

Financial Results Presentation for H1 2021

H1 2021 Overview
2021 Direction



August 2021

H1 Overview

<Results>

- Attained record high financial performance by the growth of Soft Drinks and Oceania Business including CUB consolidation
- Progress with innovation and diverse high-value-added strategies that are responsive to changes in business environments of each region

<Challenges>

- Responding to continued negative impact of COVID-19 resurgence on the on-premise market
- Bolstering the Group's resilience with an eye to structural changes in markets, and advancing value creation management with a medium to long-term view

Future Direction

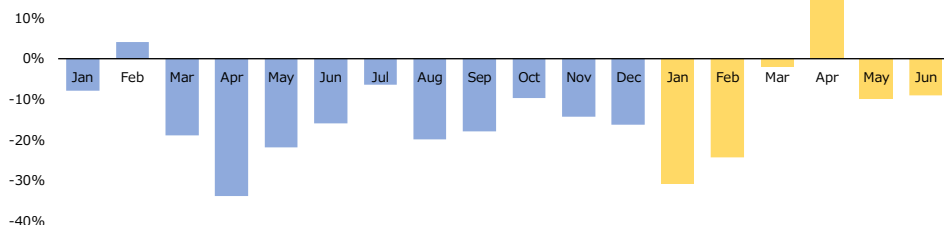
- ◆ Foster high-value-added category brands and create synergies in each region and global
- ◆ Promote earnings structure reforms. Enhance cash-generating capabilities to enable further investment in growth
- ◆ Accelerate efforts to upgrade management resources (including through digital transformation) and bolster initiatives to integrate sustainability into management

◆ Monthly Beer Sales in the Key Businesses (January 2020 - June 2021)

[Domestic Alcohol Business]

H1 2021 Revenue: -8% YoY

*Beer-type Beverages value basis

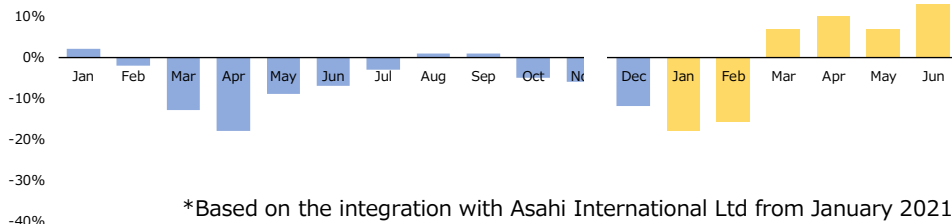


- Rate of decline increased again from January 2021 onward due to a further state of emergency declaration in Tokyo
- Sales recovered with lifting of state of emergency in late March as well as impact of launch of *Super Dry Nama Jokki Can* in April
- Bars and restaurants requested to stop serving alcohol after another state of emergency was declared in some areas in late April, resulting in continued weak sales in the on-premise market

[European Business]

H1 2021 Volume: +2% YoY

*Volume basis



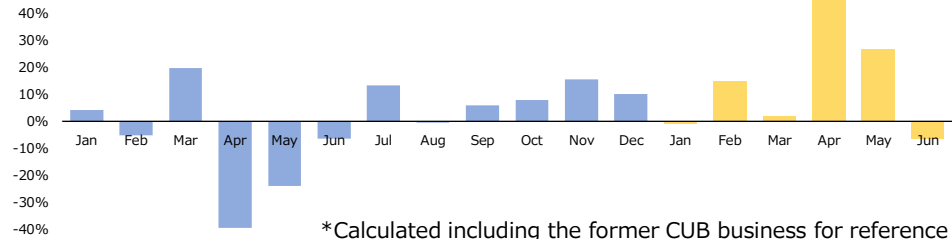
*Based on the integration with Asahi International Ltd from January 2021

- YoY decline of on-premise channel at the beginning of the year was a function of COVID-19 restrictions (which only started from March in 2020)
- The situation improved in March and we saw gradual re-opening of on-premise since April/May
- In June, despite some restrictions still in place, strong YoY growth was achieved

[Australian Business]

H1 2021 Volume: approx. +10% YoY

*Volume basis



*Calculated including the former CUB business for reference

- On-premise market continued to recover from January 2021 onward, despite some COVID-19-related restrictions on customer numbers in bars and restaurants.
- Australian state governments implemented snap lockdowns in response to COVID-19 case numbers. Victoria went into lockdown from late May through early June.
- Sydney has been in lockdown since late June.
- *The whole state of Victoria went into lockdown again 7 days from August 5.

H1 Overview

- ◆ Promoted revitalization of core brands as well as creation of new markets (launches of *Nama Jokki Can* and *BEERY*)
- ◆ Challenges remain, such as strengthening response to the negative impact of the on-premise channel, including further recovery of momentum for beer cans

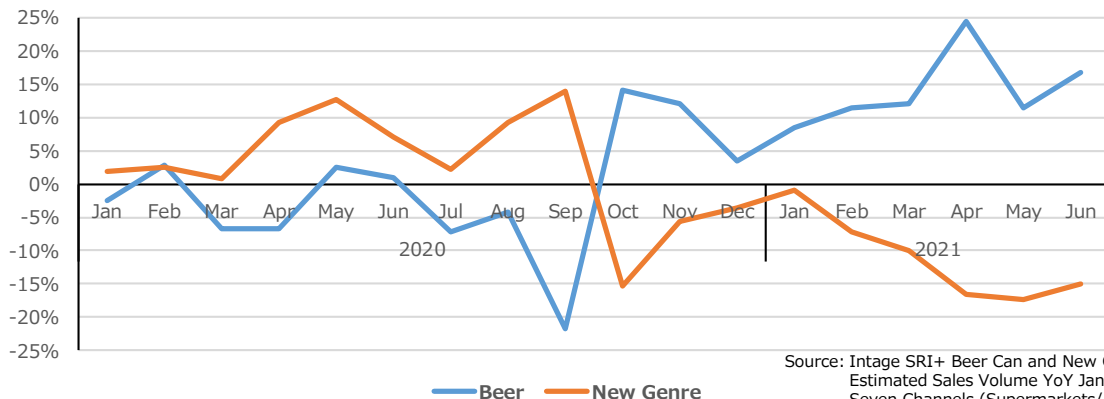
Future Direction

- ◆ Enhance marketing investment in core brands and growing categories with eye on medium to long-term structural changes
- ◆ Advance channel/category mix improvements (including the on-premise business reform) and fundamental earnings structure reforms



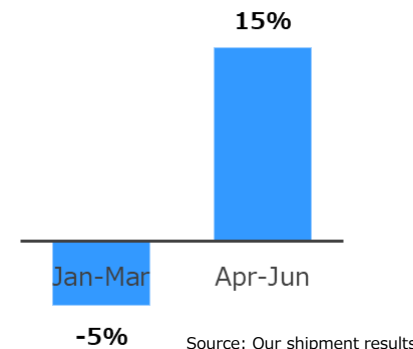
◆ Year-On-Year Growth in Beer Cans and New Genre Cans

<Market>



Source: Intage SRI+ Beer Can and New Genre Can Market Estimated Sales Volume YoY Jan 2020 - Jun 2021 Seven Channels (Supermarkets/ Convenience Stores/Liquor Discount Stores/Hardware stores/Drug Stores/General Liquor Stores/Commercial Liquor Stores)

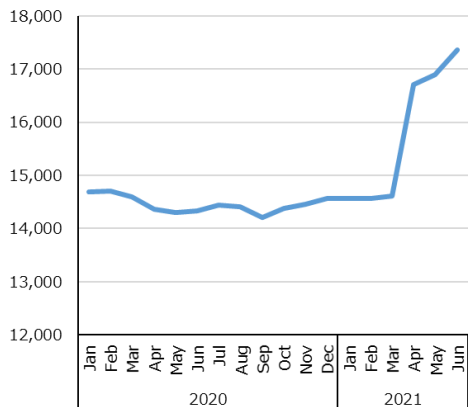
<Asahi Super Dry Can Results> (YoY in Volume)



◆ Asahi Super Dry Nama Jokki Can

• Sharp increase in number of *Super Dry* consumers

(Thousand)



◆ THE DRAFTERS, Server for Home Use

- Target membership for 2021 is 30,000
- 25,000 preliminary members registered as of end of July, ahead of target



◆ New Beer Can Product

- To launch second beer brand (scheduled for September) with brand values that differ from *Super Dry*



◆ Initiatives for *BEERY*



People who drink alcohol

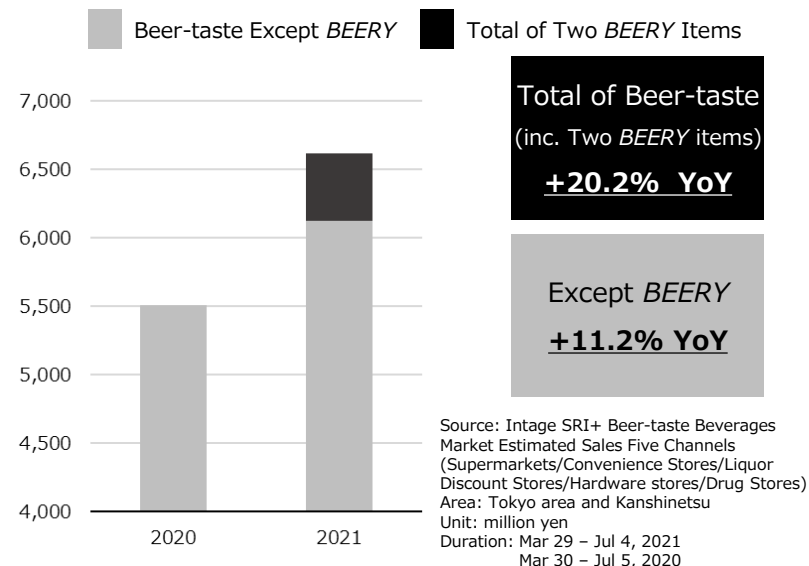
- Can drink it while doing housework
- Great that it doesn't affect me the following day



People who don't drink alcohol

- Can enjoy the taste without getting drunk
- I can feel like a beer!

Estimated Market Value of Beer-taste and Minimal Alcohol Beverages



◆ Future Initiatives

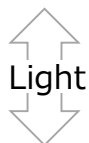
Alcohol Content

Beer-taste

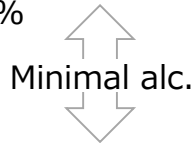
RTD

Highball

3.5%



1.0%



0.00%

Non alc.



Full-scale on-premise market launch (*BEERY* in small bottles on sale nationwide from September 14, 2021)

H1 Overview

- ◆ Product mix improvement especially for carbonated drinks and coffee; advanced earnings structure reforms by streamlining costs
- ◆ Challenges include strengthening new value proposals in the health domain and improving channel mix including vending machine channel

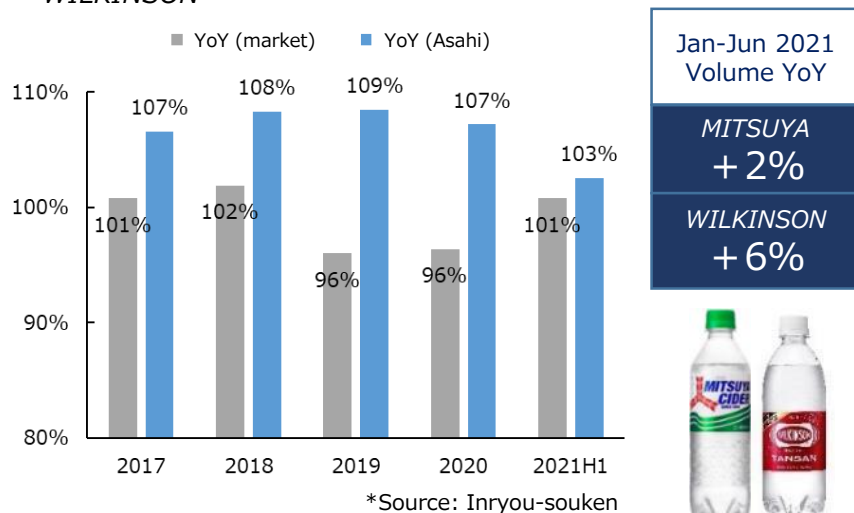
Future Direction

- ◆ Restore sales momentum of core brands, strengthen channel strategies and new value proposition in a way that is responsive to market changes
- ◆ Optimize production and logistics system and further promote cost streamlining, such as removing unprofitable vending machines



◆ Initiatives for Carbonated Drinks

Continued to grow faster than market, driven by *MITSUYA* and *WILKINSON*



Responded to lifestyle changes by launching new *MITSUYA* products and strengthening original recipe ideas for *WILKINSON*



2021 Sales Plan (YoY)
Carbonated Drinks: +5.5%

◆ Initiatives in the Pandemic (Responding to Staying-Home Demand)

Capture growing health-related demand amid COVID-19 pandemic mainly with *JUROKUCHA* and *TODOKU TSUYOSA NO NYUSANKIN W*



Jan-Jun 2021 Volume YoY
+3%



Jan-Jun 2021 Volume YoY
+30%

Increased range of label-less products and began selling 32-bottle cases (online only)

<Growth Rate of Label-less Products>

Jan-Jun 2021 Volume YoY
+110%



<Growth Rate of EC Channel>

Jan-Jun 2021 Volume YoY
+24%

H1 Overview

- ◆ Fixed costs streamlined. Product marketing responsive to changes in business environment led, for example, to sharp sales growth of *Ippon Manzoku Bar*.
- ◆ Challenges include cultivating new markets, and a sales recovery for *Mintia*, which continues to be impacted by COVID-19

Future Direction

- ◆ Restructure category portfolio, and strengthen new value proposals in response to changing consumer needs
- ◆ Advance earnings structure reforms by prioritizing investment in growing categories, optimizing inventory levels, etc.



◆ Initiatives to Create New Value Consistent with the “New Normal”

<Ippon Manzoku Bar>
Strengthened *Protein* series product range



Jan-Jun
2021 Sales
Value YoY
+ 36%

<Dear Natura>
Enhanced basic supplements, protein, and products containing lactic acid bacteria



Jan-Jun
2021 Sales
Value YoY
+ 19%

<Amano Foods>
Reinforced sales promotion of *Zeitaku* series and assortment products



Jan-Jun
2021 Sales
Value YoY
+ 12%

◆ Initiatives for *Mintia*

As well as recovery of regular series, strengthened initiatives to cultivate new markets under the new normal

Diversified work styles
(Working from home now normalized)



Wearing masks
has become the norm



Heightened health
consciousness



H1 Overview

- ◆ Premiumisation in the off-premise channel, development of innovative products, with strengthening of cost control.
- ◆ Challenge: Improving the deteriorated channel mix caused by the on-premise sales decrease under the Covid-19 restrictions mainly impacting Q1

Future Direction

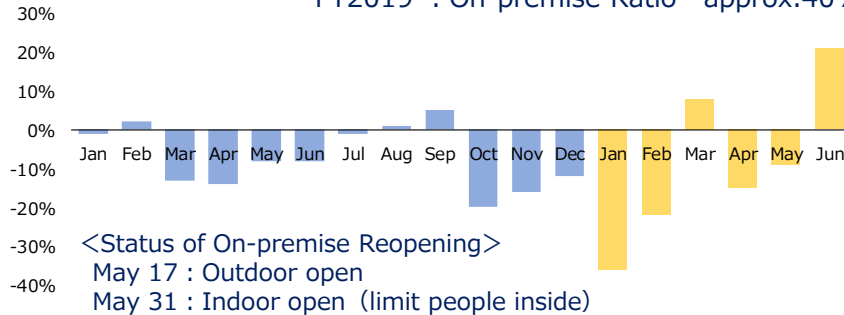
- ◆ Maximizing the recovery of demand in on-premise and continuing the premiumization in the off-premise channel
- ◆ Further optimization of cost management in response to changes in consumption demand and sales channel composition



◆ Monthly Beer Sales Volume in the Key Countries (January 2020 - June 2021)

[Czech]

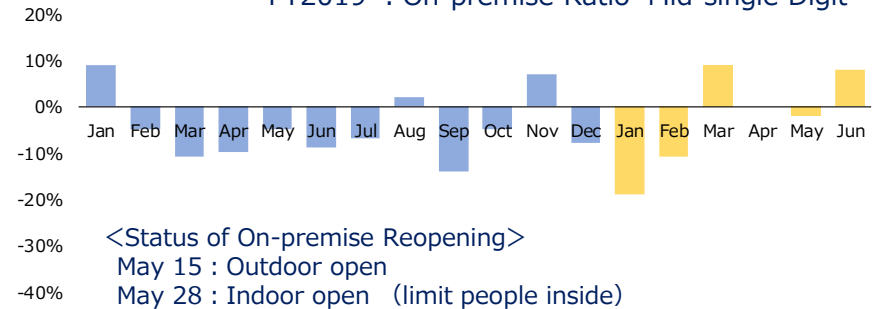
H1 2021 : Sales Volume -7%
FY2019 : On-premise Ratio approx.40%



- On-premise: Demand partially affected by weather condition in May after removal of restrictions, but improved significantly in June, and recovered to the same level as the previous year in the April-June period.
- Off-premise: Below the last year's level due to the weather condition in May.

[Poland]

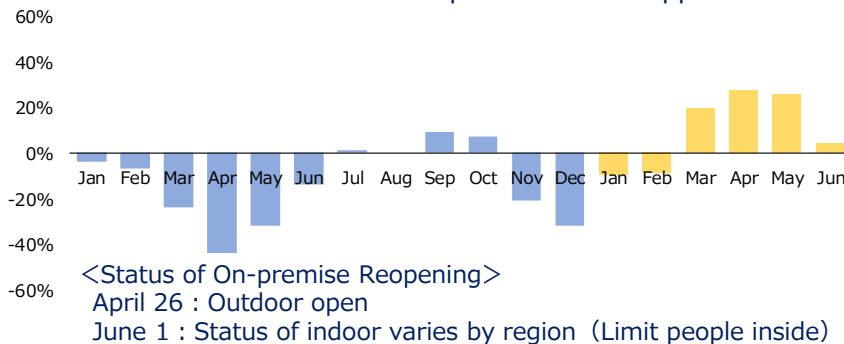
H1 2021 : Sales Volume -2%
FY2019 : On-premise Ratio Mid-single Digit



- On-premise: Although some restrictions remained, demand has improved significantly since the removal of restrictions in May, and the April-June period saw a significant increase over the last year.
- Off-premise: In April-June, slightly below the last year's level due in part to weather conditions.

[Italy]

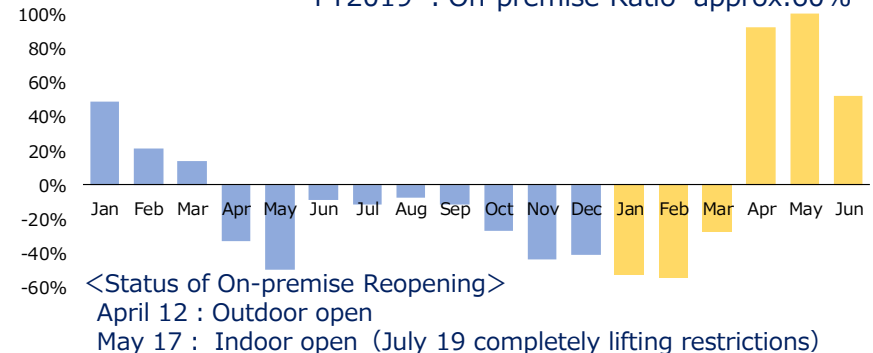
H1 2021 : Sales volume +8%
FY2019 : On-premise Ratio approx.40%



- On-premise: Although some restrictions remained, such as capacity limits for sanitation, demand has improved significantly since the removal of restrictions in April, and the April-June period saw a significant increase over the last year.
- Off-premise: Strong trend thanks to overall market growth

[UK]

H1 2021 : Sales volume +14%
FY2019 : On-premise Ratio approx.60%



- On-premise: Our share increased compared to 2019 during the recovery period after April. Aiming for further demand recovery with the full removal of restrictions on July 19.
- Off-premise: : Strong trend due total market growth as well as our share

◆ Our Five Global Brands



Asahi Super Dry & Peroni Nastro Azzurro are our priority global brands and we aim to scale them everywhere.



Koze!, Pilsner Urquell & Grolsch will be expanded selectively to strengthen our premium portfolio.

◆ Marketing Activities for Top Priority Brands

<Asahi Super Dry>

Signing the 2023 Rugby World Cup Worldwide Partnership



<Peroni Nastro Azzurro>

Signing a global partnership with Aston Martin F1™



H1 Overview

- ◆ Continued competitive advantage by strengthening marketing of core brands and creating integration synergies
- ◆ Nurture new growing categories, such as non alcohol beer

Future Direction

- ◆ Enhance the robust brand portfolio and promote premium strategy through revenue management
- ◆ Accelerating integration synergies and competitive advantage, and creating new growth opportunities by multi-beverage strategy



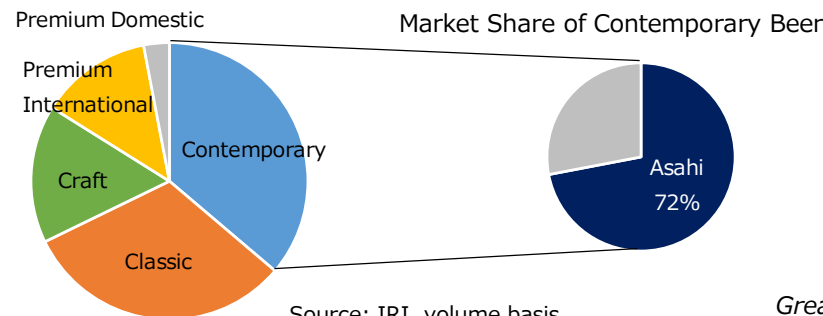
◆ Expansion of the Contemporary Beer Category (Jan-Jun 2021)

Market Growth **+3%**

Our Growth **+9%**

Source: IRI, volume basis, year-on-year

<Australian Beer Market by Segment> (Jan-Jun 2021)



Great Northern Super Crisp

◆ Synergy by Integration *Target for Synergy Creation by 2024 (Profit basis)

Top-line

Approx. ¥5 billion

- Expanding our presence, especially in the premium market by expanding sales channels
- Creating new growth opportunities, such as expanding sales channels for alcohol beverages other than beer and non-alcohol beverages

Cost

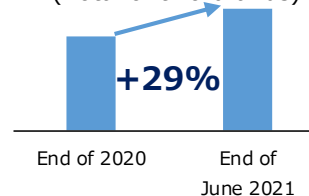
More than ¥10 billion

- Establishing an optimal production and distribution system through integration and mutual utilization of distribution centers etc.
- Strengthening and optimizing procurement capabilities by leveraging scale economies
- Improving efficiency and optimization for infrastructure, systems, and functions
- Consolidation of shared services sites and revision of operating processes

◆ Strengthening *Super Dry* and *Peroni*

On-premise Outlets
(Total of two brands)

Sales Volume Growth
(Total of two brands,
Jan-June 2021 compared to
the same period of 2019)



+24%

◆ Examples of Cost Synergies

- Efficiency effects and optimization of functions through organizational integration
- Review of procurement contracts
- Optimization of manufacturing and distribution network

Asahi Group Environmental Vision 2050

Pass on nature's gifts to the next generation
based on the "Neutral & Plus" concept

Zero Environmental Impact ("Neutral")		Creating Environmental Value ("Plus")	
Respond to climate change "Asahi Carbon Zero"	Make sustainable use of resources (Agricultural raw materials, containers and packaging, water)	Utilize microorganisms and fermentation technologies	Process innovation
Reduce CO2 Emissions to zero	Reduce business risks	Create new environmental value by leveraging Group strengths	Create innovative new technologies and systems

◆ Main Initiatives in the First Half

(Japan) Switched to renewable energy for electricity purchases at 19 plants in the Kanto and Kansai regions

Approximately 40% of the electricity purchased at all domestic sites has been switched to renewable energy by purchasing electricity through the Digital Grid Platform (DGP), Japan's first private power exchange.

(Europe) Renewed the Pilsner Urquell Package with 100% Recyclable Materials

It is expected to reduce waste by a total of about 106 tons a year by replacing aluminum foil neck labels with paper and removing plastic seals from bottles.

(Oceania) Launched the Solar Exchange Program for Victoria Bitter

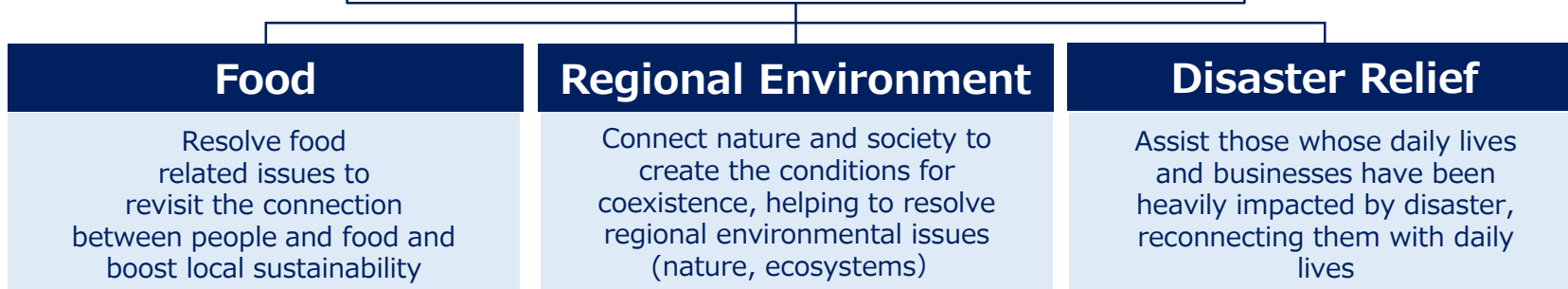
This program allows participants to exchange credit on their electricity bill – obtained from their home's solar power - for Victoria Bitter, which is brewed with 100% solar electricity. We have launched this program to encourage consumers to generate solar power.



Global activity slogan **“RE:CONNECTION”**

Connections between people, people and communities, and communities and other ones

Key “Community” Issues



◆ Main Initiatives in the First Half

(Japan) Producing malt whiskey from barley grown on the land damaged by the Great East Japan Earthquake

The "Barley of Hope" project, started in 2014, has expanded the barley cultivation area to 19 hectare and the total harvest has exceeded 150 tons. We have started initiatives to produce whiskey in addition to beer.

(Europe) Achieved traceability for Peroni at its 175th anniversary

To guarantee the traceability of 100% Italian malt, we have implemented a renewal to allow consumers to track the production history of the malt by reading the QR code on the neck label of the product, using blockchain technology.

(Oceania) CUB to procure Australian malt directly

New SCM scheme to procure more than 90% of malt directly from Australian farms. Purchase approximately 70,000 tons of barley directly from Australian farmers, and clearly monitor the cultivation process.



Global Activity Slogan **Responsible Drinking Ambassador**

To eliminate inappropriate drinking and create new drinking opportunities, we promote non alcohol beverage strategies across the entire Group

Japan	Europe	Oceania
Aiming for a sales volume ratio of 20% for low alcohol and non alcohol beverages by 2025	Aiming for a sales volume ratio of 20% for non alcohol beverages by 2030	Aiming for a sales volume ratio of 25% for low alcohol and non alcohol beverages by 2025

*Low alcohol beverages: alcohol content of 3.5% or less

*Non alcohol beverages: Legal standards of each region

◆ Main Initiatives in the First Half

(Japan) Nationwide Launch of Asahi BEERY

Asahi BEERY, a beer taste beverage with minimal alcohol, was launched as a product that embodies "Smart Drinking."
The product lineup is currently being expanded.

(Europe) Strengthening the brand appeal of new product Nastro Azzurro Zero

In Italy, launched non alcohol beer *Nastro Azzurro Zero* in February, and began commercials in June.
In the Netherlands, began commercials for *Grolsch 0.0%* in April.

(Oceania) Nationwide Launch of Great Northern Zero

Launched a brand of non alcohol beer that is expected to expand in the future from *Great Northern*, a leading contemporary beer brand. From a regionally limited release in Sep 2020 to a Australia's nationwide launch in June this year.





FTSE4Good

Included in FTSE4 Good Index Series 19 years running



FTSE Blossom Japan

Included in FTSE Blossom Japan Index five years running



CDP surveys
• On Climate Change A List three years in a row
• Included in Supplier Engagement Leader Board

2021 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

Included in MSCI Japan Empowering Women Index (WIN) five years running



• Selected as a Digital Transformation (DX) stock seven years in a row

2021 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

Included in MSCI Japan ESG Select Leaders Index for the first time



• Selected as Health & Productivity stock for fourth time
• Selected as Nadeshiko Brand for seventh time



Included in S&P/JPX Carbon Efficient Index three years in a row

<Environmental Progress Report>

In October, the Asahi Group will publish Environmental Progress Report to extend and enhance disclosure from sustainability and ESG perspectives. The Report will provide extensive information on the Group's environmental management, and results of and data on initiatives aimed at reducing environmental impact.



* To be published on Asahi Group website: Investors > IR Library > Integrated Report/Annual Report

* The cover design may change.

<Community Section Created on Group Website>

Asahi Group has created a section on its website devoted to the Group's community-related activities, featuring case studies of activities in the areas of food, regional environments, and disaster relief.

<https://www.asahigroup-holdings.com/en/csr/community/>



REFERENCE

Overview of

Financial Results for H1 2021 & Full Year Forecasts

- * 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 Core Operating Profit only for June-December. Amortization of intangible assets is also included only as an expense for the same period above. The impact of the completion of PPA (Purchase Price Allocation) related to the CUB business was reflected retrospectively in the previous year's figures.
- 5 We transferred Asahi Loi Hein Company Limited which was previously in Southeast Asia Business to Other/elimination in Overseas Business.

Financial Results Highlights (Constant Currency Basis)



- ◆ **Core Operating Profit for H1 increased by 63.8%, exceeding the plan, due to overachievement in Soft Drinks, Food and Overseas, despite underachievement in Alcohol Beverages.**
 - Alcohol Beverages: YoY decline in revenue and profit due to the sales decrease mainly in the on-premise channel, despite promoting sales for the off-premise channel and cost efficiency.
 - Soft Drinks: YoY increase in revenue and profit due to the sales volume increase, higher unit sales price resulting from improved mix, and various measures for cost efficiency.
 - Food: YoY increase in revenue and profit as a result of strengthening sales in growing categories and improving efficiency of fixed costs, despite the sales decrease of *Mintia*.
 - Overseas: YoY increase in revenue and profit due to the strong performance in Oceania including the effect of CUB consolidation, despite the impact of COVID-19 related restrictions in Europe.
- ◆ **Full-year forecast revised downward by JPY 0.5 billion due to downward revision of Alcohol Beverages, despite upward revision of Soft Drinks and Overseas.**

<Revenue and Core Operating Profit> *Constant Currency Basis (Based on Previous Year's FX Rates) (JPY billion)

	2021 H1 (6 Months Ended June 30)				2021 Forecast (Announced on August 10)			
		YoY (Amount / %)		Against Target		YoY (Amount / %)		Against Initial Target
Alcohol Beverages Business	316.5	- 24.0	- 7.1%	- 38.2	742.2	- 4.8	- 0.6%	- 40.3
Soft Drinks Business	173.8	7.2	4.3%	- 1.0	366.0	12.6	3.6%	- 6.4
Food Business	60.8	1.0	1.6%	- 0.8	128.7	5.2	4.2%	-
Overseas Business	425.0	121.4	40.0%	- 20.4	948.3	155.3	19.6%	- 23.6
Other Business	49.4	0.0	0.1%	- 3.5	105.9	1.2	1.1%	- 5.9
Adjustment (corporate and elimination)	- 44.7	1.1	-	0.4	- 94.9	- 1.2	-	0.0
Revenue	980.9	106.6	12.2%	- 63.5	2,196.1	168.3	8.3%	- 76.1
Alcohol Beverages Business	26.8	- 7.1	- 20.9%	- 6.0	75.0	- 8.0	- 9.6%	- 12.0
Soft Drinks Business	16.4	6.5	65.3%	6.0	35.6	7.8	28.0%	6.0
Food Business	5.8	0.4	6.6%	1.5	11.3	0.3	2.8%	-
Overseas Business	60.2	35.5	143.9%	4.3	147.9	53.8	57.1%	3.1
Other Business	- 0.3	0.8	-	1.1	- 1.2	- 0.1	-	0.5
Adjustment (corporate and elimination)	- 12.0	- 0.6	-	1.8	- 25.6	- 4.2	-	2.2
Amortization of acquisition-related intangible assets	- 14.1	- 3.1	-	0.1	- 29.2	- 3.7	-	- 0.4
Core Operating Profit	82.8	32.3	63.8%	8.8	213.8	45.9	27.4%	- 0.5

Financial Results Highlights (Actual Currency Basis)



<Revenue and Core Operating Profit (Actual Currency Basis) >

(JPY billion)

	2021 H1 (6 Months Ended June 30)				2021 Forecast (Announced on August 10)			
		YoY (Amount / %)		Against Target		YoY (Amount / %)		Against Initial Target
Alcohol Beverages Business	316.5	- 24.0	- 7.1%	- 38.2	742.2	- 4.8	- 0.6%	- 40.3
Soft Drinks Business	173.8	7.2	4.3%	- 1.0	366.0	12.6	3.6%	- 6.4
Food Business	60.8	1.0	1.6%	- 0.8	128.7	5.2	4.2%	-
Overseas Business	477.7	174.1	57.3%	9.2	1,028.2	235.2	29.7%	32.5
Other Business	49.4	0.0	0.1%	- 3.5	105.9	1.2	1.1%	- 5.9
Adjustment (corporate and elimination)	- 44.7	1.1	-	0.4	- 94.9	- 1.2	-	0.0
Revenue	1,033.6	159.3	18.2%	- 33.9	2,276.0	248.2	12.2%	- 20.0
Alcohol Beverages Business	26.8	- 7.1	- 20.9%	- 6.0	75.0	- 8.0	- 9.6%	- 12.0
Soft Drinks Business	16.4	6.5	65.3%	6.0	35.6	7.8	28.0%	6.0
Food Business	5.8	0.4	6.6%	1.5	11.3	0.3	2.8%	-
Overseas Business	68.1	43.4	176.0%	9.2	160.8	66.6	70.8%	12.2
Other Business	- 0.3	0.8	-	1.1	- 1.2	- 0.1	-	0.5
Adjustment (corporate and elimination)	- 12.0	- 0.6	-	1.8	- 25.6	- 4.2	-	2.2
Amortization of acquisition-related intangible assets	- 15.5	- 4.6	-	- 0.8	- 31.3	- 5.8	-	- 1.9
Core Operating Profit	89.3	38.7	76.6%	12.8	224.5	56.7	33.8%	7.0
Operating profit	109.4	66.1	152.8%	15.9	222.0	86.8	64.2%	6.0
Profit attributable to owners of parent	79.3	50.5	175.7%	19.8	156.0	63.2	68.1%	4.0

[Revenue]

- H1: +18.2% YoY increase, below the plan, due to lower sales in Alcohol Beverages, despite higher sales in Overseas, including the effect of CUB consolidation and yen depreciation.
- 2021 forecast: Revised downward by JPY 20.0 billion from the initial forecast due to the downward revisions in Alcohol Beverages and Soft Drinks, despite the upward revision in Overseas from the effect of yen depreciation.

[Core Operating Profit]

- H1: +76.6% YoY increase, exceeding the plan, due to the effect of yen depreciation and higher profit in businesses other than Alcohol Beverages with lower profit.
- 2021 forecast: Revised upward by JPY 7.0 billion from the initial forecast due to the upward revisions in Soft Drinks and Overseas including the effect of yen depreciation, despite the downward revision in Alcohol Beverages.

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



<Sales Volume by Brands>

	2021 H1 (6 Months Ended June 30)			Against Target
		YoY (Amount / %)		
Super Dry	25.07	- 2.81	- 10.1%	- 5.63
Style Free	5.78	0.27	5.0%	- 0.07
Clear Asahi	7.38	- 1.06	- 12.5%	- 1.07

*Super Dry sales by container (Bottle-38%, Can+5%, Keg-34%)

(Millions of cases)

	2021 Forecast (Announced on August 10)			Against Initial Target
		YoY (Amount / %)		
	64.00	- 1.17	- 1.8%	- 7.00
	12.50	0.86	7.3%	0.00
	15.50	- 2.18	- 12.3%	- 2.30

<Market Trend> (Volume basis)

	H1 YoY	2021 Est. YoY
Beer	-2~3%	Approx. +4%
Happoshu	Approx. +3%	Approx. +2%
New Genre	-11~12%	-9~10%
Total	-6~7%	-2~3%

<Revenue of Beer-type Beverages>

(JPY billion)

	2021 H1 (6 Months Ended June 30)			Against Target
		YoY (Amount / %)		
Beer-type Beverages	230.8	- 19.5	- 7.8%	- 36.0
Total				

	2021 Forecast (Announced on August 10)			Against Initial Target
		YoY (Amount / %)		
	557.6	- 3.7	- 0.7%	- 39.7

【Market Total】

- H1 : YoY contraction by -6 to -7% in the volume mainly due to the contraction of the on-premise market, despite the stronger consumption of Beer-can and Happoshu.
- 2021 Est. : YoY contraction by -2 to -3% in the volume mainly due to the contraction of New Genre market, despite the continuous expansion of the Beer-can market.

【Revenue/Sales Volume by Brands】

<H1>

•YoY decline with -7.8% due to the sales decrease in the on-premise channel and the scale reduction of traditional events with the contraction of New Genre market.

<Asahi Super Dry> YoY decline with -10.1% due to the decrease in the on-premise channel, despite strengthening sales promotion in the off-premise channel, including the launch of *Nama Jokki Can*.

<Style Free> YoY increase with +5.0% due to the effective promotion to meet the growing health consciousness.

<Clear Asahi> YoY decline with -12.5% due to the contraction of New Genre market, despite brand renewal and strengthening sales promotion.

<2021 Forecast>

•Revised downward to YoY decrease with -0.7% due to the contraction of the on-premise market and New Genre market, despite measures to recover sales momentum.

<Asahi Super Dry> Revised downward to YoY decrease with -1.8% due to the contraction of the on-premise market, despite strengthening sales promotion in the off-premise channel.

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

<Clear Asahi> Revised downward to YoY increase with -12.3% due to the contraction of New Genre market, strengthening sales promotion.

<Revenue>

(JPY billion)

| | 2021 H1 (6 Months Ended June 30) | | |
|------------------------------|----------------------------------|------------------|----------------|
| | | YoY (Amount / %) | Against Target |
| Asahi Breweries Revenue | 315.8 | - 24.0
- 7.1% | - 38.0 |
| Other/elimination in Segment | 0.8 | - 0.0
- 2.6% | - 0.1 |
| Revenue total | 316.5 | - 24.0
- 7.1% | - 38.2 |

| | 2021 Forecast (Announced on August 10) | | |
|--|--|------------------|------------------------|
| | | YoY (Amount / %) | Against Initial Target |
| | 740.6 | - 4.6
- 0.6% | - 39.9 |
| | 1.6 | - 0.2
- 10.1% | - 0.4 |
| | 742.2 | - 4.8
- 0.6% | - 40.3 |

<Reference: Revenue by Category (Before Rebate Deduction)>

| | | | |
|---------------------------|------|------------------|-------|
| Whiskey and spirits | 22.5 | - 2.3
- 9.4% | - 2.0 |
| RTD low-alcohol beverages | 17.3 | - 5.6
- 24.4% | - 2.6 |
| Wine | 19.4 | 1.8
10.5% | 0.7 |
| Shochu | 9.8 | - 1.9
- 16.5% | 0.3 |
| Non-alcohol beverages | 16.8 | 2.8
20.3% | - 0.5 |

| | | | |
|--|------|------------------|-------|
| | 47.6 | - 4.9
- 9.4% | - 5.4 |
| | 40.7 | - 5.6
- 12.0% | - 5.8 |
| | 40.4 | 0.3
0.6% | 0.4 |
| | 20.3 | - 3.0
- 12.9% | 1.3 |
| | 44.2 | 12.1
37.6% | 4.7 |

[Revenue of Other Alcohol Beverages]

<H1>

- YoY decline in total due to the sales decrease in each category in the on-premise channel, despite the strong performance of ENOTECA's mail-order business.
- +20.3% YoY increase in Non-alcohol beverages due to the sales decrease in the on-premise channel despite the effect of the new launch of *BEERY*.

<2021 Forecast>

- Revised downward for RTD and Whiskey and spirits, while revised upward for Wine and Shochu.
- Revised upward to +37.6% YoY increase in Non-alcohol beverages due to the strong promotion of *Asahi Dry Zero* and the expansion of minimal alcohol market.

<Core Operating Profit>

| | 2021 H1 (6 Months Ended June 30) | | |
|---|----------------------------------|------------------|----------------|
| | | YoY (Amount / %) | Against Target |
| Change in sales, category and container mix | - | - 6.0 | - 12.7 |
| Cost reduction in manufacturing | - | 1.7 | - 0.0 |
| Cost increase in manufacturing | - | - 1.0 | 0.1 |
| Advertisement and Sales promotion expense | - | - 1.9 | 2.6 |
| Other expenses | - | 0.3 | 3.8 |
| Asahi Breweries | 26.6 | - 7.0 - 20.8% | - 6.2 |
| Other/elimination in segment | 0.2 | - 0.1 - 31.0% | 0.2 |
| Core Operating Profit | 26.8 | - 7.1 - 20.9% | - 6.0 |

(JPY billion)

| 2021 Forecast (Announced on August 10) | | | |
|--|------------------|------------------------|--------|
| | YoY (Amount / %) | Against Initial Target | |
| | 6.0 | - 11.6 | |
| | 3.4 | - 1.4 | |
| | - 2.6 | - 0.6 | |
| | - 12.8 | - 6.5 | |
| | - 1.8 | 8.0 | |
| | 74.9 | - 7.9 - 9.5% | - 12.1 |
| | 0.1 | - 0.1 - 52.9% | 0.1 |
| | 75.0 | - 8.0 - 9.6% | - 12.0 |

[H1: Factors Contributing to Increase/Decrease] (JPY billion)

<Breakdown of Main Factors>

- Change in sales and others: -6.0 (Sales decrease in beer-type -8.0, Sales decrease in other alcohol beverages -0.7, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +1.7 (Raw materials +0.3, Other than beer-typed +0.4, Utilities +0.3, Disposal +0.3, etc.)
- Cost increase in manufacturing: -1.0 (Raw materials -0.7, In other than beer -0.1, Transportation -0.2, etc.)
- Decrease in sales promotion expenses : -1.9 (Advertisement -2.1, Promotion +0.2) (Beer-type -0.9, Other -1.0)
- Other expenses: +0.3 (HR +0.4, Depreciation +0.4, Equipment for selling +0.7, Others -1.2)

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

<Breakdown of Main Factors>

- Change in sales and others: +6.0 (Sales volume decrease in beer-type -2.7, Sales increase in other alcohol beverages +3.9, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +3.4 (Raw materials +0.7, Other than beer-type +0.8, Disposal +0.5, Transportation +0.4, etc.)
- Cost increase in manufacturing: -2.6 (Raw materials -1.4, Other than beer-type -0.3, Transportation -0.7 and others, etc.)
- Increase in sales promotion expenses: -12.8 (Advertisement -12.9, Promotion expenses +0) (Beer-type -7.6, Other -5.2)
- Other expenses: -1.8 (HR +0.2, Depreciation +0.4, Equipment for selling +1.3, Others -3.7)

Soft Drinks Business (Sales Volume)



<Sales Volume>

| | 2021 H1 (6 Months Ended June 30) | | | |
|--------------------|----------------------------------|------------------|--------|----------------|
| | | YoY (Amount / %) | | Against target |
| Carbonated drinks | 38.53 | 0.97 | 2.6% | 0.30 |
| Lactic acid drinks | 20.59 | - 0.61 | - 2.9% | - 1.61 |
| Coffee | 17.48 | 0.72 | 4.3% | - 0.24 |
| Tea | 16.90 | 0.23 | 1.4% | - 0.04 |
| Mineral water | 7.18 | - 0.69 | - 8.7% | - 1.22 |
| Fruit juice | 6.87 | - 0.10 | - 1.4% | 0.09 |
| Other drinks | 12.31 | 0.58 | 5.0% | - 0.68 |
| Sales Volume | 119.86 | 1.11 | 0.9% | - 3.40 |

(Millions of cases)

| | 2021 Forecast (Announced on August 10) | | | |
|--|--|------------------|--------|------------------------|
| | | YoY (Amount / %) | | Against Initial Target |
| | 82.50 | 4.30 | 5.5% | 0.91 |
| | 44.30 | 0.51 | 1.2% | - 2.62 |
| | 36.70 | 1.24 | 3.5% | 0.12 |
| | 36.80 | 1.75 | 5.0% | 0.21 |
| | 15.30 | - 1.17 | - 7.1% | - 3.12 |
| | 13.80 | - 0.53 | - 3.7% | - 0.73 |
| | 26.60 | 1.24 | 4.9% | - 0.78 |
| | 256.00 | 7.33 | 2.9% | - 6.00 |

<Market Trend>

| H1 YoY | 2021 Est. YoY |
|-------------|---------------|
| Approx. 1% | - |
| Approx. -5% | - |
| Approx. 1% | - |
| Approx. 1% | - |
| Approx. 3% | - |
| Approx. -1% | - |
| - | - |
| Approx. 1% | Approx. 2% |

<Sales Volume by Brands>

| | 2021 H1 (6 Months Ended June 30) | | |
|---------------|----------------------------------|------------------|--------|
| | | YoY (Amount / %) | |
| MITSUYA CIDER | 20.36 | 0.34 | 1.7% |
| WILKINSON | 14.54 | 0.82 | 6.0% |
| CALPIS | 17.76 | - 0.41 | - 2.3% |
| WONDA | 16.49 | 0.70 | 4.4% |
| JUROKUCHA | 10.47 | 0.27 | 2.6% |
| OISHII MIZU | 7.18 | - 0.68 | - 8.7% |

<By Container Type>

| Jan. - Jun. | YoY |
|--------------|---------|
| Can | 4.0% |
| PET total | 1.0% |
| Large PET | - 8.9% |
| Small PET | 6.3% |
| Glass bottle | - 21.2% |

<By Channel>

| Jan. - Jun. | YoY |
|-------------------|--------|
| Vending machine | 7.0% |
| Convenience store | - 1.8% |
| Grocery | - 4.1% |

【Market Total】

•H1: +1% YoY increase in total volume mainly due to the sales increase except convenience store where sales were sluggish.

•2021 Forecast: +2% YoY increase in total volume mainly due to rebound effect of last year's COVID-19 and longer rainy season, while a certain amount of impact from voluntary restraint from going out will continue.

【Asahi Soft Drinks Sales Volume】

•H1: +0.9% YoY increase due to the strong sales in Carbonated drinks despite the sales decrease of Mineral Water and Lactic acid drinks.

•2021 Forecast: Revised downward by -6 million cases due to the sales decrease of Mineral Water and Lactic acid drinks, despite the strong sales in Carbonated drinks.

<Core Operating Profit>

(Millions of Cases / JPY billion)

| | 2021 H1 (6 Months Ended June 30) | | | 2021 Forecast (Announced on August 10) | | | | |
|---|----------------------------------|------------------|-------|--|--------|------------------|-------|------------------------|
| | | YoY (Amount / %) | | Against Target | | YoY (Amount / %) | | Against Initial Target |
| Sales Volume Total | 119.86 | 1.11 | 0.9% | - 3.40 | 256.00 | 7.33 | 2.9% | - 6.00 |
| Revenue Total | 173.8 | 7.2 | 4.3% | - 1.0 | 366.0 | 12.6 | 3.6% | - 6.4 |
| Change in sales, category and container mix | - | 6.4 | | 4.1 | - | 9.9 | | 3.9 |
| Cost reduction in manufacturing | - | 1.6 | | 0.4 | - | 2.8 | | 0.4 |
| Cost increase in manufacturing | - | - 0.3 | | - 0.0 | - | - 0.8 | | - |
| Advertisement and Sales promotion expenses | - | - 0.1 | | 0.4 | - | - 1.1 | | 0.2 |
| Other expenses | - | - 1.1 | | 1.2 | - | - 3.0 | | 1.6 |
| Asahi Soft Drinks | 16.4 | 6.5 | 65.3% | 6.0 | 35.6 | 7.8 | 28.0% | 6.0 |
| Other/elimination in segment | - | - | - | - | - | - | - | - |
| Core Operating Profit | 16.4 | 6.5 | 65.3% | 6.0 | 35.6 | 7.8 | 28.0% | 6.0 |

[H1: Factors Contributing to Increase/Decrease] (JPY billion)

<Breakdown of Main Factors>

- Change in sales and others: +6.4 (Increase in sales volume +5.4, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +1.6 (Raw materials +0.1, Packages +1.0, operational efficiency / in-house production +0.5, etc.)
- Cost increase in manufacturing: -0.3 (Raw materials -0.1, Packages -0.2, etc.)
- Change in sales promotion expenses: -0.1 (Promotion expense -0.1)

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

<Breakdown of Main Factors>

- Change in sales and others: +9.9 (Increase in sales volume +9.1, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +2.8 (Raw materials +0.3, Packages +1.5, 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: -1.1 (Advertisement -0.2, Promotion expenses -0.9)

<Revenue>

(JPY billion)

| | 2021 H1 (6 Months Ended June 30) | | | 2021 Forecast (Announced on August 10) | | |
|---------------------|----------------------------------|------------------|----------------|--|------------------|------------------------|
| | | YoY (Amount / %) | Against Target | | YoY (Amount / %) | Against Initial Target |
| Asahi Group Foods | 60.7 | 0.9
1.5% | - 0.9 | 128.4 | 5.2
4.2% | - |
| Other / elimination | 0.2 | 0.1
55.9% | 0.0 | 0.3 | 0.0
15.1% | - |
| Revenue | 60.8 | 1.0
1.6% | - 0.8 | 128.7 | 5.2
4.2% | - |

<Core Operating Profit>

(JPY billion)

| | 2021 H1 (6 Months Ended June 30) | | | 2021 Forecast (Announced on August 10) | | |
|-----------------------|----------------------------------|------------------|----------------|--|------------------|------------------------|
| | | YoY (Amount / %) | Against Target | | YoY (Amount / %) | Against Initial Target |
| Asahi Group Foods | 5.8 | 0.4
7.6% | 1.5 | 11.2 | 0.3
2.8% | - |
| Other / elimination | - 0.0 | - 0.0
- | - 0.0 | 0.1 | - 0.0
- 4.9% | - |
| Core Operating Profit | 5.8 | 0.4
6.6% | 1.5 | 11.3 | 0.3
2.8% | - |

【Revenue】

•H1: +1.6% YoY increase, below the plan, mainly due to the sales decrease of *Mintia*, despite the growth of *Ippon Manzoku Bar* and *Dear-Natura*.

•2021 Forecast: Aim at +4.2% YoY increase by the strong sales of core brands, despite the shrinking demand for food ingredients in the BtoB business.

【Core Operating Profit】

•H1: +6.6% YoY increase, exceeding the plan, due to the sales increase and streamlining sales promotion expenses.

•2021 Forecast: Aim at +2.8% YoY increase by the sales increase and streamlining fixed costs, despite enhancing investment in advertisement and sales promotion.

<Revenue (including Liquor Tax) ***Constant Currency Basis (Based on Previous Year's FX Rates)**>

(JPY billion)

| | 2021 H1 (6 Months Ended June 30) | | | | 2021 Forecast (Announced on August 10) | | | |
|-------------------------|----------------------------------|------------------|---------|----------------|--|------------------|---------|------------------------|
| | | YoY (Amount / %) | | Against Target | | YoY (Amount / %) | | Against Initial Target |
| Europe Business | 198.4 | 9.5 | 5.1% | / | 461.0 | 50.0 | 12.2% | - 20.2 |
| Oceania Business * | 204.3 | 110.7 | 118.2% | | 444.7 | 105.6 | 31.1% | - 3.0 |
| Southeast Asia Business | 21.8 | 1.8 | 8.8% | | 41.7 | 0.0 | 0.0% | - 0.7 |
| Other / elimination | 0.5 | - 0.6 | - 53.1% | | 0.9 | - 0.3 | - 21.4% | 0.4 |
| Revenue | 425.0 | 121.4 | 40.0% | - 20.4 | 948.3 | 155.3 | 19.6% | - 23.6 |

<Performance Including Foreign Exchange Impact>

| | | | | | | | | |
|---------|-------|-------|-------|-----|---------|-------|-------|------|
| Revenue | 477.7 | 174.1 | 57.3% | 9.2 | 1,028.2 | 235.2 | 29.7% | 32.5 |
|---------|-------|-------|-------|-----|---------|-------|-------|------|

* CUB business has been consolidated since June 2020.

【Revenue (Constant Currency Basis)】

<H1>

- Europe: +5.1% YoY increase due to the recovery in the on-premise demand following the gradual removal of COVID-19 related restrictions from April.
- Oceania: +118.2% YoY increase due to the sales volume increase of core brands and the effect of CUB consolidation for January-May.
- Southeast Asia: +8.8% YoY increase due to the sales increase in Philippines and Indonesia, despite the impact of COVID-19 related restrictions on going outside.

<2021 Forecast>

- Europe: +12.2% YoY increase due to the recovery in the on-premise demand and continued premiumization in the off-premise channel.
- Oceania: +31.1% YoY increase due to the sales increase of core brands, the recovery in the on-premise demand, and the effect of CUB consolidation.
- Southeast Asia: Expected the same level as the previous year due to continued restrictions associated with the reemergence of infections and stagnant logistics caused by the shortage of containers.

<Core Operating Profit *Constant Currency Basis (Based on Previous Year's FX Rates)>

(JPY billion)

| | 2021 H1 (6 Months Ended June 30) | | | | 2021 Forecast (Announced on August 10) | | | |
|-------------------------|----------------------------------|------------------|--------|----------------|--|------------------|---------|------------------------|
| | | YoY (Amount / %) | | Against Target | | YoY (Amount / %) | | Against Initial Target |
| Europe Business | 24.0 | - 0.0 | - 0.1% | / | 71.6 | 11.3 | 18.7% | - |
| Oceania Business * | 34.4 | 33.6 | - | | 74.1 | 41.2 | 124.9% | 3.8 |
| Southeast Asia Business | 0.5 | 0.3 | 137.2% | | 0.7 | - 0.7 | - 49.5% | - 1.4 |
| Other / elimination | 1.3 | 1.6 | - | | 1.5 | 2.0 | - | 0.6 |
| Revenue | 60.2 | 35.5 | 143.9% | 4.3 | 147.9 | 53.8 | 57.1% | 3.1 |

<Performance Including Foreign Exchange Impact>

| | | | | | | | | |
|-----------------------|------|------|--------|-----|-------|------|-------|------|
| Core Operating Profit | 68.1 | 43.4 | 176.0% | 9.2 | 160.8 | 66.6 | 70.8% | 12.2 |
|-----------------------|------|------|--------|-----|-------|------|-------|------|

* CUB business has been consolidated since June 2020.

[Core OP (Constant Currency Basis)]

<H1>

- Europe: -0.1% YoY decline due to the on-premise sales decrease and deteriorated mix in January-March, despite increase in profit in April-June.
- Oceania: Increased by JPY 33.6 billion from the previous year due to the sales increase, the effect of CUB consolidation, and the creation of integration synergies.
- Southeast Asia: +137.2% YoY increase due to streamlining advertisement and sales promotion expenses in Malaysia.

<2021 Forecast>

- Europe: +18.7% YoY increase due to recovery in sales volume mainly in the on-premise channel and improved mix, as well as promoting overall cost efficiencies.
- Oceania: +124.9% YoY increase due to the creation of integration synergies and decrease in one-off cost, despite the impact of lockdowns in each state.
- Southeast Asia: -49.5% YoY decline due to soaring commodity prices and logistics costs.

◆ Results on Local Currency Basis

*Excluding the impact of currency translation of local currencies into Euro

| chl. million Euro | H1 2021 (6 months ended June 30) | YoY*2 | FY2021 Revised Target | YoY*2 | Against Initial Target*3 |
|----------------------------|----------------------------------|-------|-----------------------|-------|--------------------------|
| Sales Volume | 19,695 | 2% | 42,549 | 5% | -2% |
| Net Sales (exc liquor tax) | 1,332 | 7% | 3,024 | 12% | -4% |
| Core OP*1 | 201 | 0% | 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

◆ Overview by Channel

| | Off-premise | On-premise | Total |
|-----------------------|--------------------|---------------------|-------|
| H1 YoY (volume basis) | + low single digit | - high single digit | + 2% |

<Sales Trends for January-June >

- As for off-premise channel, overall sales increased in the low single-digit range YoY due to strong sales of *Pilsner Urquell* and *Gambrinus* in Slovakia, *PNA*, *Ursus* and *Ciucas* in Romania, *Peroni* and recently launched *Kozel* in Italy, *PNA* and *Asahi Super Dry* in the UK and *Dreher* in Hungary. *PNA: *Peroni Nastro Azzurro*
- As for on-premise channel, sales recovered in the range of 60-70% YoY in the April-June period due to the gradual removal of COVID-19 related restrictions at restaurants since April. However, mainly due to the impact of the lockdown in 1Q, on-premise sales decreased by high single-digit percentage YoY for the entire business in 1H.

<Assumption for Sales Volume in the 2H>

- Off-premise sales are expected to be around the previous year's level, not growing just due to the fact that we expect that demand will shift back to the on-premise channel. We do not expect any lockdown in on-premise in H2. Overall sales are expected to increase in the high single-digit range YoY.

◆ Results on Local Currency Basis

| million AUD | H1 (6 months ended June 30) | YoY *3 | Full-year forecast (as of Aug 10) | YoY *3 | Against initial target |
|-------------------------------|-----------------------------|--------|-----------------------------------|--------|------------------------|
| Alcohol Beverages *1 | 1,420 | 201% | 2,954 | 40% | 10 |
| Non-alcohol Beverages *1 | 557 | 10% | 1,178 | 6% | - 35 |
| Net Sales (exc liquor tax) *1 | 1,977 | 102% | 4,131 | 29% | - 25 |
| Core OP *2 | 496 | 461% | 1,036 | 73% | 43 |
| One off Cost | - 13 | - | - 30 | - | 9 |

*1 Based on net sales value excluding container deposite

*2 Core OP before deduction of one-off cost

*3 Figures for the previous year of the former CUB business reflect from June to December 2020 results after the acquisition.

◆ Overview by Channel of Australian Alcohol Beverages Business

| | Off-premise | On-premise | Total |
|-----------------------|--------------------|---------------|---------------|
| H1 YoY (volume basis) | + low single digit | + approx. 80% | + approx. 10% |

* Calculated based on the previous year's results including the former CUB business.

<Sales Trends for January-June >

- Off-premise: Increased in the low single digit year on year due to sales expansion of the core brands *Great Northern* and *Asahi Super Dry*.
- On-premise: Increased by approximately 80% year on year due to a rebound from lockdowns from late March to May of the previous year, despite snap lockdowns this year in some regions.

<Assumption for Sales Volume in the 2H>

- Expected to fall in the mid-single digit year on year for H2 sales of the overall business, due to the impact of lockdowns in the several states and the contraction of the off-premise market, which had been at a high level in the previous year due to COVID-19. (Expected to increase in the low single digit year on year)

Operating Profit/Profit Attributable to Owners of Parent



(JPY billion)

| | 2021 H1 (6 Months Ended June 30) | | | | 2021 Forecast (Announced on August 10) | | | |
|---|----------------------------------|------------------|---------|----------------|--|------------------|---------|------------------------|
| | | YoY (Amount / %) | | Against Target | | YoY (Amount / %) | | Against Initial Target |
| Revenue | 1,033.6 | 159.3 | 18.2% | - 33.9 | 2,276.0 | 248.2 | 12.2% | - 20.0 |
| Core Operating Profit | 89.3 | 38.7 | 76.6% | 12.8 | 224.5 | 56.7 | 33.8% | 7.0 |
| Adjustment item | 20.1 | 27.4 | - | 3.1 | - 2.5 | 30.2 | - | - 1.0 |
| Gain (loss) on sales and retirement of non current assets | 33.7 | 30.3 | 893.2% | 3.0 | 29.0 | 27.2 | - | 0.2 |
| Business integration expenses | - 8.9 | - 6.8 | - | - 8.9 | - 8.9 | 0.0 | - | - 8.9 |
| Impairment loss | - | - | - | - | - | 8.8 | - | - |
| Others | - 4.7 | 3.9 | - | 9.0 | - 22.6 | - 5.9 | - | 7.7 |
| Operating profit | 109.4 | 66.1 | 152.8% | 15.9 | 222.0 | 86.8 | 64.2% | 6.0 |
| Finance income or loss | - 5.1 | - 3.4 | - | 1.0 | - 10.6 | - 3.0 | - | 2.3 |
| Share of profit (loss) of investments accounted for using equity method | 0.1 | - 0.1 | - 32.7% | 0.0 | 0.2 | - 0.1 | - 47.0% | - 0.1 |
| Gain (loss) on sales of investments accounted for using equity method | - | 2.3 | - | - | - | 2.3 | - | - |
| Others | - 0.5 | - 0.1 | - | - 0.4 | - 2.5 | - 2.4 | - | - 2.2 |
| Profit before tax | 104.0 | 64.9 | 165.9% | 16.5 | 209.0 | 83.6 | 66.7% | 6.0 |
| Income tax expense | - 24.5 | - 14.1 | - | 3.6 | - 53.0 | - 20.2 | - | - 2.0 |
| Profit | 79.4 | 50.8 | 177.1% | 20.0 | 156.0 | 63.4 | 68.5% | 4.0 |
| Profit attributable to owners of parent | 79.3 | 50.5 | 175.7% | 19.8 | 156.0 | 63.2 | 68.1% | 4.0 |
| Profit attributable to non-controlling interests | 0.1 | 0.2 | - | 0.2 | - | 0.2 | - | - |

[Operating Profit]

- H1: +152.8% YoY increase, exceeding the plan, due to increased Core OP and gain on sales and retirement of non current assets.
- 2021 Forecast: Revised upward by JPY 6.0 billion from the initial forecast due to higher Core OP, despite the revision of others, including resources to improve capital and asset efficiency.

[Profit Attributable to Owners of Parent]

- H1: +175.7% YoY increase, exceeding the plan, due to higher Core OP and lower income tax expense.
- 2021 Forecast: Revised upward by JPY 4.0 billion from the initial forecast due to increased operating profit and improved finance income or loss, despite the revision of others and income tax expense.

(JPY BILLION)

| | 2021 H1 (6 Months Ended June 30) | | | 2021 Forecast (Announced on August 10) | | | |
|--|----------------------------------|------------------|--------|--|------------------|--------|------------------------|
| | | YoY (Amount / %) | | | YoY (Amount / %) | | Against Initial Target |
| Total Assets | 4,566.2 | 126.8 | 2.9% | 4,474.0 | 34.6 | 0.8% | 154.0 |
| Total Equity | 1,706.7 | 188.8 | 12.4% | 1,676.0 | 158.2 | 10.4% | 154.0 |
| Interest-bearing debt | 1,722.9 | - 100.7 | - 5.5% | 1,670.0 | - 153.6 | - 8.4% | - |
| Net DE ratio ※1, 2 | - | - | - | 0.81 | - 0.17 | - | - 0.07 |
| Net Debt / EBITDA ※2 | - | - | - | 4.34 | - 1.69 | - | - 0.14 |
| Cash flows from (used in) operating activities | 157.4 | 98.8 | - | 282.0 | 6.1 | - | - |
| Cash flows from (used in) investing activities | 4.7 | 1,203.5 | - | - 43.5 | 1,199.9 | - | - |
| Cash flows from (used in) financing activities | - 157.3 | - 1,349.4 | - | - 237.0 | - 1,193.8 | - | - |
| Free cash flow | 176.8 | 152.8 | - | 220.5 | 23.7 | - | - |
| Dividend per share (yen) | 54 | 1 | - | 109 | 3 | - | - |
| Dividend payout ratio (%) | - | - | - | 35.4% | - 18.5% | - | - 0.9% |

(※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.

<H1>

BS: Total assets increased by JPY 126.8 billion from the end of the previous fiscal year due to an increase in goodwill and intangible assets caused by yen depreciation.

Interest-bearing debt decreased by JPY 100.7 billion due to increase in Core OP and measures to expand cash flow.

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

<2021 Forecast>

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

CF, Div.: Plan to increase annual dividend by 3 yen to 109 yen per share by improving cash-generating capabilities through profit recovery and asset reduction.

◆ FX Impact on P/L (Result and Forecast)

(JPY billion)

| Business | Currency | H1
(6 months
ended June 30) | 2021 forecast
(announced on
August 10) |
|-----------------------------------|----------|-----------------------------------|--|
| | | Results | Forecast |
| Europe | Euro | 17.6 | 28.8 |
| Oceania | AUD | 34.4 | 50.1 |
| Southeast Asia | - | 0.7 | 1.0 |
| Others | - | 0.0 | 0.0 |
| Revenue | | 52.7 | 79.9 |
| Europe | Euro | 2.1 | 4.5 |
| Oceania | AUD | 5.8 | 8.4 |
| Southeast Asia | - | 0.0 | 0.0 |
| Others | - | -0.0 | -0.0 |
| Amortization of intangible assets | - | -1.4 | -2.1 |
| Core Operating Profit | | 6.5 | 10.7 |

◆ FX Sensitivity for 2021

<Impact of 1 Yen Change (Full Year)>

(JPY billion)

| Currency | Assumption | Revenue | Core OP |
|----------|------------|---------|---------|
| Euro | 129.5 | ±3.8 | ±0.6 |
| AUD | 82.0 | ±6.0 | ±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 |

| Currency | 2020 Q2 | 2021 Q2 |
|----------|---------|---------|
| Euro | 119.3 | 129.9 |
| AUD | 71.2 | 83.1 |

Asahi

Information in this material is not intended to solicit sale or purchase of shares in Asahi Group Holdings. The views, estimates and other information expressed in this document are based on the company's judgment at the time of publication, and no guarantees are provided regarding the accuracy of such information. This information is subject to change without notice.

The company and its officers and representatives accept no responsibility or liability for any damage or inconvenience that may be caused by or in conjunction with any part of these materials.