible assets.

* FX impact = The impact of converting local currency results into yen (excluding trade impact)

◆ Exchange Rate Trends

(JPY)

| Currency | 2018 | 2019 | 2020 |
|----------|-------|-------|-------|
| Euro | 130.4 | 122.0 | 121.9 |
| AUD | 82.6 | 75.8 | 73.7 |

Asahi

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