

# Asahi Group Holdings, Ltd.



## FY2023 Q3 Consolidated Financial Results (IFRS)

**NOTE:**

All information has been prepared in accordance with International Financial Reporting Standards (IFRS). Amounts shown in this accounting report and in the attached materials have been rounded down to omit fractions less than one million yen. This document is a partial English translation of the Japanese Financial Statement which was filed at Stock Exchanges in Japan on November 10, 2023.

This translation was made for information only. The Company gives no warranty with respect to its correctness.

### **Summary Report of Financial Results (Fiscal 2023 Q3)**

November 10, 2023

### **Asahi Group Holdings, Ltd.**

Code number: 2502

Shares Listed: Prime Market of Tokyo Stock Exchange

Head Office: Tokyo

Contact: Osamu Ishizaka, Head of Corporate Communications, Executive Officer

Tel: +81 3 5608 5126 (<https://www.asahigroup-holdings.com/en/>)

US GAAP: Not applicable

## 1. Overview of Performance (From January 1, 2023 to September 30, 2023)

(Figures are rounded down to the million)

### (1) Business Performance

(Percentage figures represent the change from the previous year)

	Revenue		Core Operating Profit		Operating profit		Profit for the period	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2023 Q3 ended September 30, 2023	2,023,004	9.4	199,645	12.9	189,393	15.8	134,366	17.2
Fiscal 2022 Q3 ended September 30, 2022	1,849,944	14.2	176,867	14.6	163,552	(5.1)	114,615	(8.2)

  

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(yen)	(yen)
Fiscal 2023 Q3 ended September 30, 2023	133,034	16.2	401,646	3.3	262.56	262.52
Fiscal 2022 Q3 ended September 30, 2022	114,468	(8.1)	388,995	88.2	225.91	225.88

(Reference)

- Profit before tax: FY2023 Q3 185,355 millions of yen (18.9%) FY2022 Q3 155,952 millions of yen (-5.3%)
- Adjusted profit attributable to owners of parent: FY2023 Q3 133,595 millions of yen (7.1%) FY2022 Q3 124,755 millions of yen (0.1%)
- Constant Currency Basis (Figures calculated by converting foreign currency amounts for the year to yen using the exchange rate of the previous year)  
FY2023 Q3 Revenue 6.1% YoY Core Operating Profit 8.6% YoY

\*Core Operating Profit is the reference index for normalized business performance. Core Operating Profit = Revenue - (COGS + general administrative cost)  
Core Operating Profit is not the index defined in IFRS. We think this index is useful for financial statements users so that we disclose it spontaneously.

\*Adjusted profit attributable to owners of parent

= Profit attributable to owners of parent - One-off special factors including business portfolio restructuring and impairment loss

### (2) Financial Condition

	Total assets	Total equity	Equity attributable to owners of parent	Equity ratio attributable to owners of parent
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)
Fiscal 2023 Q3 ended September 30, 2023	5,282,365	2,406,939	2,402,266	45.5
Fiscal 2022 ended December 31, 2022	4,830,344	2,062,945	2,060,734	42.7

## 2. Dividends

	Cash dividend per share				
	Q1	Q2	Q3	Year-end	Total annual
	(yen)	(yen)	(yen)	(yen)	(yen)
Fiscal 2022 ended December 31, 2022	—	55.00	—	58.00	113.00
Fiscal 2023 ended December 31, 2023	—	56.00			
Fiscal 2023 ending December 31, 2023(forecast)			—	59.00	115.00

Note: Changes to the latest dividend forecast announced: No

### 3. Forecast for Fiscal 2023 (From January 1, 2023 to December 31, 2023)

(Percentage figures represent the change from the previous year)

	Revenue		Core Operating Profit		Operating profit		Profit	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2023 ending December 31, 2023	2,690,000	7.1	254,000	4.2	234,500	8.0	161,000	6.1

  

	Profit attributable to owners of parent		Basic earnings per share
	(Millions of yen)	(%)	(yen)
Fiscal 2023 ending December 31, 2023	161,000	6.2	317.75

Note: Changes to the latest consolidated results forecast announced: Yes

(Reference)

- Profit before tax: FY2023 forecast 226,000 million yen (9.7%)
- Adjusted profit attributable to owners of parent: FY2023 forecast 161,500 million yen (-2.4%)
- Constant Currency Basis (Figures calculated by converting foreign currency amounts for the year to yen using the exchange rate of the previous year)  
FY2023 (Forecast) Revenue 6.0% YoY Core Operating Profit 3.2% YoY

\*Adjusted profit attributable to owners of parent

= Profit attributable to owners of parent - One-off special factors including business portfolio restructuring and impairment loss

#### Notes

(1) Changes in status of material subsidiaries during the period (changes in specified subsidiaries due to changes in the scope of consolidation): No

New: - company ( - ), Excluded: - company ( - )

(2) Changes in accounting policies, or changes in accounting estimates

- (1) Changes in accounting policies required by IFRS: Yes
- (2) Changes in accounting policies other than item (1) above: No
- (3) Changes in accounting estimates: No

(3) Number of shares (common stock):

(1) Issued share at period-end (including treasury shares):

Q3 ended September 30, 2023	507,003,362 shares
Year ended December 31, 2022	507,003,362 shares

(2) Treasury shares at period-end:

Q3 ended September 30, 2023	322,032 shares
Year ended December 31, 2022	322,338 shares

(3) Average number of outstanding shares during the period:

Q3 ended September 30, 2023	506,681,110 shares
Q3 ended September 30, 2022	506,708,098 shares

(Note) The treasury shares which are excluded from calculations of the number of treasury shares at the end of the fiscal period and the average number of shares during the period under review include the Company's shares held by Custody Bank of Japan, Ltd. as trust property of the performance-lined stock compensation system for the Directors.

(Q3 ended September 30, 2023: 132,505 shares, Year ended December 31, 2022: 135,468 shares, Q3 ended September 30, 2022: 135,468 shares)

**\* This Consolidated Financial Results for the quarter is not subject to quarterly review procedures**

#### \* Forward-looking statements and other special instructions

The forward-looking statements that reflect Asahi's forecasts for consolidated and unconsolidated results in this document are based on information available at the time of the release of these materials and reasonable assumptions made by Asahi.

Certain risks and uncertainties could cause the results of Asahi to differ materially from any projections presented herein.

#### 4. Consolidated Financial Statements (Unaudited)

##### (1) Consolidated Statement of Financial Position (As of December 31, 2022 and September 30, 2023)

(Millions of yen)

	As of December 31, 2022	As of September 30, 2023
<b>(Assets)</b>		
Current assets		
Cash and cash equivalents	37,438	94,807
Trade and other receivables	415,676	444,880
Inventories	234,969	279,733
Income tax receivables	7,354	12,642
Other financial assets	10,028	9,395
Other current assets	32,062	36,515
Total current assets	737,529	877,974
Non-current assets		
Property, plant and equipment	834,721	863,172
Goodwill and intangible assets	3,027,929	3,280,725
Investments accounted for using equity method	6,722	11,265
Other financial assets	125,780	146,634
Deferred tax assets	54,888	60,866
Net defined benefit assets	24,004	23,020
Other non-current assets	18,767	18,705
Total non-current assets	4,092,815	4,404,390
Total assets	4,830,344	5,282,365
<b>(Liabilities and Equity)</b>		
<b>(Liabilities)</b>		
Current liabilities		
Trade and other payables	591,869	659,701
Bonds and borrowings	367,267	362,889
Income tax payables	30,906	26,257
Provisions	14,103	19,080
Other financial liabilities	135,983	111,478
Other current liabilities	125,816	147,844
Total current liabilities	1,265,946	1,327,251
Non-current liabilities		
Bonds and borrowings	1,130,042	1,150,533
Net defined benefit liabilities	20,349	19,280
Deferred tax liabilities	213,494	231,037
Other financial liabilities	131,792	140,445
Other non-current liabilities	5,774	6,876
Total non-current liabilities	1,501,452	1,548,173
Total liabilities	2,767,399	2,875,425
<b>(Equity)</b>		
Issued capital	220,044	220,044
Share premium	161,793	161,846
Retained earnings	1,165,542	1,240,844
Treasury shares	(1,178)	(1,179)
Other components of equity	514,532	780,710
Total equity attributable to owners of parent	2,060,734	2,402,266
Non-controlling interests	2,210	4,673
Total equity	2,062,945	2,406,939
Total liabilities and equity	4,830,344	5,282,365

**(2) Consolidated Statement of Profit or Loss and Comprehensive Income**

(From January 1 to September 30, 2022 and 2023)

&lt;Consolidated Income Statements&gt;

(Millions of yen)

	Previous year (From January 1 to September 30)	Current year (From January 1 to September 30)
Revenue	1,849,944	2,023,004
Cost of sales	(1,169,558)	(1,285,325)
Gross Profit	680,386	737,679
Selling, general and administrative expenses	(503,519)	(538,033)
Other operating income	12,059	3,096
Other operating expense	(25,374)	(13,347)
Operating Profit	163,552	189,393
Finance income	4,237	10,787
Finance costs	(12,222)	(15,890)
Share of profit (loss) of investments accounted for using equity method	385	1,065
Profit before tax	155,952	185,355
Income tax expense	(41,336)	(50,989)
Profit for the period	114,615	134,366
Attributable to:		
Owners of parent	114,468	133,034
Non-controlling interests	147	1,332
Total	114,615	134,366
Basic earnings per share (JPY)	225.91	262.56
Diluted earnings per share (JPY)	225.88	262.52

## &lt;Consolidated Statement of Comprehensive Income&gt;

(Millions of yen)

	Previous year (From January 1 to September 30)	Current year (From January 1 to September 30)
Profit for the period	114,615	134,366
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Changes in fair value of financial instruments measured at fair value through other comprehensive income	4,570	9,636
Items that might be reclassified to profit or loss		
Cash flow hedges	(429)	675
Costs of hedging	8	76
Translation difference on foreign operations	269,879	256,683
Share of other comprehensive income of entities accounted for using equity method	350	208
Total other comprehensive income	274,379	267,279
Total comprehensive income	388,995	401,646
Total comprehensive income attributable to:		
Owners of parent	388,809	399,968
Non-controlling interests	186	1,677

### (3) Condensed Consolidated Statement of Changes in Equity

Previous year (from January 1 to September 30, 2022)

(Millions of yen)

	Equity attributable to owners of parent					
	Issued capital	Share premium	Retained earnings	Treasury shares	Other components of equity	
					Changes in fair value of financial instruments measured at fair value through OCI	Cash flow hedges
Balance as of January 1, 2022	220,044	161,731	1,064,644	(923)	37,975	7,486
Comprehensive income						
Profit			114,468			
Other comprehensive income					4,570	(427)
Total comprehensive income	—	—	114,468	—	4,570	(427)
Transfer to non-financial assets						(1,531)
Transactions with owners						
Dividends			(55,738)			
Purchase of treasury shares				(256)		
Disposal of treasury shares		0		8		
Changes through business combinations						
Changes through business combinations		44				
Share-based payment transaction			680		(680)	
Transfer from other components of equity to retained earnings						
Other increase (decrease)						
Total contributions by owners and distribution to owners	—	45	(55,057)	(248)	(680)	—
Total transactions with owners	—	45	(55,057)	(248)	(680)	—
Balance as of September 30, 2022	220,044	161,776	1,124,055	(1,171)	41,865	5,527

	Equity attributable to owners of parent				Non-controlling interests	Total equity
	Other components of equity			Total equity attributable to owners of parent		
	Costs of hedging	Translation difference on foreign operations	Total other components of equity			
Balance as of January 1, 2022	(601)	266,746	311,607	1,757,104	2,043	1,759,148
Comprehensive income						
Profit				114,468	147	114,615
Other comprehensive income	8	270,188	274,340	274,340	39	274,379
Total comprehensive income	8	270,188	274,340	388,809	186	388,995
Transfer to non-financial assets			(1,531)	(1,531)		(1,531)
Transactions with owners						
Dividends			—	(55,738)	(15)	(55,753)
Purchase of treasury shares			—	(256)		(256)
Disposal of treasury shares			—	8		8
Changes through business combinations			—	—		—
Share-based payment transaction			—	44		44
Transfer from other components of equity to retained earnings			(680)	—		—
Other increase (decrease)			—	—	4	4
Total contributions by owners and distribution to owners	—	—	(680)	(55,941)	(10)	(55,952)
Total transactions with owners	—	—	(680)	(55,941)	(10)	(55,952)
Balance as of September 30, 2022	(592)	536,935	583,735	2,088,440	2,219	2,090,660

Current year (from January 1 to September 30, 2023)

(Millions of yen)

	Equity attributable to owners of parent					
	Issued capital	Share premium	Retained earnings	Treasury shares	Other components of equity	
					Changes in fair value of financial instruments measured at fair value through OCI	Cash flow hedges
Balance as of January 1, 2023	220,044	161,793	1,165,542	(1,178)	35,667	2,577
Comprehensive income						
Profit			133,034			
Other comprehensive income					9,636	685
Total comprehensive income	—	—	133,034	—	9,636	685
Transfer to non-financial assets						(725)
Transactions with owners						
Dividends			(57,762)			
Purchase of treasury shares				(14)		
Disposal of treasury shares		0		13		
Changes through business combinations						
Share-based payment transaction		52				
Transfer from other components of equity to retained earnings			30		(30)	
Other increase (decrease)						
Total contributions by owners and distribution to owners	—	52	(57,731)	(1)	(30)	—
Total transactions with owners	—	52	(57,731)	(1)	(30)	—
Balance as of September 30, 2023	220,044	161,846	1,240,844	(1,179)	45,272	2,537

	Equity attributable to owners of parent				Non-controlling interests	Total equity
	Other components of equity			Total equity attributable to owners of parent		
	Costs of hedging	Translation difference on foreign operations	Total other components of equity			
Balance as of January 1, 2023	(478)	476,765	514,532	2,060,734	2,210	2,062,945
Comprehensive income						
Profit				133,034	1,332	134,366
Other comprehensive income	76	256,536	266,933	266,933	345	267,279
Total comprehensive income	76	256,536	266,933	399,968	1,677	401,646
Transfer to non-financial assets			(725)	(725)		(725)
Transactions with owners						
Dividends			—	(57,762)	(16)	(57,779)
Purchase of treasury shares			—	(14)		(14)
Disposal of treasury shares			—	13		13
Changes through business combinations			—	—	800	800
Share-based payment transaction			—	52		52
Transfer from other components of equity to retained earnings			(30)	—		—
Other increase (decrease)			—	—	0	0
Total contributions by owners and distribution to owners	—	—	(30)	(57,710)	784	(56,926)
Total transactions with owners	—	—	(30)	(57,710)	784	(56,926)
Balance as of September 30, 2023	(402)	733,301	780,710	2,402,266	4,673	2,406,939



**(4) Notes to the Condensed Consolidated Financial Statements**

(Notes Regarding Going Concern Assumptions)

None