



Q1 2023 Financial Results Presentation

May 12, 2023

ASAHI GROUP HOLDINGS, LTD.



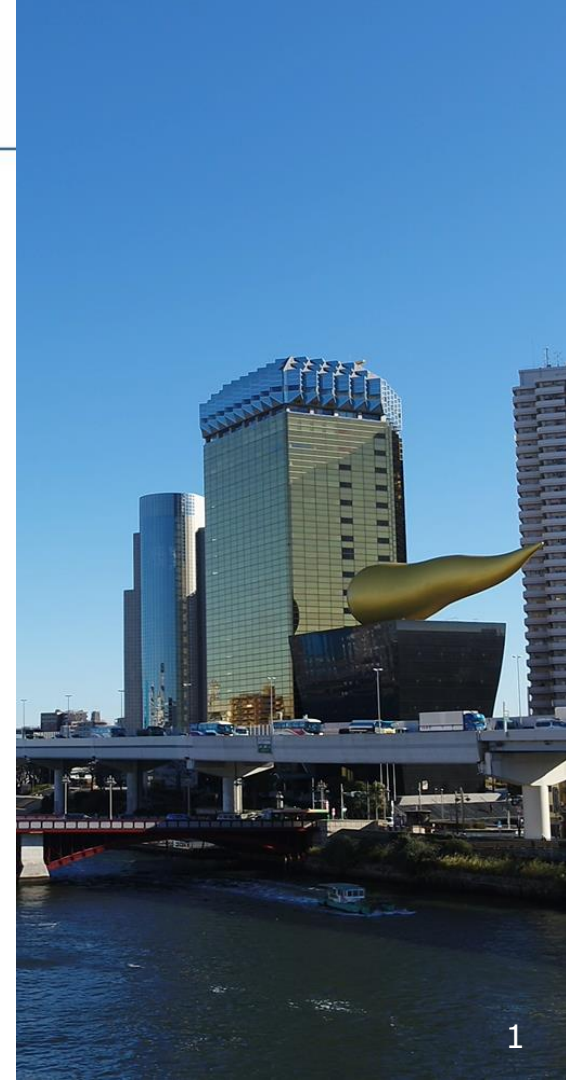
Executive Summary

Overview for Q1 2023

- **Achieved 7.9% revenue growth and 24.3% core operating profit growth (constant currency basis)**
 - Achieved top-line growth in all businesses due to the effect of price revisions and continued premiumization
 - Profit growth exceeded the plan, mainly in Japan, even with continued significant cost increases

Future direction

- **Aim to achieve 7.5% revenue growth and 1.3% core operating profit growth (constant currency basis)**
 - Strengthen investment in the premiumization strategy while closely monitoring the impact of cost increases and inflation
 - Continue to invest in core strategies and human capital to recover performance and strengthen the foundation for the next fiscal year and beyond



Improvement in Unit Sales Price/Cost Increases



◆ Improvement in Unit Sales Price (Jan-Mar YoY)

Japan
(Alcohol Beverages)

Europe

Australia
(Alcohol Beverages)

Beer-Type Beverages
Unit Price
(Excluding Liquor Tax)

+6.6%

+17.3%

+4.1%

*Including non-alcohol category

*Including non-alcohol category

Ref: Overall Business
Revenue
(Excluding Liquor Tax)

+6.4%

+13.4%

+7.2%

◆ Cost Increases (Group Total)

Jan-Mar Results

Just below
JPY 25.0 billion

Annual Forecast

Appx. JPY 100 Billion

Revenue / Core Operating Profit



(JPY billion)	(Constant Currency Basis)			2023 Forecast	(Constant Currency Basis)	
	Q1	Change	YoY		Change	YoY
Japan	273.8	15.4	6.0%	1,351.0	49.3	3.8%
Europe	118.4	10.5	10.6%	657.0	91.9	16.0%
Oceania	150.7	12.0	9.3%	628.4	46.4	8.0%
Southeast Asia	13.4	0.8	6.9%	54.7	2.8	5.4%
Other	2.6	1.0	65.2%	9.9	1.2	14.1%
Adjustment (corporate and elimination)	- 2.5	- 0.7	-	- 11.0	- 2.9	-
Revenue	556.3	39.0	7.9%	2,690.0	188.7	7.5%
	-	-		-	-	
Japan	17.7	5.8	48.7%	112.0	3.1	2.8%
Europe	4.5	1.9	98.1%	74.4	0.6	0.8%
Oceania	22.4	- 0.6	- 2.8%	108.8	1.9	1.7%
Southeast Asia	0.2	0.1	643.0%	1.2	0.6	103.4%
Other	0.2	- 0.0	- 18.0%	1.1	- 0.3	- 23.6%
Adjustment (corporate and elimination)	- 4.1	- 1.2	-	- 19.3	- 2.7	-
Amortization of acquisition- related intangible assets	- 8.6	0.0	-	- 33.2	0.0	-
Core Operating Profit	32.3	6.0	24.3%	245.0	3.2	1.3%

*Figures for Constant Currency Basis are calculated by converting foreign currency amounts for the current year to yen using the exchange rate of the previous year.

Revenue

- +7.9% YoY in total mainly due to increased revenues in all business driven by price realization mainly through price revisions and premiumization
- Total in line with the plan due to results mostly as expected for each region

Core Operating Profit

- +24.3% YoY in total mainly due to increased profits in Japan and Europe despite a decreased profit in Oceania caused by cost increase impact, etc.
- Total above the plan due to the higher-than-planned profits for Alcohol Beverages Business and Non-Alcohol Beverages Business in Japan, despite Europe and Oceania, where profits were in line

Operating Profit / Profit Attributable to Owners of Parent



(JPY billion)	(Actual Currency Basis)			2023 Forecast	(Actual Currency Basis)	
	Q1	Change	YoY		Change	YoY
Revenue	556.3	59.5	12.0%	2,690.0	178.9	7.1%
Core Operating Profit	32.3	7.7	31.0%	245.0	1.2	0.5%
Adjustment item	- 0.3	15.3	-	- 18.0	8.8	-
Gain (loss) on sales and retirement of non current assets	0.1	0.4	-	- 3.2	- 12.7	-
Business integration expenses	- 1.2	- 0.1	-	-	15.4	-
Impairment loss	-	12.8	-	-	18.5	-
Others	0.8	2.2	-	- 14.8	- 12.4	-
Operating profit	32.0	23.0	254.0%	227.0	10.0	4.6%
Finance income or loss	- 2.6	0.1	-	- 7.0	2.6	-
Share of profit (loss) of investments accounted for using equity method	- 0.0	- 0.1	-	0.5	- 0.2	- 28.0%
Others	- 0.8	- 1.9	-	- 0.5	1.6	-
Profit before tax	28.6	21.1	279.8%	220.0	14.0	6.8%
Income tax expense	- 8.6	- 5.4	-	- 62.5	- 8.2	-
Profit	20.0	15.6	358.4%	157.5	5.8	3.8%
Profit attributable to owners of parent	20.0	15.6	359.4%	157.5	5.9	3.9%
Profit attributable to non-controlling interests	0.0	- 0.0	- 8.8%	-	- 0.2	-
Adjusted profit attributable to owners of parent*	20.0	6.7	50.0%	157.5	- 7.9	- 4.8%

*Calculated from profit attributable to owners of parent excluding one-off special factors including business portfolio restructuring and impairment loss.

*2022 forecast is adjusted on after-tax basis for the loss of SCM restructuring in Japan.

Operating Profit

- +254.0% YoY mainly due to the reversal of impairment losses due to SCM reorganization in Japan in the previous year

Profit Attributable to Owners of Parent

- +359.4% YoY mainly due to the increase in operating profit and improvement in financial balance, etc..
- +50.0% YoY for adjusted profit attributable to owners of parent, excluding the loss on the SCM restructuring in the previous year, etc.
- Total above the plan for both the operating profit and the profit

(JPY billion)	Q1	Change	YoY	2023 Forecast	Change	YoY
Alcohol Beverages Business	158.7	7.3	4.9%	789.8	3.6	0.5%
Non-Alcohol Beverages Business	76.1	2.8	3.8%	390.6	23.3	6.3%
Food Business	30.3	0.6	2.1%	129.3	1.5	1.2%
Other/elimination in segment	8.7	4.7	116.7%	41.3	20.9	102.7%
Revenue	273.8	15.4	6.0%	1,351.0	49.3	3.8%
Alcohol Beverages Business	14.8	4.9	49.2%	86.0	6.8	8.6%
Non-Alcohol Beverages Business	3.4	1.0	40.3%	28.0	- 2.1	- 7.0%
Food Business	3.2	- 0.5	- 13.2%	12.3	0.4	3.8%
Other/elimination in segment	- 3.7	0.4	-	- 14.3	- 2.1	-
Core Operating Profit	17.7	5.8	48.7%	112.0	3.1	2.8%

Revenue

- +6.0% YoY in total mainly due to recovery in on-premise in Alcohol Beverages Business and increased sales including the effect of price revisions in each business
- Total in line with the plan as each business performed almost as expected

Core Operating Profit

- +48.7% YoY in total due to the profit growth in Alcohol Beverages Business and Non-Alcohol Beverages Business despite the profit decrease in Food Business caused by higher variable costs and other factors
- Total exceeded the plan due to the higher-than-planned performance of Alcohol Beverages Business and Non-Alcohol Beverages Business, despite slightly lower than planned performance of Food Business

Japan (Alcohol Beverages: Revenue/Sales Volume)



(JPY billion) *Before rebate deduction	Q1	Change	YoY	2023 Forecast	Change	YoY
Beer-type beverages	115.1	5.7	5.2%	611.9	18.5	3.1%
Whiskey and spirits	13.5	3.2	30.8%	55.5	0.2	0.3%
RTD	8.0	- 0.2	- 2.3%	36.0	0.3	0.8%
Wine	10.7	1.2	12.1%	45.4	1.3	2.8%
Shochu	5.0	0.5	11.6%	18.0	- 2.9	- 14.0%
Non-alcohol beer/ Non-alcohol RTD	7.5	0.3	3.6%	43.2	3.2	7.9%

(Million of cases)	Q1	Change	YoY	2023 Forecast	Change	YoY
Super Dry	12.91	1.48	13.0%	69.70	0.82	1.2%
Style Free	2.58	- 0.09	- 3.5%	12.50	0.02	0.1%
Clear Asahi	2.97	0.09	3.1%	13.50	- 0.84	- 5.9%

(YoY) *Volume basis	Q1			(YoY) *Volume basis	(Ref.) Beer-type market	
	Bottle	Can	Keg		Q1	2023
Beer-type beverages	+59%	-14%	+67%	Beer-type	+2~3%	-3~4%
Beer	+59%	-16%	+66%	Beer	+13~14%	+0~1%
				Happoshu	+3~4%	Approx.-3%
				New Genre	Approx.-9%	-7~8%

(Beer-type beverages)

- +5.2% YoY due to the increase in beer sales resulting from the recovery in on-premise and the effect of price revisions in each category and other factors, despite the decrease in happoshu and new genre
- Total slightly lower than planned, mainly due to lower sales in off-premise, although sales in on-premise exceeded the plan

(Other than beer-type)

- RTD sales were down YoY due to sluggish market, but other categories were up YoY
- Total exceeded the plan due to higher-than-planned sales of whiskey and spirits, wine, and shochu, mainly due to the recovery in on-premise

Japan (Alcohol Beverages: Breakdown of Changes in Profit)

(JPY billion)	Q1	Change	YoY	2023 Forecast	Change	YoY
Change in sales, category and container mix	-	7.8		-	26.5	
Cost reduction in manufacturing	-	0.5		-	1.8	
Cost increase in manufacturing	-	- 4.1		-	- 21.0	
Advertisement and Sales promotion expenses	-	1.6		-	3.6	
Other expenses	-	- 0.9		-	- 4.1	
Core Operating Profit	14.8	4.9	49.2%	86.0	6.8	8.6%

* "Other expenses" includes "Other and eliminations."

<Q1: Factors Contributing to Increase/Decrease>

- Change in sales and others: +7.8 (Sales volume in beer-type +7.4, Sales in other alcohol beverages +2.1, Change in category and container mix and etc.)
- Cost reduction in manufacturing: +0.5 (Raw materials +0.4, Transportation +0.1, etc.)
- Cost increase in manufacturing: -4.1 (Raw materials -2.7, Utilities -0.4, Transportation -0.3, etc.)
- Change in sales promotion expenses: +1.6 (Advertisement +3.2, Promotion -1.6) (Beer-type +1.5, Other +0.1)

<2023 Forecast: Factors Contributing to Increase/Decrease>

- Change in sales and others: +26.5 (Sales volume in beer-type +24.2, Sales in other alcohol beverages +3.4, Change in category and container mix and etc.)
- Cost reduction in manufacturing: +1.8 (Raw materials +0.6, Transportation +0.2, etc.)
- Cost increase in manufacturing: -21.0 (Raw materials -17.7, Utilities -0.8, Transportation -1.8, etc.)
- Change in sales promotion expenses: +3.6 (Advertisement +4.3, Promotion expenses -0.7) (Beer-type +1.9, Other +1.7)

Factors Contributing to Increase/Decrease

- +49.2% YoY due to sales increase including the effect of price revision and efficiency improvement in advertising and sales promotion expenses, despite the cost increase in variable costs and other expenses
- Total exceeded the plan due to the decrease of variable costs as well as efficiency improvements in advertising and sales promotion expenses and other expenses

Japan (Non-Alcohol Beverages: Sales Volume)



(Millions of cases)	Q1	Change	YoY	2023 Forecast	Change	YoY
Carbonated drinks	16.82	0.46	2.8%	87.70	5.21	6.3%
Lactic acid drinks	8.37	- 0.25	- 2.9%	44.10	- 0.38	- 0.9%
Coffee	7.43	- 0.29	- 3.8%	31.70	- 1.07	- 3.3%
Tea	7.77	0.06	0.8%	46.00	6.83	17.4%
Mineral Water	3.78	0.45	13.5%	17.50	0.56	3.3%
Fruit juice	3.43	0.36	11.7%	14.20	- 1.68	- 10.6%
Other drinks	5.40	0.48	9.7%	26.00	- 0.27	- 1.0%
Sales Volume	53.00	1.27	2.4%	267.20	9.20	3.6%

(JPY billion)	Q1	Change	YoY	2023 Forecast	Change	YoY
Revenue	76.1	2.8	3.8%	390.6	23.3	6.3%

* Q1 2023 results include the impact of the business alliance with DyDo (sales volume: no impact, revenue: approx. -4.5 billion yen).

* 2023 Forecast includes the impact of the business alliance with DyDo (sales volume: no impact, revenue: -17.0 billion yen).

(YoY)	By channel	(YoY)	By container	(YoY)	(Ref) Market	
*Volume basis	Q1	*Volume basis	Q1	*Volume basis	Q1	2023
Vending machine	+6.9%	Can	+1.1%	Total	Approx. -1%	Approx. ±0%
CVS	+9.0%	PET total	+1.4%			
SM	-8.7%	Large PET	-8.2%			
		Small PET	+5.7%			

Sales volume

- +2.4% YoY due to the increase in carbonated drinks, mineral water, and fruit juice etc. owing to renewals and new product effects, despite the sales decrease in lactic acid drinks and coffee
- Total in line with the plan, with lactic acid drinks and coffee falling short of the plan, but mineral water and other drinks exceeding the plan

Revenue

- +3.8% YoY mainly due to higher sales volume and the effect of price revisions
- Exceeded plan due to better-than-expected price realization

Japan (Non-Alcohol Beverages: Breakdown of Changes in Profit)



(JPY billion)	Q1	Change	YoY	2023 Forecast	Change	YoY
Change in sales, category and container mix	-	2.0		-	14.8	
Cost reduction in manufacturing	-	0.4		-	1.3	
Cost increase in manufacturing	-	- 4.5		-	- 22.9	
Advertisement and Sales promotion expenses	-	0.2		-	- 2.3	
Other expenses	-	2.9		-	7.0	
Core Operating Profit	3.4	1.0	40.3%	28.0	- 2.1	- 7.0%

*“Change in sales, category and container mix” and “Other expenses” of 2023 Results and Forecast include the impact of the business alliance with DyDo

<Q1: Factors Contributing to Increase/Decrease>

- Change in sales and others: +2.0 (Sales volume +1.9, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +0.4 (Raw materials +0.1, Packages +0.3, Operational efficiency / in-house production ±0.0 and etc.)
- Cost increase in manufacturing: -4.5 (Raw materials -1.8, Packages -2.0, etc.)
- Change in sales promotion expenses: +0.2 (Advertisement +0.2, Promotion expenses ±0.0)

<2023 Forecast: Factors Contributing to Increase/Decrease>

- Change in sales and others: +14.8 (Sales volume +14.2, Change in category and container mix, etc.)
- Cost reduction in manufacturing: +1.3 (Raw materials +0.3, Packages +1.0, Operational efficiency / in-house production ±0.0 and etc.)
- Cost increase in manufacturing: -22.9 (Raw materials -10.8, Packages -9.5 and etc.)
- Change in sales promotion expenses: -2.3 (Advertisement -2.2, Promotion expenses -0.1)

Factors Contributing to Increase/Decrease

- +40.3% YoY due to revenue increase including the effect of price revision and efficiency improvement of other expenses, despite higher variable costs
- Total slightly above the plan due to the effect of better-than-expected price realization and the control of overall fixed costs

(Khl/million Euro)	Q1	Change *1	YoY *1	2023 Forecast	Change *1	YoY *1
Revenue	833	81	10.6%	4,693	665	16.0%
Core OP*1	32	14	98.1%	532	5	0.8%
Sales Volume	7,757	△ 272	-3.4%	41,392	- 813	-1.9%
Net Sales (excl. liquor tax)	687	81	13.4%	3,831	565	16.8%

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

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

< Overview by Channel (volume basis) >

(YoY)	Q1		
	On-premise	Off-premise	Total
volume basis	+ low double digit	- high single digit	-3.4%

Sales Volume

- -3.4% YoY due to a decreases in Poland, where a rebound of temporary demand at the end of the previous period following price revisions at the beginning of the year, and a decrease in some markets, etc.

Revenue

- +10.6% YoY due to a significant increase in unit price resulting from the price revisions and continued growth in Super Premium
- In line with the plan for both sales volume and price realization

Core Operating Profit

- +98.1% YoY mainly due to increased revenues including price realization despite the cost increases in raw materials and personnel expenses
- In line with the plan due to the cost efficiency despite some unplanned expenses

(million AUD)	Q1	Change	YoY	2023 Forecast	Change	YoY
Revenue	1,663	142	9.3%	6,905	509	8.0%
Core Operating Profit	248	-7	-2.8%	1,196	20	1.7%
Net Sales (exc liquor tax) *1	1,144	94	8.9%	4,673	248	5.6%
(Alcohol Beverages) *1	800	66	9.0%	3,261	199	6.5%
(Non-Alcohol Beverages) *1	344	27	8.7%	1,412	49	3.6%

*Excluding the impact of currency translation of local currencies

*1 Based on net sales value excluding container deposit.

< Overview by Channel (volume basis) >

(YoY)	Q1		
	On-premise	Off-premise	Total
volume basis	+20-30%	Slight increase	+3% approx.

Revenue

- +9.3% YoY due to the increased sales volume of Alcohol Beverages Business centered on mainstay brands, as well as price realization from price revisions and an improved on-premise channel
- In line with the plan due to the steady recovery in volume, especially on-premise

Core Operating Profit

- -2.8% YoY due to the cost increases despite cost efficiency in addition to the revenue increase effect with price revisions and mix improvements
- In line with the plan as various costs were as expected

Reference

FX Impact (Q1 Results)



(JPY billion)	Q1	Prev. Year	(Actual Currency Basis)		FX Impact	(Constant Currency Basis)	
			Change	YoY		Change	YoY
Japan	273.8	258.4	15.4	6.0%	-	15.4	6.0%
Europe	118.4	99.0	19.4	19.6%	8.9	10.5	10.6%
Oceania	150.7	128.2	22.4	17.5%	10.5	12.0	9.3%
Southeast Asia	13.4	11.5	1.9	16.6%	1.1	0.8	6.9%
Other	2.6	1.5	1.1	69.3%	0.1	1.0	65.2%
Adjustment (corporate and elimination)	- 2.5	- 1.8	- 0.8	-	- 0.1	- 0.7	-
Revenue	556.3	496.9	59.5	12.0%	20.5	39.0	7.9%
Japan	17.7	11.9	5.8	48.7%	-	5.8	48.7%
Europe	4.5	1.9	2.6	133.6%	0.7	1.9	98.1%
Oceania	22.4	21.5	1.0	4.6%	1.6	- 0.6	- 2.8%
Southeast Asia	0.2	0.0	0.2	732.5%	0.0	0.1	643.0%
Other	0.2	0.2	- 0.0	- 9.9%	0.0	- 0.0	- 18.0%
Adjustment (corporate and elimination)	- 4.1	- 2.9	- 1.2	-	0.0	- 1.2	-
Amortization of acquisition- related intangible assets	- 8.6	- 7.9	- 0.6	-	- 0.7	0.0	-
Core Operating Profit	32.3	24.7	7.7	31.0%	1.6	6.0	24.3%

<Exchange Rate Trends>

(Yen)	2023 Q1 Results	2022 Q1 Results
Euro	142.2	130.4
AUD	90.6	84.2

*Figures for Constant Currency Basis are calculated by converting foreign currency amounts for the current year to yen using the exchange rate of the previous year.

*In addition to above, figures for Europe are calculated by excluding the foreign exchange effects of local currencies to Euro.

FX Impact (Full-Year Forecast)



(JPY billion)	2023 Forecast	Prev. Year	(Actual Currency Basis)		FX Impact	(Constant Currency Basis)	
			Change	YoY		Change	YoY
Japan	1,351.0	1,301.7	49.3	3.8%	-	49.3	3.8%
Europe	657.0	573.9	83.1	14.5%	- 8.7	91.9	16.0%
Oceania	628.4	583.2	45.2	7.8%	- 1.2	46.4	8.0%
Southeast Asia	54.7	51.7	3.0	5.8%	0.2	2.8	5.4%
Other	9.9	8.8	1.2	13.2%	- 0.1	1.2	14.1%
Adjustment (corporate and elimination)	- 11.0	- 8.1	- 2.9	-	- 0.0	- 2.9	-
Revenue	2,690.0	2,511.1	178.9	7.1%	- 9.8	188.7	7.5%
Japan	112.0	108.9	3.1	2.8%	-	3.1	2.8%
Europe	74.4	76.0	- 1.6	- 2.1%	- 2.2	0.6	0.8%
Oceania	108.8	107.1	1.7	1.6%	- 0.2	1.9	1.7%
Southeast Asia	1.2	0.6	0.6	104.3%	0.0	0.6	103.4%
Other	1.1	1.4	- 0.3	- 23.9%	- 0.0	- 0.3	- 23.6%
Adjustment (corporate and elimination)	- 19.3	- 16.6	- 2.7	-	0.0	- 2.7	-
Amortization of acquisition- related intangible assets	- 33.2	- 33.6	0.4	-	0.4	0.0	-
Core Operating Profit	245.0	243.8	1.2	0.5%	- 2.0	3.2	1.3%

<Exchange Rate Trends>

(Yen)	2023 Forecast	2022 Results
Euro	140.0	138.1
AUD	91.0	91.1

<Exchange Rate Sensitivity for 2023>

(JPY billion)	Revenue	Core OP
Euro	± 4.7	± 0.5
AUD	± 6.9	± 1.2

- * Impact of 1 yen change (full year)
- * Figures do not include the effect of exchange rates on amortization of intangible assets.
- * FX impact shows the impact of converting local currency results into yen excluding trade impact.

*Figures for Constant Currency Basis are calculated by converting foreign currency amounts for the current year to yen using the exchange rate of the previous year.



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