(Notes)
1. This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the Japanese original shall prevail.
2. "Audit & Supervisory Board Member(s)" and "Audit & Supervisory Board" described herein mean "Kansayaku" and "Kansayaku-kai" stipulated in the Japanese Companies Act respectively.

Stock Code 2503
March 3, 2021

To: Our Shareholders

Convocation Notice of the 182nd Ordinary General Meeting of Shareholders

Please be advised that the 182nd Ordinary General Meeting of Shareholders of Kirin Holdings Company, Limited will be held as set forth below.

Yours very truly,

Yoshinori Isozaki
President & Chief Executive Officer

Kirin Holdings Company, Limited
10-2, Nakano 4-chome,
Nakano-ku, Tokyo

In order to prevent the spread of COVID-19, shareholders are requested to exercise their voting rights in advance by returning the enclosed Voting Rights Exercise Form by post or via the Internet, and refrain from attending the Meeting in person. Upon exercising your voting rights, please review the accompanying "Reference Documents for the Ordinary General Meeting of Shareholders" and exercise your voting rights in one of the following ways by 5:30 p.m. (JST), March 29, 2021 (Monday):

Exercise of voting rights by post: [Translation omitted.]

Exercise of voting rights via the Internet: [Translation omitted.]

In order to prevent the spread of COVID-19, the number of seats available at this Ordinary General Meeting of Shareholders will be greatly reduced by increasing the space between seats in the venue. Therefore, shareholders need to register in advance (lottery system) in order to attend the Meeting. Shareholders who wish to attend the Meeting are requested to apply via the enclosed postcard or the internet. Please note that only shareholders who have been selected via lottery draw will be permitted to enter. This Ordinary General Meeting of Shareholders will be distributed live on the internet, so please watch it on the internet instead of attending.

Please refer to pages 4 to 7 for details.

Details of the Meeting

1. Date and Time:

March 30, 2021, (Tuesday) at 10:00 a.m. (JST) (Reception opens at 9:00 a.m.)

2. Venue:

Ballroom, B2, The Prince Park Tower Tokyo
8-1, Shiba Koen 4-chome, Minato-ku, Tokyo

- As mentioned above, in order to prevent the spread of COVID-19, the number of seats available at this Ordinary General Meeting of Shareholders will be greatly reduced by increasing the space between seats in the venue. Therefore, shareholders need to register in advance (lottery system) in order to attend the Meeting.
- This Ordinary General Meeting of Shareholders will be distributed live on the internet, so please watch it on the internet instead of attending.

3. Agenda:

Matters to be reported:

1) Report on the business report, the consolidated financial statements and the results of the audit of the consolidated financial statements by the Accounting Auditor and the Audit & Supervisory Board for the 182nd fiscal year (January 1, 2020 to December 31, 2020).
2) Report on the financial statements for the 182nd fiscal year (January 1, 2020 to December 31, 2020).

Matters to be voted on

Proposal No. 1:	Appropriation of surplus
Proposal No. 2:	Election of twelve (12) Directors of the Board

4. Exercise of Voting Rights

In the event that any shareholder votes via both postal mail and the internet (double-vote), only the internet vote will be deemed valid.

If any shareholder submits multiple votes via the internet in respect of any single voting matter, only the last vote will be deemed valid.

- END -

Regarding Disclosure on the Internet

In accordance with laws and regulations, as well as Article 15 of the Company's Articles of Incorporation, the following items are posted on the Company's website and therefore are not attached to the Convocation Notice of the Ordinary General Meeting of Shareholders.

(1) Systems to Ensure Appropriate Operation and the Status of Its Implementation
(2) Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements
(3) Statement of Changes in Net Assets and Notes to Financial Statements

Investor Relations	https://www.kirinholdings.co.jp/english/ir/

The Business Report, which has been audited by Audit & Supervisory Board Members, and the Consolidated Financial Statements and Financial Statements, which have been audited by Audit & Supervisory Board Members and the Accounting Auditor, comprise of not only the documents referred to in the documents attached to the Convocation Notice of the Ordinary General Meeting of Shareholders, but also the items listed at (1), (2) and (3) above which are posted on the Company's internet website.

- If any changes are required in the Reference Documents for the Ordinary General Meeting of Shareholders, business report, consolidated financial statements and financial statements, the changes will be posted on the Company's internet website (Investor Relations) located at (https://www.kirinholdings.co.jp/english/ir/).
- Please note that the Company will not hand out souvenirs and samples of our products at the Ordinary General Meeting of Shareholders. We appreciate your understanding.

Notice Regarding Exercise of Voting Rights

[Translation omitted.]

Notice Regarding Live Streaming via the Internet

The Company's General Meeting of Shareholders will be streamed live on the Internet as followings so that shareholders can watch it at home and other places.

1. Date of live streaming

March 30, 2021 (Tue), From 10 a.m. to the end of the General Meeting of Shareholders

*A live streaming website will be set up around 9:30 a.m., 30 minutes before the start time.

2. How to watch live streaming

(1) Please access the streaming website by entering the following URL on your computer, smartphone, or other device or scanning the QR code below.

Live Streaming URL	https://2503.v-virtual-mtg.jp/

(QR code)

(2) After accessing the streaming website, please follow the instructions on screen and enter the following ID and password.

1) ID: Shareholder number (8-digit number made up of one-byte numbers) listed on the Voting Rights Exercise Form
*Please make sure to write down the number before posting your Voting Rights Exercise Form.
2) Password: Zip code of your registered address in the shareholders' list as of December 31, 2020 (base date)
(7-digit number made up of one-byte numbers excluding hyphens)

3. Notes on live streaming

(1) Please note that the Company may not be able to provide live streaming due to unavoidable circumstances. In such case, the Company will make an announcement on its website (https://www.kirinholdings.co.jp/english/ir/).

(2) **Since watching live streaming is not recognized as participating in the General Meeting of Shareholders under the Companies Act, shareholders will not be able to exercise their voting rights or make any comments, including questions. Please exercise the voting rights beforehand through one of the methods listed on page 4.**

(3) The live streaming is available only to shareholders.

(4) Actions such as photographing, making a video recording, making a sound recording, storing, and sharing on social media of live streaming are strictly prohibited.

(5) Please note that problems with video and sound, interruption of live streaming, and other problems may occur depending on the Internet environment and other factors.

(6) Shareholders may not be able to watch the live streaming depending on the device and network environment in use.

(7) Any fees resulting from access to the live streaming website, such as Internet connection fees and communication charges, shall be borne by shareholders.

4. How to conduct a streaming test

Shareholder may check its Internet environment for watching the live streaming through the method listed in "2. How to watch live streaming" from 9 a.m. on February 24, 2021 (Wed) to 30 minutes before the start of the General Meeting of Shareholders.

5. Guidance for shareholders who are attending the meeting

When photographing/filming the venue of the General Meeting of Shareholders for the live streaming, the Company will limit it to the image on the screen and the Company's executives in consideration of shareholders' privacy. However, shareholders in attendance may be photographed when unavoidable. Your understanding is much appreciated.

[Inquiries regarding live streaming]

1) Inquiries regarding ID/password

Mitsubishi UFJ Trust and Banking Corporation

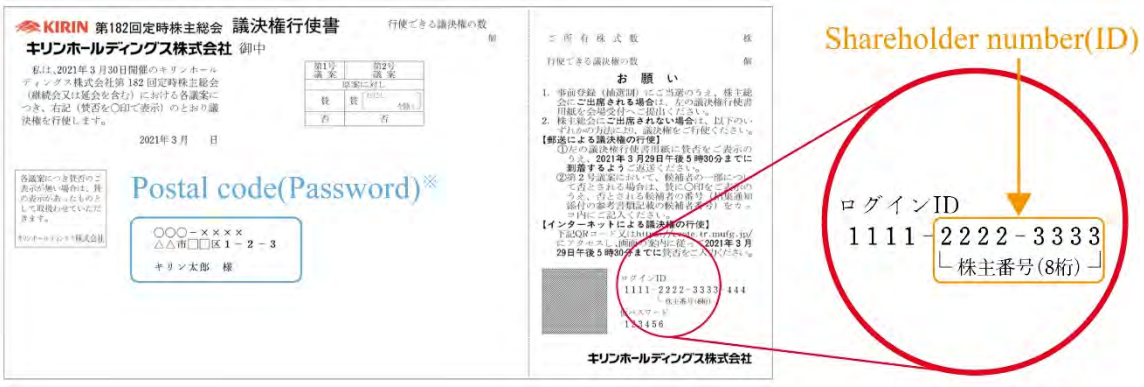
0120-191-060 (toll free)

2) Inquiries regarding technical matters such as network environment

V-cube, Inc.

(03) 4323-4086

Contact hours	March 29, 2021 (Mon), 9 a.m. – 5 p.m. (until 9 p.m. for 2) above) March 30, 2021 (Tue), From 9 a.m. to the end of the General Meeting of Shareholders



*The zip code may be different from the zip code listed on the Voting Rights Exercise Form.
(Since address changes on/after December 31, 2020 (base date), designation of address for receiving the Voting Rights Exercise Form, and other information are not reflected, please enter the registered zip code of shareholders as of the base date. In the case of designation of a standing proxy for non-resident shareholders, please enter the zip code of the proxy.)

Notice Regarding a Pre-registration System (by Lottery) for Attending the Meeting

[Translation omitted.]

Reference Documents for the Ordinary General Meeting of Shareholders

Proposal No. 1: Appropriation of surplus

The Board proposes the payment of a year-end dividend of ¥32.50 per share after taking various factors into account including the Company's operating results for this fiscal year and the business environment, in accordance with the Company's dividend policy. As a result, including the interim dividend of ¥32.50 per share, the annual dividend for this fiscal year will amount to ¥65.0 per share, an increase of ¥1.0 over the previous fiscal year.

1. Matters regarding year-end dividend:

(1) Matters related to the allocation of the dividend property to shareholders and the total amount thereof:
¥32.50 per share of the Company's common stock
Total amount: ¥27,105,086,060

(2) Effective date of payment of dividend:
March 31, 2021

The Company's Dividend Policy

We consider an appropriate return of profits to shareholders to be one of the most important management issues and have distributed a dividend to shareholders in every financial period since our establishment in 1907. In our view, shareholders' needs are better met by maintaining stable dividend payments after comprehensive consideration of various factors including: (i) the Company's operating results for each fiscal year; (ii) the consolidated dividend payout ratio; which takes the actual profit level into account; and (iii) future management measures.

In specific terms, we will enhance shareholder return through stable dividends by paying dividends at a consolidated dividend payout ratio[*1] on normalized[*2] EPS of 40% or higher.

Retained earnings will be allocated to business and capital investments that contribute to enhancing future corporate value. We will also consider opportunities to acquire treasury stock in view of balancing strategic investments for growth and financial flexibility.

*1 The consolidated dividend payout ratio for the 179th term and after is based on International Financial Reporting Standards (IFRS).

*2 Normalization: By removing other operating income or expenses, etc. and other non-recurring items, it is adjusted to reflect actual earnings more accurately.

(Reference)Annual dividends per share and normalized EPS



	179th term (FY2017)	180th term (FY2018)	181st term (FY2019)	182nd term (FY2020)
Consolidated dividend payout ratio	30.5%	30.5%	40.5%	47.8%

Proposal No. 2: Election of twelve (12) Directors of the Board

Upon the close of this Ordinary General Meeting of Shareholders, the terms of office of all twelve (12) Directors of the Board will expire.

Accordingly, shareholders are requested to elect twelve (12) Directors of the Board.

The candidates for the positions of Director of the Board are as follows:

No.	Name (Age)		Current title and responsibilities at the Company	Rate and number of attendance at Board Meetings	Number of years in office
1	Candidate for Reelection	Yoshinori Isozaki (67)	President & Chief Executive Officer	100% (14 times of 14 meetings)	6 years
2	Candidate for Reelection	Keisuke Nishimura (64)	Representative Director, Senior Executive Vice President Business Alliance and Investment Strategy; Overseas Business; Global Craft Beer Strategy	100% (14 times of 14 meetings)	9 years
3	Candidate for Reelection	Toshiya Miyoshi (62)	Director of the Board, Senior Executive Officer Personnel & General Affairs Strategy	100% (14 times of 14 meetings)	6 years
4	Candidate for Reelection	Noriya Yokota (60)	Director of the Board, Senior Executive Officer Financial Strategy; IR; IT Strategy; Business Process Reengineering	100% (14 times of 14 meetings)	3 years
5	Candidate for Reelection	Noriaki Kobayashi (61)	Director of the Board, Senior Executive Officer R&D Strategy; Quality Assurance	100% (14 times of 14 meetings)	2 years
6	Candidate for Reelection Candidate for Non-executive Director Candidate for Independent Officer	Masakatsu Mori (74)	Non-executive Director Chairman of the Board	100% (14 times of 14 meetings)	2 years
7	Candidate for Reelection Candidate for Non-executive Director Candidate for Independent Officer	Hiroyuki Yanagi (66)	Non-executive Director	93% (13 times of 14 meetings)	2 years
8	Candidate for Reelection Candidate for Non-executive Director Candidate for Independent Officer	Chieko Matsuda (56)	Non-executive Director	100% (10 times of 10 Meetings)	1 year
9	Candidate for Reelection Candidate for Non-executive Director Candidate for Independent Officer	Noriko Shiono (60)	Non-executive Director	100% (10 times of 10 meetings)	1 year

No.	Name (Age)	Current title and responsibilities at the Company	Rate and number of attendance at Board Meetings	Number of years in office
10	Candidate for Reelection Candidate for Non-executive Director Candidate for Independent Officer Rod Eddington (71)	Non-executive Director	100% (10 times of 10 meetings)	1 year
11	Candidate for Reelection Candidate for Non-executive Director Candidate for Independent Officer George Olcott (65)	Non-executive Director	90% (9 times of 10 meetings)	1 year
12	New Candidate Candidate for Non-executive Director Candidate for Independent Officer Kaoru Kato (69)	—	—	—

(Notes)
1. Age is as of the date of this Ordinary General Meeting of Shareholders.
2. As for the attendance at the Board Meetings of Ms. Chieko Matsuda, Ms. Noriko Shiono, Mr. Rod Eddington and Mr. George Olcott, the Board Meetings applicable to them are only those held on and after March 27, 2020, the date of their assumption of office. Ms. Chieko Matsuda attended all four of the Board Meetings as Audit & Supervisory Board Member before resigning from the office of Audit & Supervisory Board Member.
3. The number of years in office is the number of years since each candidate assumed office as Director of the Board of the Company (until the close of this Ordinary General Meeting of Shareholders).

(Reference)
Expertise and Experience of Candidates of Director of the Board and Executive Officers (Skill Matrix)

The expertise and experience of candidates of Director of the Board are as follows.

No.	Name	Expertise and Experience									
		Corporate Management	ESG / Sustainability	Finance / Accounting	Human Resources Management / Personnel Development	Legal / Compliance / Risk Management	SCM	Brand Strategy / Marketing / Sales	Overseas Business	R&D/ New Business/ Health Science	ICT DX
1	Yoshinori Isozaki	•	•			•		•	•		
2	Keisuke Nishimura	•			•				•		
3	Toshiya Miyoshi	•	•		•			•			
4	Noriya Yokota		•	•	•		•		•		•
5	Noriaki Kobayashi						•		•	•	
6	Masakatsu Mori	•		•					•		•
7	Hiroyuki Yanagi	•					•	•	•		
8	Chieko Matsuda		•	•		•					
9	Noriko Shiono	•						•	•	•	
10	Rod Eddington	•							•		
11	George Olcott		•	•	•				•		
12	Kaoru Kato	•								•	•

The Company adopts an executive officer based system. The expertise and experience of Senior Executive Vice President and Senior Executive Officers, who are not concurrently assuming the position of Director of the Board and will be appointed in the Board meeting following the conclusion of this Ordinary General Meeting of Shareholders, are as follows.

Position	Name	Expertise and Experience									
		Corporate Management	ESG / Sustainability	Finance / Accounting	Human Resources Management / Personnel Development	Legal / Compliance / Risk Management	SCM	Brand Strategy / Marketing / Sales	Overseas Business	R&D / New Business / Health Science	ICT DX
Senior Executive Vice President	Hiroshi Ogawa				•	•					
Senior Executive Officer	Ryosuke Mizouchi		•					•	•		

Senior Executive Officer	Toru Yoshimura						•		•	•	•
Senior Executive Officer	Junko Tsuboi	•	•					•			
Senior Executive Officer	Masao Maehara						•		•		
Senior Executive Officer	Takayuki Fuse	•						•			
Senior Executive Officer	Hideki Horiguchi	•						•	•		
Senior Executive Officer	Takeshi Minakata	•					•		•	•	

No. 1 **Yoshinori Isozaki**



Candidate for Reelection

Date of birth	August 9, 1953
Number of the Company's shares held	96,132 shares
Rate and number of attendance at Board Meetings	100% (14 times of 14 meetings)

Profile, title and responsibilities	
April 1977	Joined the Company
March 2004	Director of San Miguel Corporation
March 2007	General Manager of Corporate Planning Dept. of the Company
March 2008	Executive Officer and General Manager of Corporate Planning Dept. of the Company
March 2009	Senior Executive Officer and General Manager of Corporate Planning Dept. of the Company
March 2010	Managing Director of the Company (resigned in March 2012)
March 2012	Representative Director and President & CEO of Kirin Brewery Company, Limited (resigned in January 2015)
January 2013	President & Chief Executive Officer of Kirin Company, Limited
March 2015	President & Chief Executive Officer of the Company (Present Position)

Reasons for nomination as a candidate for Director of the Board

Mr. Yoshinori Isozaki has worked in the areas of business development, overseas business, and corporate planning, among others, since he joined the Company and has considerable business experience and deep insight in the management of the Group. Since taking office as President & CEO of the Company in 2015, he has realized the structural reform of the Group centered on (i) strengthening and growing profit base in beer business, one of the Company's core businesses, and (ii) restructuring and revitalizing low-profit businesses. Further, he has ensured to promote management reform including enhancement of corporate governance. In this fiscal year, he has demonstrated strong leadership in responding to changes in the business environment caused by COVID-19 and led the Group's business recovery. For the reasons above, the Board has determined that he is a suitable candidate to carry out the tasks needed for realizing the Company's Long-Term Management Vision "Kirin Group Vision 2027" and achieving the "Kirin Group 2019-2021 Medium Term Business Plan" toward continuous improvement of corporate value and overseeing the entire Kirin Group.

Notes:

No conflict of interests exists between the Company and Mr. Yoshinori Isozaki.

No. 2 **Keisuke Nishimura**



Candidate for Reelection

Date of birth	December 7, 1956
Number of the Company's shares held	78,235 shares
Rate and number of attendance at Board Meetings	100% (14 times of 14 meetings)

Profile, title and responsibilities	
April 1980	Joined the Company
March 2007	Chairman and CEO of Kirin (China) Investment Co., Ltd
March 2009	Director of San Miguel Corporation
April 2009	Director and Executive Vice President of San Miguel Brewery Inc.
October 2011	Director of San Miguel Brewery Inc. (Present Position) Executive Officer and General Manager of Strategy Planning Dept. of the Company
March 2012	Director of the Board of the Company Director of China Resources Kirin Beverages (Greater China) Company, Limited (Present Position)
March 2014	Managing Director of the Company Director and Chairman of the Coca-Cola Bottling Company of Northern New England, Inc.
March 2015	Representative Director of the Board, Senior Executive Officer of the Company
August 2015	Director & Vice Chairman of Myanmar Brewery Limited
April 2016	Director of Myanmar Brewery Limited
March 2017	Representative Director, Senior Executive Vice President of the Company (Present Position) Senior Executive Officer of Kirin Company, Limited Director & Vice Chairman of Myanmar Brewery Limited (Present Position)
December 2018	Director of the Coca-Cola Bottling Company of Northern New England, Inc. (currently Coca-Cola Beverages Northeast, Inc.)
March 2019	Director of Lion Pty Ltd. (Present Position)
Responsible for	Business Alliance and Investment Strategy; Overseas Business; Global Craft Beer Strategy

Significant positions concurrently held at other companies and organizations

Director, Lion Pty Ltd.
Director, San Miguel Brewery Inc.
Director, China Resources Kirin Beverages (Greater China) Company, Limited
Director & Vice Chairman, Myanmar Brewery Limited

Reasons for nomination as a candidate for Director of the Board

Mr. Keisuke Nishimura has worked in the areas of human resources management, corporate planning, and overseas business, among others, since he joined the Company and has considerable business experience and deep insight in the management of the Group. Since taking office as Director of the Board of the Company in 2012, he has primarily been in charge of business alliance and investment strategy and overseas business, and has made a great contribution toward the structural reform of the Group, including promotion of global craft beer business strategy and withdrawal from the low-profit overseas businesses. For the

reasons above, the Board has determined that he is a suitable candidate to carry out the tasks needed for realizing the Company's Long-Term Management Vision "Kirin Group Vision 2027" and achieving the "Kirin Group 2019-2021 Medium Term Business Plan" toward continuous improvement of corporate value and overseeing the entire Kirin Group.

Notes:

No conflict of interests exists between the Company and Mr. Keisuke Nishimura.

No. 3 **Toshiya Miyoshi**



Candidate for Reelection

Date of birth	December 30, 1958
Number of the Company's shares held	32,240 shares
Rate and number of attendance at Board Meetings	100% (14 times of 14 meetings)

Profile, title and responsibilities	
April 1982	Joined the Company
March 2008	Representative Director and President & CEO of Yokohama Akarenga Inc.
March 2010	General Manager of Personnel & General Affairs Dept. of the Company
March 2012	Executive Officer and General Manager of Personnel & General Affairs Dept. of the Company
January 2013	Executive Officer and Director of Group Personnel & General Affairs of the Company Executive Officer and General Manager of Personnel Dept. of Kirin Company, Limited
March 2014	Senior Executive Officer and Director of Group Personnel & General Affairs of the Company Senior Executive Officer and General Manager of Personnel Dept. of Kirin Company, Limited
March 2015	Director of the Board, Senior Executive Officer of the Company (Present Position) Senior Executive Officer of Kirin Company, Limited Director of San Miguel Brewery Inc. (Present Position)
March 2019	Director of Kirin Brewery Company, Limited (Present Position)
Responsible for	Human Resources & General Affairs Strategy

Significant positions concurrently held at other companies and organizations

Director, Kirin Brewery Company, Limited
Director, San Miguel Brewery Inc.

Reasons for nomination as a candidate for Director of the Board

Mr. Toshiya Miyoshi has worked in the areas of human resources management, corporate planning, and diversification of business, among others, since he joined the Company and has considerable business experience and deep insight in human resources management, etc. Since taking office as Director of the Board of the Company in 2015, he has been in charge of human resources & general affairs strategy, as well as marketing strategy, and branding strategy among others and has made a great contribution towards the structural reform and management reform of the Group, including strengthening corporate governance. For the reasons above, the Board has determined that he is a suitable candidate to carry out the tasks needed for realizing the Company's Long-Term Management Vision "Kirin Group Vision 2027" and achieving the "Kirin Group 2019-2021 Medium Term Business Plan" toward continuous improvement of corporate value and overseeing the entire Kirin Group.

Notes:

No conflict of interests exists between the Company and Mr. Toshiya Miyoshi.

No. 4 **Noriya Yokota**



Candidate for Reelection

Date of birth	February 3, 1961
Number of the Company's shares held	19,478 shares
Rate and number of attendance at Board Meetings	100% (14 times of 14 meetings)

Profile, title and responsibilities	
April 1984	Joined the Company
March 2011	General Manager of Sendai Plant of Production Div. of Kirin Brewery Company, Limited
March 2014	Executive Officer and General Manager of Production Dept. of Production Div. of Kirin Brewery Company, Limited
April 2015	Director of Group Personnel & General Affairs of the Company Executive Officer and General Manager of Personnel & General Affairs Dept. of Kirin Company, Limited
March 2017	Senior Executive Officer and Director of Corporate Strategy of the Company Director of the Board, Senior Executive Officer of Kirin Company, Limited Director of Kyowa Hakko Kirin Company, Limited (currently Kyowa Kirin Company, Limited) (Present Position)
March 2018	Director of the Board, Senior Executive Officer of the Company (Present Position) Senior Executive Officer of Kirin Company, Limited Director of Kirin Business System Company, Limited (Present Position)
Responsible for	Financial Strategy; IR; IT Strategy; Business Process Reengineering

Significant positions concurrently held at other companies and organizations

Director, Kyowa Kirin Company, Limited
Director, Kirin Business System Company, Limited

Reasons for nomination as a candidate for Director of the Board

Mr. Noriya Yokota has worked in the areas of production, personnel affairs, and overseas business, among others, since he joined the Company and has considerable business experience and deep insight in the management of the Group. Since taking office as Director of the Board of the Company in 2018, he has been in charge of financial strategy, IR, IT strategy, and business process reengineering, and has made a great contribution in structural reform and management reform of the Group by promoting appropriate capital management policy and realizing investment with discipline. For the reasons above, the Board has determined that he is a suitable candidate to carry out the tasks needed for realizing the Company's Long-Term Management Vision "Kirin Group Vision 2027" and achieving the "Kirin Group 2019-2021 Medium Term Business Plan" toward continuous improvement of corporate value and overseeing the entire Kirin Group.

Notes:

No conflict of interests exists between the Company and Mr. Noriya Yokota.

No. 5 **Noriaki Kobayashi**



Candidate for Reelection

Date of birth	August 20, 1959
Number of the Company's shares held	19,578 shares
Rate and number of attendance at Board Meetings	100% (14 times of 14 meetings)

Profile, title and responsibilities	
April 1983	Joined the Company
March 2010	General Manager of Production & Quality Control Dept. of Logistics Div. of Kirin Beverage Company, Limited
March 2013	Executive Officer and General Manager of Production & Quality Control Dept. of Production Div. of Kirin Beverage Company, Limited
March 2014	Executive Officer and Director of Group R&D of the Company Executive Officer and General Manager of Technology of Research & Development Div. of Kirin Company, Limited
March 2015	Executive Officer and President of Production Div. of Kirin Brewery Company, Limited
March 2017	Senior Executive Officer of the Company Director of the Board, Senior Executive Officer and President of Research & Development Div. of Kirin Company, Limited
March 2019	Director of the Board, Senior Executive Officer of the Company (Present Position)
April 2019	Director of Kyowa Hakko Bio Co., Ltd. (Present Position)
Responsible for	R&D Strategy; Quality Assurance

Significant positions concurrently held at other companies and organizations

Director, Kyowa Hakko Bio Co., Ltd.

Reasons for nomination as a candidate for Director of the Board

Mr. Noriaki Kobayashi has worked in the areas of production, corporate planning, and overseas business, among others, since he joined the Company, and has considerable business experience and deep insight in the management of the Group. Since taking office as Director of the Board of the Company in 2019, he has been in charge of R&D strategy, Quality Assurance, and Health Strategy. Notably, he has led R&D activities of the Group and has made a great contribution in structural reform and management reform of the Group by strengthening the brand of the Company and improving product quality. For the reasons above, the Board has determined that he is a suitable candidate to carry out the tasks needed for realizing the Company's Long-Term Management Vision "Kirin Group Vision 2027" and achieving the "Kirin Group 2019-2021 Medium Term Business Plan" toward continuous improvement of corporate value and overseeing the entire Kirin Group.

Notes:

No conflict of interests exists between the Company and Mr. Noriaki Kobayashi.

No. 6 **Masakatsu Mori**



Candidate for Reelection
Candidate for Non-executive Director
Candidate for Independent Officer

Date of birth	January 22, 1947
Number of the Company's shares held	15,900 shares
Rate and number of attendance at Board Meetings	100% (14 times of 14 meetings)

Profile, title and responsibilities	
April 1969	Joined Arthur Andersen, LLP
February 1989	Japan Representative of Andersen Consulting (currently Accenture Japan Ltd.)
December 1995	President and Management Director of Andersen Consulting
April 2003	Chairman and Management Director of Accenture Japan Ltd.
September 2005	Chairman and Director of Accenture Japan Ltd.
September 2007	Chief Corporate Advisor of Accenture Japan Ltd.
October 2009	President of International University of Japan
June 2010	Outside Director of STANLEY ELECTRIC CO., LTD (Present Position)
October 2012	Trustee of International University of Japan
June 2013	Outside Director of YAMATO HOLDINGS CO., LTD. (Present Position)
November 2013	Vice Chairman of International University of Japan
March 2015	Audit & Supervisory Board Member of the Company
April 2018	Senior Advisor of International University of Japan (Present Position)
March 2019	Non-executive Director of the Company (Present Position)
November 2020	External Statutory Auditor of FAST RETAILING CO., LTD. (Present Position)
Responsible for	Chairman of the Board

Significant positions concurrently held at other companies and organizations

Senior Advisor, International University of Japan
Outside Director, STANLEY ELECTRIC CO., LTD.
Outside Director, YAMATO HOLDINGS CO., LTD.
External Statutory Auditor, FAST RETAILING CO., LTD.

Reasons for nomination as a candidate for Non-executive Director

Mr. Masakatsu Mori has considerable experience acquired over many years as management of a consulting firm, and as president as well as trustee of a university. He has a wide range of knowledge and particularly exceptional insight in corporate management based on his specialized expertise in finance and accounting. Based on this, he provides valuable opinions and suggestions from an objective and professional perspective to the management of the Company as an Independent Director, and manages the Board as chairman. For the reasons above, the Board has determined that he, as Non-executive Director going forward, is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value.

Notes:

1. No conflict of interests exists between the Company and Mr. Masakatsu Mori.
2. Mr. Masakatsu Mori is a candidate for the position of Non-executive Director.
3. Mr. Masakatsu Mori was an Audit & Supervisory Board Member for 4 years from March 2015 until March 2019.
4. The year served (as of the close of this Ordinary General Meeting of Shareholders) by Mr. Masakatsu Mori since his election as a Non-executive Director is 2 years.
5. Mr. Masakatsu Mori is an independent officer as prescribed in the regulations of the Tokyo Stock Exchange, Inc., etc., and he is expected to remain as an independent officer if he is re-elected and appointed as a Director of the Board.

No. 7 **Hiroyuki Yanagi**



Candidate for Reelection
Candidate for Non-executive Director
Candidate for Independent Officer

Date of birth	November 20, 1954
Number of the Company's shares held	1,700 shares
Rate and number of attendance at Board Meetings	93% (13 times of 14 meetings)

Profile, title and responsibilities

April 1978	Joined Yamaha Motor Co., Ltd.
March 2007	Executive Officer of Yamaha Motor Co., Ltd.
March 2009	Senior Executive Officer of Yamaha Motor Co., Ltd.
March 2010	President, Chief Executive Officer and Representative Director of Yamaha Motor Co., Ltd.
January 2018	Chairman and Representative Director of Yamaha Motor Co., Ltd. (Present Position)
March 2019	Non-executive Director of the Company (Present Position)
	Outside Director of AGC Inc. (Present Position)

Significant positions concurrently held at other companies and organizations

Chairman and Representative Director, Yamaha Motor Co., Ltd.
Outside Director, AGC Inc.

Reasons for nomination as a candidate for Non-executive Director

Mr. Hiroyuki Yanagi has considerable experience acquired over many years as a corporate executive. He has a wide range of knowledge and particularly highly specialized expertise in brand development in the global market through technological development and innovation through his experience as President, Chief Executive Officer and Representative Director and Chairman and Representative Director of Yamaha Motor Co., Ltd. Based on this, he provides valuable opinions and suggestions to the management of the Company from an objective and professional perspective as an Independent Director. For the reasons above, the Board has determined that he is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value.

Notes:

1. No conflict of interests exists between the Company and Mr. Hiroyuki Yanagi.
2. Mr. Hiroyuki Yanagi is a candidate for the position of Non-executive Director.
3. The year served (as of the close of this Ordinary General Meeting of Shareholders) by Mr. Hiroyuki Yanagi since his election as a Non-executive Director is 2 years.
4. Mr. Hiroyuki Yanagi is an independent officer as prescribed in the regulations of the Tokyo Stock Exchange, Inc., etc., and he is expected to remain as an independent officer if he is re-elected and appointed as a Director of the Board.

No. 8 **Chieko Matsuda**



Candidate for Reelection
Candidate for Non-executive Director
Candidate for Independent Officer

Date of birth	November 18, 1964
Number of the Company's shares held	1,500 shares
Rate and number of attendance at Board Meetings	100% (10 times of 10 meetings)

Profile, title and responsibilities

April 1987	Joined The Long-Term Credit Bank of Japan, Limited
October 1998	Joined Moody's Japan K.K.
September 2001	Joined Corporate Directions, Inc.
May 2006	Representative Director of Matrix, Inc.
October 2006	Vice President (Partner) of Booz and Company, Inc.
April 2011	Professor of School of Business Administration, Faculty of Urban Liberal Arts (Currently Faculty of Economics and Business Administration) at Tokyo Metropolitan University (Present Position)
	Professor of Department of Business Administration, Graduate School of Social Sciences (Currently Graduate School of Management) at Tokyo Metropolitan University (Present Position)
June 2015	Outside Independent Director of Foster Electric Company, Limited (Present Position)
March 2016	Audit & Supervisory Board Member of the Company
March, 2020	Non-executive Director of the Company (Present Position)
June 2020	Outside Director of IHI Corporation (Present Position)

Significant positions concurrently held at other companies and organizations

Professor, Faculty of Economics and Business Administration, Tokyo Metropolitan University
Professor, Graduate School of Management, Tokyo Metropolitan University
Outside Independent Director, Foster Electric Company, Limited
Outside Director, IHI Corporation

Reasons for nomination as a candidate for Non-executive Director

Ms. Chieko Matsuda has considerable experience and a wide range of knowledge acquired through financial and capital market operations and management consulting services, including reputable banking and credit rating agencies, especially exceptional insight in corporate management based on her specialized expertise in finance and corporate governance. Based on her experience and insight, she specializes in corporate and financial strategies and has an impressive background in academic research on corporate management and capital markets. Based on this, she provides valuable opinions and suggestions from an objective and professional perspective to the management of the Company as an Independent Director. For the reasons above, the Board has determined that she is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value.

Notes:

1. No conflict of interests exists between the Company and Ms. Chieko Matsuda.
2. Ms. Chieko Matsuda is a candidate for the position of Non-executive Director.
3. Ms. Chieko Matsuda was an Audit & Supervisory Board Member for 4 years from March 2016 until March 2020.
4. The year served (as of the close of this Ordinary General Meeting of Shareholders) by Ms. Chieko Matsuda since her election as a Non-executive Director is 1 year.
5. Ms. Chieko Matsuda is an independent officer as prescribed in the regulations of the Tokyo Stock Exchange, Inc., etc., and she is expected to remain as an independent officer if she is re-elected and appointed as a Director of the Board.
6. If Ms. Chieko Matsuda is re-elected and assumes office as Director, she will be appointed as Chairman of the Nomination and Remuneration Advisory Committee.

No. 9 **Noriko Shiono**



Candidate for Reelection
Candidate for Non-executive Director
Candidate for Independent Officer

Date of birth	October 18, 1960
Number of the Company's shares held	4,689 shares
Rate and number of attendance at Board Meetings	100% (10 times of 10 meetings)

Profile, title and responsibilities	
August 1983	Joined Japan New Media Co., Ltd.
March 2010	Representative Director, President of SSP Co., Ltd.
January 2014	President and Corporate Officer of Konami Sports & Life Co., Ltd. (Currently Konami Sports Co., Ltd.)
May 2016	Chairman, Director of Konami Sports Co., Ltd.
October 2017	President of Widex Japan (Present Position)
March 2018	Non-executive Director of Kirin Company, Limited
March 2019	Strategic Advisor of the Company
March 2020	Non-executive Director of the Company (Present Position)

Significant positions concurrently held at other companies and organizations

President, Widex Japan

Reasons for nomination as a candidate for Non-executive Director

Ms. Noriko Shiono has considerable experience acquired over many years as a corporate executive and a wide range of knowledge and particularly exceptional insight in corporate management and marketing based on her specialized expertise in pharmaceuticals and healthcare strategy as a Representative Director, President of SSP Co., Ltd. and Widex Japan, a medical device manufacturer. Based on this, she provides valuable opinions and suggestions from an objective and professional perspective to the management of the Company as an Independent Director, particularly for the Company to launch and develop new businesses in Health Science domain. For the reasons above, the Board has determined that she is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value.

Notes:

1. No conflict of interests exists between the Company and Ms. Noriko Shiono.
2. Ms. Noriko Shiono is a candidate for the position of Non-executive Director.
3. The year served (as of the close of this Ordinary General Meeting of Shareholders) by Ms. Noriko Shiono since her election as a Non-executive Director is 1 year.
4. Ms. Noriko Shiono was a Non-executive Director of Kirin Company, Limited for 1 year from March 2018 to March 2019.
5. Ms. Noriko Shiono is an independent officer as prescribed in the regulations of the Tokyo Stock Exchange, Inc., etc., and she is expected to remain as an independent officer if she is re-elected and appointed as a Director of the Board. She served as Strategic Advisor to the Board of Directors of the Company for 1 year from March 2019 to March 2020 and she had previously served as a Non-executive Director of Kirin Company, Limited. As a result of the abolition of the Board of Directors of Kirin Company, Limited, she assumed the position of Strategic Advisor, which is equivalent to a Non-executive Director of the Company. The Company has determined that her appointment will not affect the Company's independence.

No. 10 **Rod Eddington**



Candidate for Reelection
Candidate for Non-executive Director
Candidate for Independent Officer

Date of birth	January 2, 1950
Number of the Company's shares held	0 shares
Rate and number of attendance at Board Meetings	100% (10 times of 10 meetings)

Profile, title and responsibilities

September 1979	Joined John Swire & Sons (H.K.) Ltd.
April 1992	Managing Director of Cathay Pacific Airways Limited
January 1997	Outside Director of John Swire & Sons (Australia) Pty Ltd. (Present Position)
April 2000	Chief Executive Officer of British Airways plc
February 2006	Outside Director of CLP Holdings Limited (Present Position)
March 2011	Director of Lion Pty Ltd
March 2012	Chairman, Independent Non-Executive Director of Lion Pty Ltd (Present Position)
March 2020	Non-executive Director of the Company (Present Position)

Significant positions concurrently held at other companies and organizations

Chairman, Independent Non-Executive Director of Lion Pty Ltd
Outside Director, John Swire & Sons (Australia) Pty Ltd.
Outside Director, CLP Holdings Limited

Reasons for nomination as a candidate for Non-executive Director

Sir Rod Eddington has exceptional insight in corporate management and corporate governance acquired through considerable experience as a corporate executive and director of numerous global companies over many years. In addition, as Chairman of the Japan-Australia Business Co-operation Committee and a member of the APEC Business Advisory Council, he has a deep understanding of the economies and markets of Japan and other Asia-Pacific countries and has built an expansive network. Based on this, he provides valuable opinions and suggestions from an objective and professional perspective to the management of the Company regarding its global strategy among others as an Independent Director. For the reasons above, the Board has determined that he is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value.

Notes:

1. No conflict of interests exists between the Company and Sir Rod Eddington.
2. Sir Rod Eddington is a candidate for the position of Non-executive Director. He served as a Director of the Board of Lion Pty Ltd from March 2011 to March 2012, and as a Chairman of the Board of Lion Pty Ltd from March 2012 to the present. All of these positions are non-executive officers.
3. The year served (as of the close of this Ordinary General Meeting of Shareholders) by Sir Rod Eddington since his election as a Non-executive Director is 1 year.
4. Sir Rod Eddington is an independent officer as prescribed in the regulations of the Tokyo Stock Exchange, Inc., etc., and he is expected to remain as an independent officer if he is re-elected and appointed as a Director of the Board.
5. Sir. Rod Eddington's name will be referred to as "Roderick Eddington" in the commercial

registration.

No. 11 **George Olcott**



Candidate for Reelection
Candidate for Non-executive Director
Candidate for Independent Officer

Date of birth	May 7, 1955
Number of the Company's shares held	500 shares
Rate and number of attendance at Board Meetings	90% (9 times of 10 meetings)

Profile, title and responsibilities

July 1986	Joined S.G. Warburg & Co., Ltd.
February 1999	President of UBS Asset Management (Japan) President of Japan UBS Brinson Group
June 2000	Managing Director, Equity Capital Market, UBS Warburg Tokyo
September 2001	Judge Business School, University of Cambridge
March 2005	FME Teaching Fellow, Judge Business School, University of Cambridge
March 2008	Senior Fellow, Judge Business School, University of Cambridge
April 2014	Guest Professor, Faculty of Business and Commerce, Keio University (Present Position)
June 2014	Outside Director of DENSO CORPORATION (Present Position)
October 2016	Outside Director of Dai-ichi Life Holdings, Inc. (Present Position)
March 2020	Non-executive Director of the Company (Present Position)

Significant positions concurrently held at other companies and organizations

Outside Director of DENSO CORPORATION
Outside Director of Dai-ichi Life Holdings, Inc.

Reasons for nomination as a candidate for Non-executive Director

Mr. George Olcott has considerable experience in international financial markets, including in investment banking operations. He has exceptional insight in corporate management based on his academic expertise in human resource development and corporate governance in global management. Based on his experience and insight, he has an impressive background in academic research on improving the value of Japanese companies and also has experience as a director in several leading listed companies in Japan. He provides valuable opinions and suggestions from an objective and professional perspective to the management of the Company as an Independent Director. For the reasons above, the Board has determined that he is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value.

Notes:

1. No conflict of interests exists between the Company and Mr. George Olcott.
2. Mr. George Olcott is a candidate for the position of Non-executive Director.
3. The year served (as of the close of this Ordinary General Meeting of Shareholders) by Mr. George Olcott since his election as a Non-executive Director is 1 year.
4. In December 2019, DENSO CORPORATION, where Mr. George Olcott holds the position of Outside Director, was issued guidance by (a) the Personal Information Protection Committee in respect of the Personal Information Protection Law and (b) the Aichi Labor Bureau in respect of the Employment Security Act and associated guidelines, and the Personal

Information Protection Law. The aforementioned guidance was issued to DENSO CORPORATION as a result of its inappropriate behavior regarding the use of personal information of job applicants, including students. Mr. George Olcott had no knowledge of any impropriety, though he had regularly cautioned the Board of the potential legal and compliance risks broadly associated with the use of personal information, among other things, prior to any infringements. Following this incident, he has been carrying out his duties in a competent and compliant manner, and is making efforts to build measures to prevent any future recurrences.

5. Mr. George Olcott is an independent officer as prescribed in the regulations of the Tokyo Stock Exchange, Inc., etc., and he is expected to remain as an independent officer if he is re-elected and appointed as a Director of the Board.

No. 12 **Kaoru Kato**



New Candidate
Candidate for Non-executive Director
Candidate for Independent Officer

Date of birth	May 20, 1951
Number of the Company's shares held	0 shares

Profile, title and responsibilities

April 1977	Joined Nippon Telegraph and Telephone Public Corporation
June 2012	Representative Director and President & CEO of NTT DOCOMO, INC.
June 2016	Corporate Advisor, Member of the Board of Directors of NTT DOCOMO, INC.
June 2018	Corporate Advisor of NTT DOCOMO, INC. (Present Position)
June 2019	Member of the Board of Directors (Outside Director) of MUFG (Present Position)

Significant positions concurrently held at other companies and organizations

Corporate Advisor of NTT DOCOMO, INC.
Member of the Board of Directors (Outside Director) of MUFG

Reasons for nomination as a candidate for Non-executive Director

Mr. Kaoru Kato has considerable experience, acquired over many years, as a corporate executive and a wide range of knowledge, especially exceptional insight in corporate management based on his specialized expertise in Communication and Digital strategy as a Representative Director and President & CEO of NTT DOCOMO, INC. He is also well versed in the start-up and development of new businesses through his experience since the dawn of the domestic mobile phone industry. Based on this, we expect him to provide valuable opinions and suggestions from an objective and professional perspective to the management of the Company as an Independent Director, particularly on the appropriateness and adequateness of the DX Strategy and new businesses. For the reasons above, the Board has determined that he is a suitable candidate to oversee business execution of the Company toward continuous improvement of corporate value.

Notes:

1. No conflict of interests exists between the Company and Mr. Kaoru Kato.
2. Mr. Kaoru Kato is a candidate for the position of Non-executive Director.
3. If Mr. Kaoru Kato is elected and appointed as a Director of the Board, he is expected to become an independent officer as prescribed in the regulations of the Tokyo Stock Exchange, Inc., etc. Although the Company has regular transactions related to telecommunications equipment with NTT DOCOMO, INC., for which he served as Director until June 2018, the amount paid to NTT DOCOMO, INC. in this fiscal year under review was less than 0.01% of its consolidated operating revenues. Accordingly, the Company believes that he has sufficient independence that there is no risk of conflicts of interest with general shareholders.

Liability Insurance Contracts for Officers, etc.

- The Company has concluded liability insurance for officers and other officers (Hereinafter referred to as "D&O insurance".) contracts with insurance companies as prescribed in Article 430-3, Paragraph 1 of the Companies Act. Through these contracts, Director of the Board indemnifies against damage (However, it excludes those falling under the disclaimer specified in the insurance contract.), etc. in the event that it is held liable for damages arising from operations. The D&O insurance premium is paid in full by the Company.
- If each candidate is elected and assumes office as Director of the Board, any of the Directors of the Board will be insured by D&O insurance.
- The term of D&O insurance is 1 year and is scheduled to be renewed by resolution of the Board prior to the expiration of the term.

(Reference)

Major Reorganizations of the Company

- In July 2007, the Company changed its former name, Kirin Brewery Company, Limited, to Kirin Holdings Company, Limited, and became a pure holding company, while the Company's domestic alcoholic beverages business was transferred to a separate company through the corporate split. The separate company was renamed Kirin Brewery Company, Limited.
- In January 2013, the administration function of the Japan Integrated Beverages Business of the Company was transferred to Kirin Company, Limited, through the corporate split. Kirin Company, Limited was liquidated in July 2019 as a result of an absorption-type merger, whereby the Company became the surviving company.

Policy for the Nomination of Directors of the Board, Executive Officers and Audit & Supervisory Board Members

- The Kirin Group, having expanded its business globally with Japan as its core in the fields of food and well-being, intends to carry out its decision-making and management monitoring in a more appropriate fashion and at a higher level. To this end, Directors of the Board, Executive Officers and Audit & Supervisory Board Members are appointed upon taking into account the balance of their experience, achievements and specialization in relation to the Group's key businesses and business management. A number of persons who have a wealth of management experience, advanced specialized knowledge, and extensive expertise are appointed as Non-executive Directors and Audit & Supervisory Board Members.
- One or more persons who have relevant experience in financial or accounting departments and possess appropriate knowledge are appointed as Audit & Supervisory Board Member(s).
- The appointment/dismissal of Directors of the Board and Executive Officers is decided by the Board upon deliberation by the Nomination & Remuneration Advisory Committee, taking performance into account. Proposals for the appointment/dismissal of Directors of the Board are discussed at general meetings of shareholders. The appointment/dismissal of Audit & Supervisory Board Members is discussed by the Nomination & Remuneration Advisory Committee, and is then decided by the Board and discussed at a general meeting of shareholders (the appointment of Audit & Supervisory Board Members will require the consent of the Audit & Supervisory Board).
- Reasons for the appointment/dismissal of candidates for the positions of Director and Audit & Supervisory Board Member will be indicated on convocation notices of general meetings of shareholders.

Nomination & Remuneration Advisory Committee

- The Nomination & Remuneration Advisory Committee has been set up to deal with the nomination and remuneration of Directors of the Board, Executive Officers and Audit & Supervisory Board Members.
- The Nomination & Remuneration Advisory Committee will be composed of five Directors of the Board (two internal directors and three non-executive (outside) directors), and the Committee Chairman will be appointed out of the Non-executive Directors. As an advisory body to the Board, the Nomination & Remuneration Advisory Committee will discuss the following matters from an objective and fair perspective, and report to the Board.
  (1) Policy for the appointment/dismissal of Directors of the Board, Executive Officers and Audit & Supervisory Board Members, and proposal of candidates
  (2) Succession plans regarding the President & Chief Executive Officer
  (3) System, standards, and amounts for the remuneration of Directors of the Board, Executive Officers and Audit & Supervisory Board Members
  (4) Proposal of candidates for the positions of chairman, president and directors, systems and standards for their remuneration at the Company's key Group companies based on the nature and scale of their business

Criteria regarding the Independence of Non-executive Directors and Non-standing Audit & Supervisory Board Members

For Non-executive Directors and Non-standing Audit & Supervisory Board Members of the Company to be considered as independent, none of the following criteria may apply to the respective Non-executive Director or Non-standing Audit & Supervisory Board Member.

(1) A person for whom the Company (including its consolidated subsidiaries; the same shall apply hereinafter) is a major client
(2) A person who is an executive director, corporate officer, executive officer, manager or other employee of a firm for whom the Company is a major client
(3) A person who is a major client of the Company
(4) A person who is an executive director, corporate officer, executive officer, manager or other employee of a firm which is a major client of the Company
(5) A lawyer, certified public accountant, tax accountant, or consultant, etc. who receives money or other economic benefit in excess of a certain amount from the Company aside from the officer's remuneration
(6) A person who belongs to a firm, union, or other similar entity (including a law office, auditing firm, tax accountant firm, or consulting firm, etc.) which receives money or other economic benefit in excess of a certain amount from the Company
(7) A person who is a major shareholder of the Company
(8) A person who is an executive director or who executes business of a firm which is a major shareholder of the Company
(9) A person who receives donations or other assistance in excess of a certain amount from the Company
(10) A person who is a director of or otherwise executes duties for a firm, union or other similar entity which receives donations or other assistance in excess of a certain amount from the Company
(11) A person who is an executive director, corporate officer, executive officer, manager or other employee of a firm for which an Executive Director or Standing Audit & Supervisory Board Member of the Company acts as non-executive director or non-standing audit & supervisory board member
(12) A person to whom any of aforementioned criteria (1)–(11) has applied within the past 3 years
(13) A person who is a spouse or other relation within the second degree of kinship to a person to whom any of aforementioned criteria (1)–(12) applies (excluding a person who is not a senior executive or higher)
(14) A person who is a spouse or other relation within the second degree of kinship to a Director of the Board, Executive Officer, Manager or other important employee of the Company (including a person who was a Director of the Board, Executive Officer, Manager or other important employee of the Company within the past 3 years)

(Notes)

1. Regarding criteria (1) and (2), "A person (or firm) for whom the Company is a major client" refers to a person (or firm) who received payment from the Company in the most recent business year which accounted for either 2% or more of consolidated sales (consolidated revenue) for the year for that person (or firm), or over ¥100 million, whichever is the higher amount. If consolidated accounting is not adopted by the person (or firm), total revenue or non-consolidated sales for the year should be employed in place of consolidated sales (consolidated revenue) for the year.
2. Regarding criteria (3) and (4), "A person (or firm) who is a major client of the Company" refers to a person (or firm) who made payment to the Company in the most recent business year which accounted for 2% or more of the Company's consolidated sales (consolidated revenue) for the year, or who finances 2% or more of the Company's consolidated total assets at the end of the most recent business year.
3. Regarding criteria (5), (9) and (10), "a certain amount" is considered as ¥10 million per year.
4. Regarding criteria (6), "a certain amount" is considered as either 2% or more of total revenue for the most recent business year for that firm, union or other similar entity, or over ¥100 million, whichever is the higher amount.
5. Regarding criteria (7) and (8), "a major shareholder" refers to a shareholder who directly or indirectly holds 10%

or more of the voting rights.

(Attached documents)

BUSINESS REPORT

(For the period January 1 to December 31, 2020)

1. Overview of Kirin Group business operations

(1) Result of business operations

● **Revenue:**	Due to the impact of COVID-19, sales of alcoholic beverages and non-alcoholic beverages decreased both in Japan as well as overseas, resulting in a decline in consolidated revenue.
● **Normalized operating profit** *1**:**	Although Normalized Operating Profit decreased due to the decline in revenue, we minimized the impact by reviewing operations and reducing costs at each of our operating companies.
● **Profit attributable to owners of the Company:**	Profit attributable to owners of the Company increased mainly due to the absence of the impairment loss on Lion's Dairy and Drinks business recorded in the previous year.

*1 Normalized operating profit is a profit indicator for measuring recurring performance, which is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

The year 2020 was a very important year for the Kirin Group, as we set out the Long-Term Management Vision statement *Kirin Group Vision 2027* (*KV2027*), and took steps to become a leading company in CSV*2 worldwide.

In the midst of the global spread of COVID-19 and a significant increase in uncertainty, we steadily developed our business in the three domains of Food & Beverages, Pharmaceutical, and Health science that we have cultivated through the fermentation and biotechnology, and pursued synergies among the Group companies across the three domains.

By developing our business in these three domains, we were able to absorb to a certain extent the impact of COVID-19 on our results, and we were able to demonstrate the strength of our business portfolio in responding to the accelerating trend towards health. We also strengthened our global management structure by actively engaging in dialogue with each stakeholder under an increasingly diverse governance structure.

*2 Creating Shared Value. CSV is an initiative that seeks to enhance corporate value by addressing social issues. These initiatives seek to generate both "social benefits" and "economic benefits" for society.

The COVID-19 pandemic restricted the activities of people around the world and had an enormous impact on social and economic activities. The business activities of the Kirin Group were also severely affected by the contraction of the on-premise market, the postponement and cancellation of various events, and restrictions on sales activities. However, on the premise of ensuring the health and safety of our employees, customers, and business partners, we took thorough measures to prevent possible infection, and placed the highest priority on fulfilling our social responsibility to supply products, medicines, and services. Despite a very challenging business environment, we produced a number of positive results. For example, Kirin Brewery Company, Limited (Kirin Brewery) has outperformed market trends for the third consecutive year, and significantly increased its presence within the beer industry and Kyowa Kirin Co., Ltd. (Kyowa Kirin) has steadily expanded its three global strategic products in multiple regions.
While adapting to this drastic change in customer values and the operating environment, we pursued

structural reforms at each of our Group companies under the keywords of transformation, acceleration, reduction, and cessation with the aim of creating future value. “Transformation” means to transform our business to meet the needs of society. “Acceleration” means to accelerate the implementation of this transformation.” “Reduction” and “Cessation” mean to streamline our company by reducing or stopping some products or activities.

In particular, activities that were transformed and accelerated included the development of brands for products and services, internal and external communications using digital technology, efforts to address environmental issues of increasing global importance, and the development of the Health Sciences domain, which will be the foundation for future growth, and other activities were further deepened.

*3 Lactic acid bacteria that the Kirin Group has been researching and developing. It has featured in numerous presentations at various academic societies and has appeared in several publications, papers and academic journals. It is named after plasmacytoid dendritic cells (pDC) that activate the immune system.

*4 The first product ever to be accepted for notification by Japan’s Consumer Affairs Agency (CAA) under the foods with functional claims system as "supporting the maintenance of immune function in healthy people.”

As a result, in 2020 we mitigated the decline in revenue in each business to a minimum and generated profits through cost reduction and risk reduction, from the impact of COVID-19, but in parallel, from the perspective of reduction and stopping products or activities that are no longer needed.

In addition, employee engagement*5, an important non-financial target in the *2019-2021 Medium-Term Business Plan* (2019MTBP), improved significantly from the previous year a result of greater employee understanding of and sympathy for CSV management, as well as the Work Satisfaction reforms launched in July, which included a review of work duties and the liberalization of work locations. In the area of Environment - one of our key CSV issues - Kirin Holdings received the “Environmental Value Award” at the 2nd Nikkei SDGs Management Awards*6 for our efforts to address climate change and protect biological resources. In addition, Kirin Holdings was selected as the Grand Prize Company in the Corporate Governance of the Year® 2020*7 for its major changes to its governance structure, including the appointment of female directors, non-Japanese directors and a majority of non-exclusive directors, and for our CSV management.





*5 An indicator of the degree of trust employees have in the company and their willingness to voluntarily contribute to the company by empathizing with its direction.

*6 Based on the Nikkei SDGs Survey conducted by Nikkei Inc., the award recognizes companies that link their management to the United Nations Sustainable Development Goals (SDGs), work to solve social, economic, and environmental issues through their business, and enhance their corporate value.

*7 This is an award system that the Japan Association of Corporate Directors (JACD) has been held since 2015 with the support of the Ministry of Economy, Trade and Industry (METI), in order to encourage companies that use corporate governance to maintain healthy growth over the medium- to long-term. Kirin Holdings was selected as a "Grand Prize Company," the highest award among approximately 2,000 companies listed on the First Section of the Tokyo Stock Exchange (TSE).

Results for this fiscal year

Consolidated revenue
¥1,849.5 billion (down 4.7% compared to the previous fiscal year)

Consolidated normalized operating profit
¥162.1 billion (down 15.0% compared to the previous fiscal year)

Consolidated profit before tax
¥124.6 billion (up 6.6% compared to the previous fiscal year)

Profit attributable to owners of the Company
¥71.9 billion (up 20.6% compared to the previous fiscal year)

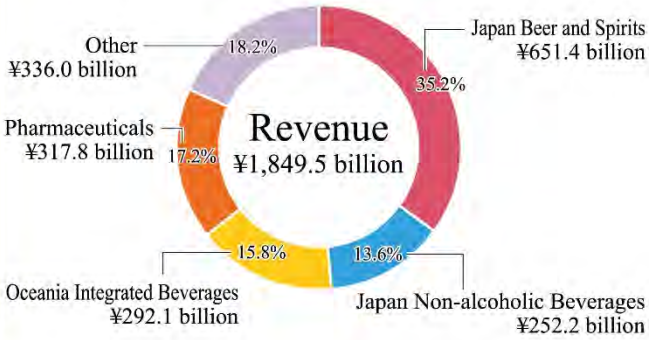
Key performance indicators

Financial targets
Normalized EPS
¥136 (down 13.9% compared to the previous fiscal year)
ROIC 6.0%

Non-financial targets
CSV commitment
Please refer to the Company's website.
https://www.kirinholdings.co.jp/csv/commitment/

Corporate brand value U.S.$2,236 million (2019 result: U.S.$2,007 million)
Employee engagement 73% (2019 result: 70%)

Revenue by Business Division



Japan Beer and Spirits Business (Kirin Brewery Company, Limited)

Consolidated revenue **651.4 billion yen, down 4.5%**
Consolidated normalized operating profit **75.5 billion yen, down 11.4%**



In the domestic alcoholic beverage market, while sales of products for the on-premise sector significantly declined due to the impact of COVID-19, Kirin Brewery has achieved results to focus marketing investment on and strengthen its mainstream brands. Although beer category sales volume decreased due to a decline in demand for eating out, the sales volume of canned products under the *KIRIN ICHIBAN* brand increased from the previous year due to strong sales of canned products of the mainstay *KIRIN ICHIBAN* and the new *KIRIN ICHIBAN Zero Sugar*[*8], partly due the October liquor tax revision. In the new genre category, the sales volume of *Honkirin*, which reliably captured "home drinking" demand grew significantly - up 30% year on year - and sales of *Kirin Nodogoshi Nama* were also strong. As a result, the new genre category achieved an all-time new record high in sales volume. Therefore, although the beer category's overall sales volume declined, Kirin Brewery has established outperformed market trends for the third consecutive year, and significantly increased its presence within the beer industry.

*8 According to food labeling standards.

In the RTD[*9] category, which mainly consists of products for home consumption, total category sales volume increased 10% year on year due to the strong performance of the *Kirin Hyoketsu* series, the core brand that achieved cumulative sales of 15 billion units[*10], as well as very strong sales from *KIRIN'S SIGNATURE SOUR* and *Kirin Honshibori™ Chuhai*.

*9 Abbreviation for Ready to Drink. Generally a canned cocktail.
*10 Measured at 250ml conversion.

Major Products:

- Kirin Ichiban
- Honkirin
- Kirin Nodogoshi Nama
- Kirin Hyoketsu



Japan Non-alcoholic Beverages Businesses (Kirin Beverage Company, Limited)

Consolidated revenue	**252.2 billion yen, down 12.1%**
Consolidated normalized operating profit	**21.8billion yen, down 17.4%**



In the domestic beverage market, changes in consumer behavioral patterns due to COVID-19, such as changes in where products are purchased, a shift to hand-brewed beverages (such as home-made tea or coffee) due to an increase in time spent at home, and growing support for health-conscious products such as sugar-free and low-sugar beverages had a significant impact on sales.

Kirin Beverage accelerated its efforts to meet consumers' needs for Health and Well-being with the aim of generating profits through growth centered on the practice of CSV-based management. We expanded our lineup of sugar-free products, including *Kirin Lemon Sparkling Sugar-Free*, launched in June, and *Kirin Nama-cha Houji Sencha*, launched in September, as well as low-sugar products such as the *Kirin Gogo-no-Kocha Meisters* series, to offer the value of no- and low-sugar, low-calorie products. In addition, sales volume of beverages containing *Lactococcus lactis strain Plasma*, such as *Kirin iMUSE Lemon* – re-launched as a "food with functional claims" – increased significantly, by 2.4 times from the previous year. On the other hand, overall sales volume of soft drinks decreased due to a decline in sales in vending machines and convenience stores were affected by COVID-19.

Major Products

- Kirin Gogo-no-Kocha
- Kirin Nama-cha
- Kirin iMUSE
  (Kirin iMUSE Yogurt Taste, Kirin iMUSE Lemon,
  Kirin iMUSE Water)



Oceania Integrated Beverages Business (Lion Pty Ltd.)

Consolidated revenue	**292.1 billion yen, down 2.5%**
Consolidated normalized operating profit	**22.1 billion yen, down 46.5%**



In Australia, New Zealand, the U.S., and the U.K., where Lion Pty Ltd. (Lion) operates, restrictions on the number of people going out and entering restaurants were imposed due to COVID-19, and sales volume in Lion's alcoholic beverages business also declined, mainly in the on-premise market.

In Australia, Lion focused on boosting and nurturing its major beer brands, including the launch of new products from its core brands *XXXX* (pronounced four-ex) and *James Squire*. In the overseas craft beer business, which Lion has positioned as a future

growth area, sales of *Voodoo Ranger*, a mainstream product of New Belgium Brewing Company in the United States, (acquired in 2020) which continues to show strong growth ahead of the United States craft beer market. Lion also improved operational efficiency through the introduction of an ERP*11 system and promoted environmental initiatives by achieving carbon neutrality*12 at all of its breweries operating in Australia. As for the Lion Dairy and Drinks business, Kirin Holdings along with Lion signed a share transfer agreement with major Australian dairy company Bega Cheese Limited in November*13. As a result, the Kirin Group has completed the remaining issue of restructuring of low-profit businesses in the Group under the 2019MTBP.

*11 Enterprise Resources Planning. A concept and system for improving management efficiency by integrating key information such as sales, production, personnel and accounting.

*12 This means that the amount of greenhouse gases emitted by Lion that cannot be reduced by the company itself is offset by the amount of reduction, absorption, etc. implemented by other companies licensed in Australia, thereby effectively reducing the amount to zero.

*13 Procedures to transfer Lion Dairy and Drinks shares to Bega Cheese Limited will be completed in January 2021.

Major Products

- XXXX Gold
- James Squire
- White Claw



Pharmaceuticals Business (Kyowa Kirin Co., Ltd.)

Consolidated revenue **317.8 billion yen, up 4.2%**
Consolidated normalized operating profit **59.0 billion yen, up 6.6%**



In the pharmaceutical industry, sales and clinical development were affected by COVID-19, which changed the therapeutic environment and limited business activities. In line with its goal of becoming a Global Specialty Pharmaceutical Company*14, Kyowa Kirin Co., Ltd. (Kyowa Kirin) limited the impact of these factors and achieved increased sales and profits. Sales of its three global strategic products *Crysvita*15, *Poteligeo*16, and *Nourianz*17 expanded steadily in Europe, the United States, and other countries. In Asia, sales of *REGPARA*18 were strong in China. Overseas sales compensated for the impact of the drug price revision in Japan and the ongoing switch to generic biopharmaceuticals due to the expiration of the patent on *NESP*19, the company's mainstay product.

*14 This term refers to a pharmaceutical company, contributing through innovative drug discovery and global commercialization, driven by state-of-the-art antibody technologies, in the core therapeutic areas of oncology, nephrology, central nervous system and immunology.

*15 Crysvita is used to treat rare genetic diseases that impair bone growth and metabolism. It is already being sold in Japan as “CRYSViTA”.

*16 Poteligeo is used to treat certain hematologic cancers. It is already being sold in Japan under the same brand name.

*17 Nourianz is used to treat Parkinson’s disease. It is already being sold in Japan as “NOURIAST”.

*18 REGPARA is used to treat the secretion of parathyroid hormones by acting on the calcium receptors of the parathyroid glands. It is already being sold in Japan under the same brand name.

*19 NESP is used to treat renal anemia caused by decreased renal function due to kidney disease.

In addition to building a robust quality assurance system, improving risk management, and reforming the corporate culture as the company's top management priorities, the company also worked to strengthen its global management system.

Other Businesses

Consolidated revenue	**336.0 billion yen, down 8.7%**
Consolidated normalized operating profit	**29.3 billion yen, down 8.3%**
Revenue Composition	**18.2%**

■ Mercian Co., Ltd.

With the spread of home drinking demand due to COVID-19, Mercian worked to expand the number of customers in and improve profitability in the off-premise wine market. In particular, sales of *Maker's Recipe* and *Oishii-Sankaboushizai-Mutenka Wine Cidre* - both of which are aimed at expanding the market - were strong. In Japan, the Mariko Winery became the first winery in Japan to win the "World's Best Vineyard 2020" award[*20] less than a year after it opened.

*20 "World's Best Vineyards" is organized and compiled by William Reed Business Media. The awards highlight the 50 best vineyards globally. The awards were launched by the same company that hosts the International Wine Challenge (IWC), the world's foremost wine competition. 1,800 wineries were nominated in 2020; Château Mercian Mariko Winery placed at number 30 and selected as Best Vineyard in Asia.

Major Products

- Château Mercian
- Oishii-Sankaboushizai-Mutenka Wine
- Frontera



■ Myanmar Brewery Limited

In Myanmar, because of the impact of COVID-19, the on-premise market declined significantly due to restrictions on the restaurant business and the issuance of stay-at-home measures, while the off-premise market expanded. Myanmar Brewery Limited promoted operational efficiency through the development of integrated marketing and IT investments. Sales volume of *Andaman Gold* in the economy category increased where sales activities were enhanced in line with the growth of the off-premise market, but overall sales decreased.

Major Products

- Myanmar Beer
- Andaman Gold



■ Coke Northeast Inc.

While sales in the beverage market in the U.S. was affected mainly in the on-premise market by COVID-19 from early spring, Coke Northeast Inc.[*21] continued its structural reforms to improve profitability. The company achieved its highest ever profit, exceeding targets by quickly reviewing its business activities in a rapidly changing market and improving operational efficiency through major reforms in operations and organization.

*21 Coke Northeast stands for Coca-Cola Beverages Northeast, Inc., which conducts manufacturing and sales business in soft drinks centering on the northeastern U.S.

■ **Kyowa Hakko Bio Co., Ltd.**

Kyowa Hakko Bio Co., Ltd. experienced a significant decline in sales of its main products due to the impact of restricting the number of items manufactured as the company reviewed the manufacturing management and quality assurance systems at its Yamaguchi Production Center from the end of fiscal 2019. The company formulated a new business strategy and worked to strengthen its quality assurance system and rebuild its production system with the support of the Kirin Group. In November, the company announced the construction of a new manufacturing facility for human milk oligosaccharide (HMOs)[*22] at its base in Thailand, in line with its policy of concentrating on high-function ingredients that will drive growth.

*22 HMOs are particular oligosaccharide found in human breast milk. Currently, more than 250 types of HMOs have been identified in human breast milk, and the results of research contributing to immunity and brain function have been reported.

Major Products

- Ornithine
- Arginine EX
- Citrulline Zn







Management policy

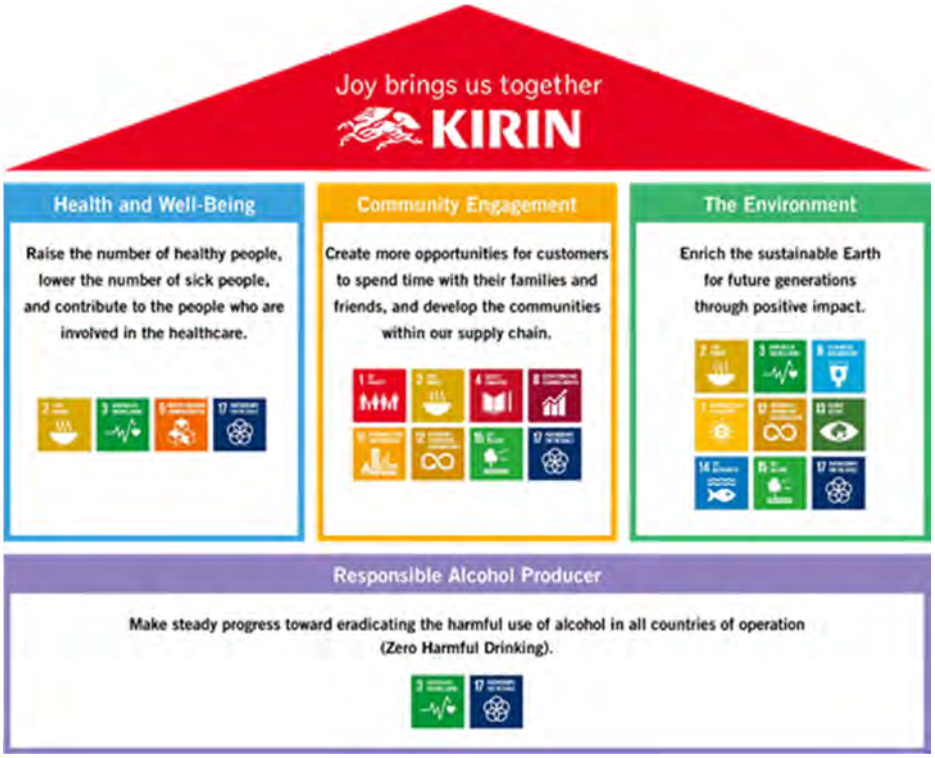


About CSV Purpose and CSV Commitment

The *CSV Purpose* is a long-term non-financial goal for the realization of *KV2027*, and a guideline for co-creating value with society and achieving sustainable growth. The *CSV Purpose* was created in reference to the Sustainable Development Goals (SDGs) of the United Nations.

In order to achieve the *CSV Purpose*, we have created the *CSV Commitment*, which sets out medium- to long-term initiatives and future targets for each of our business units, and has been set as a non-financial target for the 2019MTBP.

Being a responsible alcohol producer, we will contribute to society by addressing social issues including health and well-being, community engagement and the environment (see more below).



CSV Activities in FY2020

- **Responsibility as an alcohol producer**



Slow Drink® activities in Japan

We advocate the *Slow Drink*®*1 a public service campaign as a way to better enjoy alcoholic beverages in the future, and use video sites as well as SNS to advertise proper drinking etiquette and develop short programs to raise awareness of proper drinking. This means encouraging people to refrain from excessive drinking for long hours at home or at “online nomikais” (online parties connected with friends or co-workers), and to encourage more people to practice proper drinking habits. As part of this, we released online videos that recommend *Slow Drink*® awareness at online nomikais.

*1 A style of drinking in which people take their time to enjoy drinking, engage in conversation, savor food, and drink in moderation.

An example of a *Slow Drink*® video can be seen here:

https://www.youtube.com/watch?v=4lcdbb2k37M (Japanese)

- **Health and well-being**



Kirin Group and FANCL Launch First Jointly-developed Product

The Kirin Group has been collaborating with FANCL Corporation in various fields. In 2020, their first jointly-developed products launched aimed at addressing various social issues related to Health and well-being. We launched *Kirin ×FANCL Non-alcoholic Chu-hi Hyo-Rei Calolimit® Lemon* and *Kirin ×FANCL Non-alcoholic Chu-hi Hyo-Rei Calolimit®Grapefruit*, "foods with functional claims" that suppress the body's absorption of sugar and fat in meals, and *Kirin ×FANCL BASE Peach & Pomegranate*, a beverage for people who are concerned about health and beauty. Both of these products have been well-received for their health functions and ingredients that take advantage of the strengths of both companies.



Our second jointly-developed soft drink product will be launched in April 2021: *Kirin ×FANCL Daily Amino Water*, a beverage that caters to health needs through its amino acids. Going forward, the Kirin Group and FANCL will continue to create new value in a variety of fields through collaboration, in order to contribute to achieving sustainable growth.

- **Community engagement**



Maintaining the production of Japanese hops and revitalizing rural communities

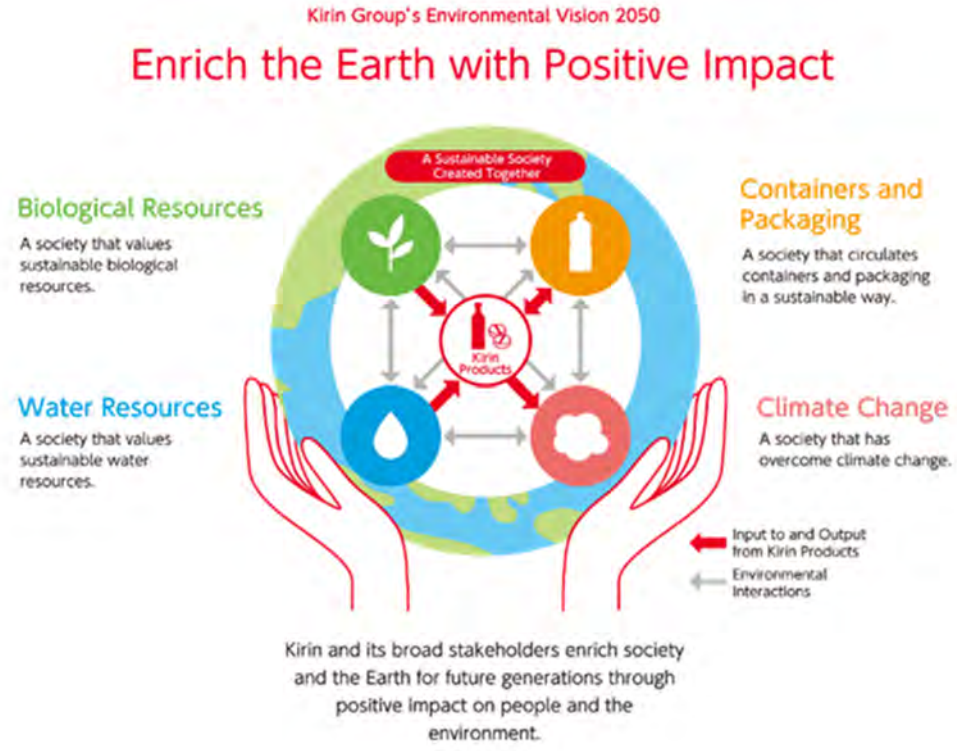
To maintain a steady supply of hops - one of the most important raw materials for beer - and to revitalize rural communities in Japan, we are deepening our efforts to work with these residents, especially in Tōno City in Iwate Prefecture and Yokote City in Akita Prefecture, both of which are leading hop-producing areas.

In 2020, we have taken on new challenges, such as boosting the Japanese domestic tourism business through offering increased accessibility. In Japan, Tōno City is a tourist destination in known for its "Beer Village" where people can experience hop harvesting, to brewing, then to beer tasting. However, Tōno City (among others) has been negatively affected by COVID-19 and visitors have dropped dramatically. Kirin's online tourism efforts allow people to experience Tōno's hop industry from anywhere in the country, even under COVID-19 restrictions, in addition to promoting online sales of local specialties - as opposed to the usual practice of having to go to the area to buy them.

- **The Environment**



In February 2020, Kirin Holdings formulated the *Kirin Group Environmental Vision 2050*, a major revision of our previous goals. We will lead in solving the environmental issues in our society by promoting initiatives to "Enrich the Earth with Positive Impact."



Some of the initiatives include:

1. Containers and Packaging

Addressing plastic waste, starting a joint project with Mitsubishi Chemical Corporation

The *Kirin Group Plastics Policy* was formed to address the issue of plastic waste. In it, Kirin Holdings has set a goal of using 50% recycled resin in its PET bottles by 2027.

In December 2020, we launched a joint project with Mitsubishi Chemical Corporation to study and commercialize technologies to chemically recycle PET bottle plastic that is more efficient than current methods. By combining the knowledge of both companies, we aim to set up a continuous "cycle of recycling."

2. Climate Change

Initiatives to Reduce GHG at Factories

In February 2021, Kirin Brewery will introduce solar power generation using the PPA model[*2] at four of its plants (Sendai, Nagoya, Shiga and Kobe) in order to promote business operations using renewable energy. In addition, the Nagoya Plant will switch to 100% renewable energy from 2021, thereby reducing GHG[*3] emissions from purchased electricity to zero.

Going forward, we will continue to promote the introduction of renewable energy at all Kirin Group business sites, with the aim of replacing 100% of the electricity used in Kirin Group operations with renewable energy by 2040 and swiftly achieving RE100[*4]. In addition, the medium-term GHG reduction target we have set for the Kirin Group as a whole has been certified under the new SBT[*5] standard of 1.5°C target, an international environmental goal. Under these strategies, we will work to ensure that we lead the way in building a decarbonized society.

*2 PPA: Power Purchase Agreement. PPA model is a business model through which the PPA supplier installs solar power generation equipment on the end user's premises or facility rooftop free of charge, and the power generated is then sold to the end user.

*3 Greenhouse Gases.

*4 An international environmental initiative consisting of companies that aim to use 100% renewable energy for electricity.

*5 Greenhouse gas emission reduction targets set by companies for 5 to 15 years in the future, consistent with the levels required by the Paris Agreement (which aims to limit the global temperature increase to well below 2 degrees Celsius above pre-industrial levels and to limit it to 1.5 degrees Celsius).

3. Disclosure based on TCFD recommendations

The Kirin Group became the first company in the Japanese food industry to endorse the TCFD (Task Force on Climate-related Financial Disclosure) in 2018. In 2018 and 2019, we will use scenario analysis to assess the future impact of climate change on agricultural yields, water risks such as flooding and water stress in agricultural production areas, domestic manufacturing bases and distribution routes, and the impact of carbon pricing on our business. We will also assess these climate change-related impacts into the future.

For 2020, we have also analyzed the risks and business opportunities of infectious diseases and heat stroke. We will continue to discuss the business impact of climate change in our corporate governance system[*5].

*6 For details please refer to the following pages.

(2) Future Challenges

With the spread of the COVID-19, society, the economy, and people's lives around the world are undergoing drastic changes, and values are changing dramatically. The path forward for the Kirin Group is to accelerate CSV management. As initiatives for Health and Well-being, Community Engagement, and the Environment become even more important, the Kirin Group believes that its mission is to accelerate its efforts to solve social issues without wavering from the direction it has set in KV2027; that is to be "A global leader in CSV, creating value across the world of Food & Beverages to Pharmaceuticals."

In 2021, we will seize the changes in the environment that have become increasingly apparent due to the effects of COVID-19 as an opportunity for new growth, and implement bold reforms in the business models and profit structures of each of our businesses. We will expand our business domains into the three areas of Food & Beverages, Pharmaceutical, and Health Sciences, and while strongly promoting globalization. Doing so, we will further strengthen the flexibility, diversity, and governance of our management in order to solidify the sustainable growth of the Kirin Group.

In light of COVID-19, we will review the quantitative targets set in the 2019MTBP, but we will maintain financial discipline to ensure positive free cash flow after dividends, after making the necessary investments to maintain and grow key functions in each business. We will also work to ensure the achievement of the various targets of our CSV Commitment[*1].

We will also establish and implement a medium- to long-term vision and priority issues for the quality assurance/SCM[*2]/engineering systems that support the *monozukuri* (Japanese craftsmanship) of Kirin Group companies.

*1 In order to achieve the long-term and non-financial target of KV2027, also called "CSV Purpose," Kirin Holdings has set out the details of activities to be undertaken in the medium- and long-term future targets for each of its businesses, which have been set as non-financial targets for the 2019MTBP. By achieving these goals, the Kirin Group will create social value as well as economic value by strengthening its competitiveness and by growing its business.

*2 SCM is an abbreviation for Supply Chain Management, and refers to the efficient construction and management of the supply chain for the procurement of raw materials, production at factories, supply and demand of products, and distribution.

Results forecast for the next fiscal year

Consolidated revenue
¥1,880.0 billion (up 1.6% compared to the previous fiscal year)

Consolidated normalized operating profit
¥180.0 billion (up 11.0% compared to the previous fiscal year)

Consolidated profit before tax
¥177.0 billion (up 42.1% compared to the previous fiscal year)

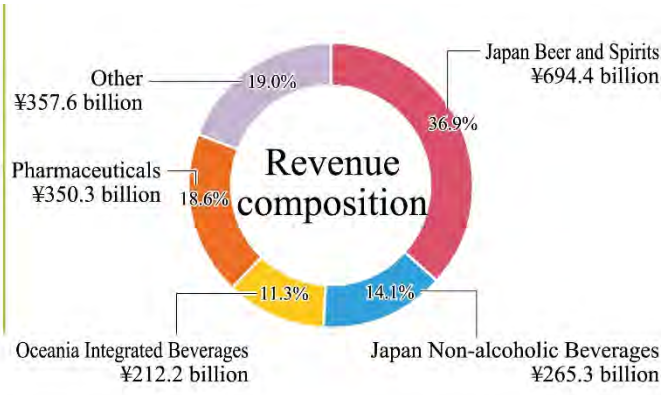
Profit attributable to owners of the Company
¥103.0 billion (up 43.2% compared to the previous fiscal year)

Key performance indicators

Financial targets

Normalized EPS
¥147 (up 8.1% compared to the previous fiscal year)

ROIC 7.6%



1. Establishment and development of the Health Science Domain

As COVID-19 continues to grow around the world, interest in and expectations for the Health Science domain are increasing.

The Kirin Group has a track record of successfully launching pharmaceutical businesses in addition to its food and beverage businesses, utilizing the fermentation and biotechnology that it has cultivated since the founding of its beer business. We believe that the Kirin Group's raison d'etre is to continue to make the most of this technology, to develop the Health Science domain in addition to the Food & Beverages and Pharmaceuticals domains, and to solve social issues through collaboration among these three domains.

In order to achieve this goal, we will create group synergies in a variety of areas, including research and product development, production technology, and sales channels, by combining the strengths of the following, as well as by collaborating with operating companies.

- Kirin Holdings - basic research of original health materials and oversee Group companies,
- Kyowa Hakko Bio - research and development, production technology for low-cost mass production of highly functional ingredients,
- Kirin Beverage - beverage product development, manufacturing and sales network,
- FANCL - high product quality and marketing backed by research, and
- Kyowa Kirin - research based on antibody technology and accumulated knowledge cultivated over 70 years.



In 2021, we will make further use of materials that have evidence of health-related functions. In particular, we will give top priority to the widespread use and penetration of plasma lactic acid bacteria, and in addition to product sales from Kirin Group companies, we will provide Lactococcus lactis strain Plasma as a material to companies in Japan and overseas to accelerate business expansion. We will utilize Kyowa Hakko Bio's highly functional materials such as amino acids, HMOs and citicoline, and develop services that address individual health and well-being issues. In order to expand this value, collaboration with FANCL is essential, and we will further evolve the collaborative efforts we made last year to resolve unmet needs in the world that only the Kirin Group and FANCL can solve.

In addition, we will continue to search for new businesses and pursue corporate venture capital (CVC)[*3] to solve social issues related to the health of its consumers, focusing on the three key domains of Immunity, Brain function, and Intestinal environment.

*3 It has been used for many years in many countries around the world as a treatment for brain diseases and in health foods to support the improvement of cognitive function. In Japan, it is currently classified as a pharmaceutical product.

*4 CVC refers to the investment of corporate funds directly in external startup companies.

2. Profit growth in existing businesses

In order to promote new business areas, existing businesses must be solid. In the Food & Beverages domain, the Kirin Group will further promote the development and reinforcement of its brands to build a strong revenue base and take on the challenge of creating new business models. In the Pharmaceuticals domains, the Group will steadily strengthen its foundation as a global specialty pharmaceutical provider.

Kirin Brewery will strengthen its mainstay brands such as *KIRIN ICHIBAN* and *Honkirin* in the beer category, and in the RTD category and non-alcoholic beverages category, it will propose products that cater to health and well-being consciousness and provide high value-added products and services for our customers.

Kirin Beverage will drive growth to address consumer demands for no- and low-sugar, low-calorie products and products with positive health effects in a variety of products, and will contribute to value creation in the Health Science domain. We will also accelerate the introduction of environmentally friendly containers and packaging, especially for the *Kirin Nama-cha* brand. As *Kirin Gogo-no-Kocha* celebrates its 35th anniversary, Kirin Beverage will strengthen the brand further by increasing the number of touchpoints with customers.

Lion will continue to invest and strengthen its major brands as well as achieve additional growth through craft beer and hard seltzer[*5]. In addition, Lion has a strong program of productivity gains through the use of technology, optimization of its supply chain and a leaner operating model.

*5 Hard seltzer is carbonated water with alcohol. The alcohol is usually derived from sugar cane, fruit juice, and other ingredients. It also has an alcohol content of around 3-5%. It is characterized by its low calorie content compared to other alcoholic beverages and soft drinks, and its market has been growing in recent years, especially in the United States.

Mercian will revitalize the wine market by expanding its market share and reforming its profit structure, and foster Japan wine culture through initiatives at Château Mercian.

Myanmar Brewery will continue to strengthen the expanding off-premise market.

Coke Northeast will continue to strengthen its sales capabilities and improve operational efficiency to further enhance its presence and profitability in the carbonated beverage market, and focus on strengthening its management base by improving operational quality.

Kyowa Kirin has announced a new five-year mid-term business plan commenced in 2021, aiming to achieve growth by maximizing the value of its global products. In the midst of rapid globalization, Kyowa Kirin will also work to strengthen its quality assurance, SCM systems, and head office functions to ensure a stable supply of pharmaceuticals. In order to respond to new changes in society's therapeutic needs, Kyowa Kirin will consider how to take advantage of the opportunities that arise from interactions between the Pharmaceuticals domain and the Health Sciences domain.

3. Strengthening Organizational capabilities

To reinforce organizational capabilities that will drive growth, in 2021, the Kirin Group will promote quality assurance/SCM, work satisfaction, and DX[*6] Initiatives in all businesses, where issues have become apparent.

*6 DX is an abbreviation for Digital Transformation. To make better changes in people's lives through the adoption of advanced digital technologies.

- **Quality Assurance/SCM Initiatives**

As our business domains further expand, we must build a quality assurance and SCM system that enables us to develop and deliver safe, high-quality products and services to our customers. Based on the experience and technology with the premise of "quality first" - which has been in the Kirin Group DNA since its founding - the Kirin Group will make group-wide efforts to deliver safety and reliability at all times. In particular, the Kirin Group will focus on improving the level of quality assurance and building a production system in the Health Science domain, and developing quality assurance and SCM systems in the rapidly expanding Pharmaceuticals domain.

- **Work Satisfaction Reforms**

The Kirin Group will further promote the Work Satisfaction reforms launched last year, and work to improve productivity, creativity, and personal fulfillment that will lead to the sustainable growth of the Group by helping each employee feel satisfied with his or her work.

Specifically, we will continuously review the content of employees' duties itself by improving the environment based on the four pillars of 1) choice of work location, 2) expansion of systems/IT tools, 3) expansion of systems related to work methods, and 4) new communication methods. We will also continue to train marketing personnel for the Kirin Group, create a place where diverse human resources can play an active role and foster an organizational culture that encourages challenges.

- **Promoting DX (Digital Transformation)**

To ensure sustainable future growth, the Kirin Group will accelerate DX initiatives to solve the issues faced by Group management and each business. For example, we will significantly improve operational efficiency by transforming current business processes, create deeper contact with customers, and develop new business models to meet customer needs.

In promoting DX, we will recruit and train human resources from both inside and outside the company. We will also promote robust security to ensure safe business operations, and implement security measures in anticipation of global expansion.

Respect for Human Rights and Myanmar

Recognizing that respect for human rights is the foundation of all its business activities, the Kirin Group is working to support the utmost respect for human rights based on the Kirin Group Human Rights Policy, which complies with the United Nations Guiding Principles on Business and Human Rights.

Kirin Holdings decided to invest in Myanmar in 2015, believing that, through our business, we could

contribute positively to the people and the economy of the country as it entered an important period of democratization. Our aspiration was and remains to create a positive impact on Myanmar's economy and society through our operations at Myanmar Brewery Limited and Mandalay Brewery Limited.

Kirin Holdings has been monitoring the situation in Myanmar closely with great concern and is deeply concerned by the recent actions of the military in Myanmar, which are against our standards and Kirin Group Human Rights Policy. Given the current circumstances, we have no option but to terminate our current joint-venture partnership with Myanma Economic Holdings Public Company Limited, which provides the service of welfare fund management for the Myanmar military.

Kirin Holdings is keenly aware of its corporate and social responsibilities related to doing business in Myanmar and will be taking steps as a matter of urgency to put this termination into effect.

In Closing

Finally, the Kirin Group believes that it should do more to find opportunities amidst the global upheaval of climate change and a once-in-a-century pandemic. We think it is important to continue to innovate across domains through effective synergies inherent in the Group to achieve our purpose. Global warming not only affects crops and can cause natural disasters, but it is also said to have the potential to cause outbreaks and epidemics of infectious diseases, which could be a threat to humanity.

In addition to these the environment and health and well-being initiatives, we aim to achieve further growth by evolving our CSV management, aiming to achieve a CSV-purpose that addresses social issues such as a responsible alcohol producer, and community engagement. Through these initiatives, we will continue to enhance our corporate value and increase our engagement with our various stakeholders.

Reflecting on the previous year's achievements and future possibilities, the Kirin Group hopes you are also proud of our progress and more optimistic about the opportunities that lie ahead. We look forward to your continued understanding and support.

(3) Assets and income

Item	179th term (FY2017)	180th term (FY2018)	181st term (FY2019)	182nd term (FY2020)
Revenue	¥1,863,730 million	¥1,930,522 million	¥1,941,305 million	¥1,849,545 million
Normalized operating profit	¥194,609 million	¥199,327 million	¥190,754 million	¥162,115 million
Profit before tax	¥233,711 million	¥246,852 million	¥116,823 million	¥124,550 million
Profit attributable to owners of the Company	¥241,991 million	¥164,202 million	¥59,642 million	¥71,935 million
Basic earnings per share	¥265.17	¥183.57	¥68.00	¥85.57
Total equity	¥1,218,473 million	¥1,191,418 million	¥1,146,825 million	¥1,095,939 million
Equity per share attributable to owners of the Company	¥1,037.87	¥1,032.55	¥1,043.57	¥1,005.96
Total assets	¥2,398,572 million	¥2,303,624 million	¥2,412,874 million	¥2,459,363 million

(Notes) 1. The Company's consolidated financial statements are prepared based on International Financial Reporting Standards (IFRS).

2. The Company has retroactively adjusted the tax effects on intangible assets acquired through business combination in the 179th and 180th terms as a result of a change in accounting policy in the 181st term.

(4) Plant and equipment investment

Consolidated plant and equipment investment for this fiscal year amounted to ¥45.5 billion on a payment basis.

The major facilities completed during this fiscal year and under construction or contemplation as of the end of the term to be reported are as followings:

1) The major facilities completed during this fiscal year

No matters to report under this term.

2) The major facilities under construction or contemplation as of the end of the term

Business division	Company name	Details of plant and equipment investment
Pharmaceuticals	Kyowa Kirin Company, Limited	(Takasaki Plant) Construction of New Quality Building

(5) Financing

The aggregate amount of loans payable, including bonds, was ¥642.6 billion as of the end of this fiscal year.

Major financing during this fiscal year was the issue of unsecured bonds (including Green Bonds*) by the Company for the total amount of ¥60 billion.

* Bonds issued to raise funds for environmental projects.

(6) Description of the major businesses

The Kirin Group's major businesses are the production and sale of alcoholic beverages including beer, happo-shu, new genre, wine, western spirits, etc. and non-alcoholic beverages, pharmaceuticals and health food products, and other products. Major products by business division are as described on Pages 38 to 42 of "(1) Result of business operations".

(7) Significant subsidiaries, etc.

1) Significant subsidiaries

Business division	Company name	Location	Capital	Ratio of shareholding	Description of major businesses
Japan Beer and Spirits	Kirin Brewery Company, Limited	Nakano-ku, Tokyo	¥30,000 million	100%	Production and sale of alcoholic beverages
Japan Non-alcoholic Beverage	Kirin Beverage Company, Limited	Chiyoda-ku, Tokyo	¥8,417 million	100%	Production and sale of non-alcoholic beverages
Oceania Integrated Beverage	Lion Pty Limited	New South Wales, Australia	A$7,531 million	100%	Management of alcoholic beverages and non-alcoholic beverages business in Oceania
Pharmaceuticals	Kyowa Kirin Company, Limited	Chiyoda-ku, Tokyo	¥26,745 million	53.5%	Production and sale of prescription medicine

Business division	Company name	Location	Capital	Ratio of shareholding	Description of major businesses
Others	Mercian Corporation	Nakano-ku, Tokyo	¥3,000 million	100%	Import, production and sale of alcoholic beverages
	Kyowa Hakko Bio Company, Limited	Chiyoda-ku, Tokyo	¥10,000 million	100% (5%)	Production and sale of pharmaceutical materials, various amino acids, health food products
	Myanmar Brewery Limited	Yangon, Myanmar	K16,207 million	51.0% (51.0%)	Production and sale of beer
	Coca-Cola Beverages Northeast, Inc.	New Hampshire, U.S.	U.S. $930 thousand	100%	Production and sale of non-alcoholic beverages

(Note) The number in brackets of the ratio of shareholding means indirect holdings ratio.

2) Significant affiliated companies

Business division	Company name	Location	Capital	Ratio of shareholding	Description of major businesses
Others	FANCL CORPORATION	Yokohama	¥10,795 million	30.3%	Production and sale of cosmetics and health food products
	San Miguel Brewery Inc.	Metro Manila, the Philippines	₱15,410 million	48.4%	Production and sale of beer
	China Resources Kirin Beverages (Greater China) Company, Limited	British Virgin Islands	U.S. $1,000	40.0%	Management of non-alcoholic beverages business in China

(8) Major business offices, plants, etc.

1) Kirin Holdings Company, Limited

Head Office: 10-2, Nakano 4-chome, Nakano-ku, Tokyo, Japan
Laboratories: 3 Laboratories including Institute for Future Beverages (Yokohama)

2) Subsidiaries

Business division	Company name	Major centers	
Japan Beer and Spirits	Kirin Brewery Company, Limited	Head Office	Nakano-ku, Tokyo
		Branch Offices	10 Regional Sales & Marketing Divisions including Metropolitan Regional Sales & Marketing Division (Chuo-ku, Tokyo)
		Plants	9 Plants including Yokohama Plant (Yokohama)
Japan Non-alcoholic Beverage	Kirin Beverage Company, Limited	Head Office	Chiyoda-ku, Tokyo
		Branch Offices	7 Area Divisions including Kanto Metropolis Area Division (Chiyoda-ku, Tokyo)
		Plants	Shonan Plant (Samukawa-machi, Koza-gun, Kanagawa), Shiga Plant (Taga-cho, Inukami-gun, Shiga)
Oceania Integrated Beverage	Lion Pty Limited	Head Office	New South Wales, Australia
Pharmaceuticals	Kyowa Kirin Company, Limited	Head Office	Chiyoda-ku, Tokyo
		Branch Offices	13 Branches including Tokyo Branch (Chuo-ku, Tokyo)
		Plants	Takasaki Plant (Takasaki), Ube Plant (Ube)
		Laboratories	4 Laboratories including Fuji Research Park (Nagaizumi-cho, Suntou-gun, Shizuoka)
Others	Mercian Corporation	Head Office	Nakano-ku, Tokyo
		Branch Offices	9 Branches including Metropolitan Regional Sales & Marketing Branch (Chuo-ku, Tokyo)
		Plants	6 Plants including Fujisawa Plant (Fujisawa)
	Kyowa Hakko Bio Company, Limited	Head Office	Chiyoda-ku, Tokyo
		Plants	Yamaguchi Production Center (Hofu), Healthcare Plant (Ami-machi, Inashiki-gun, Ibaraki)
		Laboratories	Research & Innovation Center (Tsukuba), Technical Research Laboratory (Hofu)
	Myanmar Brewery Limited	Head Office	Yangon, Myanmar
	Coca-Cola Beverages Northeast, Inc.	Head Office	New Hampshire, U.S.

(9) Employees

Business division	Number of employees (persons)
Japan Beer and Spirits	4,376
Japan Non-alcoholic Beverage	3,629
Oceania Integrated Beverage	5,534
Pharmaceuticals	5,423
Others	10,762
Administration	1,427
Total	31,151

（Notes） 1. The number of employees indicates the number of employees currently on duty.
2. The number of employees indicated as Administration is mainly the number of employees of the Company, which is a holding company (excluding employees seconded by the Company and including employees seconded to the Company).

(10) Significant business transfers to and from Kirin Group and acquisitions and disposals of shares of other companies

In January 2020, the Company acquired, through its subsidiary in Australia (Lion Global Craft Beverage Pty Ltd), all outstanding share of New Belgium Brewing, a US company.

(11) Major lenders and the amount of loans

Lender	Outstanding amount of loan
Syndicated loans	¥103,506 million
MUFG Bank, Ltd.	¥59,781 million

(Note) The syndicated loans consist of those arranged by MUFG Bank, Ltd., Mizuho Bank, Ltd. or The Norinchukin Bank as the agent bank.

(12) Other important matters concerning business operations

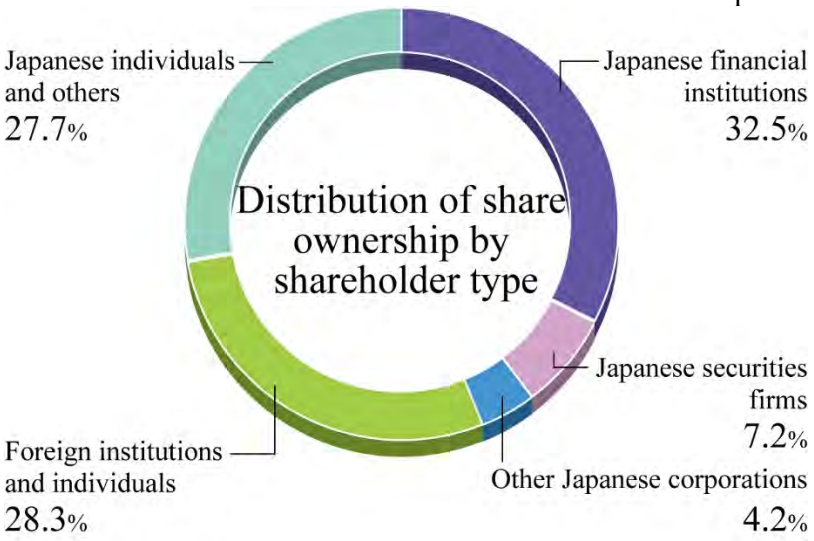
In November 2020, a subsidiary of Lion Pty Limited (Kirin Foods Australia Holdings Pty Ltd), has concluded a share transfer agreement to transfer all of its shares in Lion Dairy and Drinks Pty Ltd to Bega Cheese Limited., an Australian company, and transferred such shares in January 2021.

2. Shares

(1) Authorized shares 1,732,026,000 shares

(2) Outstanding shares 914,000,000 shares
(No change from the end of the previous fiscal year)

(3) Number of shareholders 199, 913 persons
(Increased by 26,249 persons from the end of the previous fiscal year)



(4) Major shareholders (top ten)

Name of shareholder	Number of shares held by the shareholder (thousand shares)	Ratio of shares held (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	84,408	10.1
Custody Bank of Japan, Ltd. (Trust account)	47,561	5.7
Meiji Yasuda Life Insurance Company	32,996	3.9
JP MORGAN CHASE BANK 385632	30,835	3.6
Custody Bank of Japan, Ltd. (Trust account 7)	17,676	2.1
Custody Bank of Japan, Ltd. (Trust account 4)	17,213	2.0
SMBC Nikko Securities Inc.	16,665	1.9
Custody Bank of Japan, Ltd. (Trust account 5)	13,512	1.6
STATE STREET BANK WEST CLIENT TREATY 505234	12,937	1.5
JPMorgan Securities Japan Co., Ltd.	12,826	1.5

(Notes) 1. The Company holds 79, 997,000 shares of treasury stock but has been excluded from the above major shareholders.
2. Ratio of shares held excludes treasury stock.
3. Number of shares held by the shareholder and ratio of shares held are indicated by omitting fractions.

3. Company's Directors of the Board and Audit & Supervisory Board Members

(1) Names of Directors of the Board and Audit & Supervisory Board Members, etc.

Title	Name	Responsibilities	Significant positions concurrently held at other companies and organizations
President & Chief Executive Officer	Yoshinori Isozaki	–	–

Title	Name	Responsibilities	Significant positions concurrently held at other companies and organizations
Representative Director Senior Executive Vice President	Keisuke Nishimura	Responsible for Business Alliance and Investment Strategy; Overseas Business; Global Craft Beer Strategy	Director, Lion Pty Limited Director, San Miguel Brewery Inc. Director, China Resources Kirin Beverages (Greater China) Company, Limited Director & Vice Chairman, Myanmar Brewery Limited
Director of the Board, Senior Executive Officer	Toshiya Miyoshi	Responsible for Personnel & General Affairs Strategy	Director of the Board, Kirin Brewery Company, Limited Director, San Miguel Brewery Inc.
Director of the Board, Senior Executive Officer	Noriya Yokota	Responsible for Financial Strategy; IR; IT Strategy; Business Process Re-engineering	Director, Kyowa Kirin Co., Ltd. Director, Kirin Business System Company, Limited
Director of the Board, Senior Executive Officer	Noriaki Kobayashi	Responsible for R&D Strategy; Quality Assurance	Director, Kyowa Hakko Bio Co., Ltd.
Director of the Board	Shoshi Arakawa	Chairman of the Nomination & Remuneration Advisory Committee	Outside Audit & Supervisory Board Member, Nikkei Inc.
Director of the Board	Masakatsu Mori	Chairman of the Board	Senior Advisor, International University of Japan Outside Director, STANLEY ELECTRIC CO., LTD. Outside Director, YAMATO HOLDINGS CO., LTD. External Statutory Auditor, FAST RETAILING CO., LTD.

Title	Name	Responsibilities	Significant positions concurrently held at other companies and organizations
Director of the Board	Hiroyuki Yanagi	–	Chairman and Representative Director, Yamaha Motor Co., Ltd. Outside Director, AGC Inc.
Director of the Board*	Chieko Matsuda	–	Professor, Faculty of Economics and Business Administration, Tokyo Metropolitan University Professor, Graduate School of Management, Tokyo Metropolitan University Outside Independent Director, Foster Electric Company, Limited Outside Director, IHI Corporation
Director of the Board*	Noriko Shiono	–	President, Widex Japan
Director of the Board*	Rod Eddington	–	Chairman, Independent Non-Executive Director of Lion Pty Ltd. Outside Director, John Swire & Sons (Australia) Pty Ltd. Outside Director, CLP Holdings Limited
Director of the Board*	George Olcott	–	Outside Director, DENSO CORPORATION Outside Director, Dai-ichi Life Holdings, Inc.

Title	Name	Responsibilities	Significant positions concurrently held at other companies and organizations
Standing Audit & Supervisory Board Member	Akihiro Ito	–	Audit & Supervisory Board Member, Kyowa Hakko Bio Co., Ltd.
Standing Audit & Supervisory Board Member	Keiji Kuwata	–	Audit & Supervisory Board Member, Kyowa Kirin Co., Ltd.
Audit & Supervisory Board Member	Nobuo Nakata	–	Representative Partner, Hibiya-Nakata Outside Audit & Supervisory Board Member, NEC Corporation
Audit & Supervisory Board Member	Yoshiko Ando	–	Outside Director, Sansei Technologies, Inc. Outside Director, JFE Holdings, Inc.
Audit & Supervisory Board Member*	Kaoru Kashima	–	Outside Audit & Supervisory Board Member, Nippon Telegraph and Telephone Corporation External Director, Sumitomo Mitsui Trust Bank, Limited

(Notes) 1. Director of the Board and Audit & Supervisory Board Member marked with an asterisk (*) newly assumed office as of March 27, 2020.

2. Mr. Shoshi Arakawa, Mr. Masakatsu Mori, Mr. Hiroyuki Yanagi, Ms. Chieko Matsuda, Ms. Noriko Shiono, Mr.

Rod Eddington, and Mr. George Olcott are Non-executive Directors.

3. Mr. Nobuo Nakata, Ms. Yoshiko Ando, and Ms. Kaoru Kashima are Audit & Supervisory Board Members.
4. Business relations involving IT outsourcing, etc. exist between the Company and NEC Corporation, where Audit & Supervisory Board Member Mr. Nobuo Nakata holds a significant position concurrently.
5. Standing Audit & Supervisory Board Member Mr. Akihiro Ito held the position of Director of the Board responsible for Group Financial Strategy at the Company and has a wealth of expertise in finance and accounting.
6. Audit & Supervisory Board Member Ms. Kaoru Kashima is qualified as a certified public accountant, has served as a manager of an auditing firm, and has a wealth of expertise in finance and accounting.
7. Directors of the Board Mr. Shoshi Arakawa, Mr. Masakatsu Mori, Mr. Hiroyuki Yanagi, Ms. Chieko Matsuda, Ms. Noriko Shiono, Mr. Rod Eddington and Mr. George Olcott, and Audit & Supervisory Board Members Mr. Nobuo Nakata, Ms. Yoshiko Ando, and Ms. Kaoru Kashima are independent officers as required by the provisions that Tokyo Stock Exchange, Inc., etc. prescribes.
8. Director of the Board and Audit & Supervisory Board Members listed below resigned as of March 27, 2020.

Director of the Board	Mr. Katsunori Nagayasu
Audit & Supervisory Board Member	Ms. Chieko Matsuda

9. The Company adopts an executive officer based system. Senior Executive Vice President and Senior Executive Officers who are not concurrently assuming the position of Director of the Board are as follows.

Title	Name	Responsibilities	Significant positions concurrently held at other companies and organizations
Senior Executive Vice President	Hiroshi Ogawa	PR Strategy Risk Management Legal	Director of the Board, Kirin Brewery Company, Limited
Senior Executive Officer	Ryosuke Mizouchi	CSV Strategy North America Beer Business	Director, Lion Pty Limited Director, Mercian Corporation Director, Coca-Cola Beverages Northeast, Inc.
Senior Executive Officer	Toru Yoshimura	General Manager of Corporate Strategy Department Health Strategy Digital Strategy	Director, Kirin Beverage Company, Limited
Senior Executive Officer	Junko Tsuboi	General Manager of Strategic Branding Department Marketing Strategy Brand Strategy	Outside Director, FANCL CORPORATION
Senior Executive Officer	Masao Maehara	SCM (Production, Logistics and Procurement) Strategy	Director, Kirin Beverage Company, Limited

Title	Name	Responsibilities	Significant positions concurrently held at other companies and organizations
Senior Executive Officer	Takayuki Fuse	–	President and CEO, Kirin Brewery Company, Limited
Senior Executive Officer	Hideki Horiguchi	–	President and CEO, Kirin Beverage Company, Limited
Senior Executive Officer	Takeshi Minakata	–	President and CEO, Kyowa Hakko Bio Co., Ltd.

(2) Remuneration, etc. to Directors of the Board and Audit & Supervisory Board Members

1) Amount of Remuneration, etc. to Directors of the Board and Audit & Supervisory Board Members for this fiscal year

Officer type		Total amount of remuneration, etc. (millions of yen)	Total amount (millions of yen) of remuneration by type and number of persons							
			Fixed Remuneration		Performance-Linked Remuneration					
			Monetary remuneration						Non-monetary remuneration	
			Basic remuneration		Bonuses		Performance-linked and stock-price-linked remuneration (Phantom Stock Plan)		Trust-type stock compensation	
			Amount	Number of persons	Amount	Number of persons	Amount	Number of persons	Amount	Number of persons
Directors of the Board (excluding Non-executive Directors)		389	265	5	107	5	—	—	17	5
Audit & Supervisory Board Members (excluding Non-standing Audit & Supervisory Board Members)		71	71	2	—	—	—	—	—	—
Non-executive Officers	Non-executive Directors	110	110	8	—	—	—	—	—	—
	Non-standing Audit & Supervisory Board Members	51	51	4	—	—	—	—	—	—
Total		622	498	19	107	5	—	—	17	5

(Notes)
1. Twelve (12) Directors of the Board and five (5) Audit & Supervisory Board Members remain in their positions as of the end of this fiscal year. The amounts above include the remuneration to one (1) Director of the Board and one (1) Audit & Supervisory Board Member who resigned from office as of March 27, 2020.
2. Director of the Board Ms. Chieko Matsuda assumed office as Director of the Board after she resigned from Audit & Supervisory Board Member as of March 27, 2020. For the number of persons and the amount, she was included in Audit & Supervisory Board Members during her term of office as Audit & Supervisory Board Member and in Directors of the Board during her term of office as Director of the Board.
3. The remuneration limit for Directors of the Board (basic remuneration, bonus and Performance-linked and stock-price-linked remuneration (Phantom Stock Plan)) is ¥950 million per year (Resolved at the 178th Ordinary General Meeting of Shareholders on March 30, 2017 and the 181st Ordinary General Meeting of Shareholders on March 27, 2020). In addition to this, the remuneration limit regarding the Trust-type stock compensation for Directors of the Board excluding Non-executive Directors is ¥600 million per year (Resolved at the 181st Ordinary General Meeting of Shareholders on March 27, 2020).
4. The remuneration limit for Audit & Supervisory Board Members is ¥130 million per year (Resolved at the 178th Ordinary General Meeting of Shareholders on March 30, 2017).
5. The above bonus is the amount expected to be paid.
6. There were no directors or officers to whom the above performance-linked and stock-price-linked remuneration were applicable (Phantom Stock Plan).
7. The amount recorded as expenses during this fiscal year for Board Incentive Plan (BIP) Trust is listed as the total amount of trust-type stock compensation.

2) Remuneration policies, etc.

[Basic policy on remuneration for officers]

The Company's basic policy on remuneration for officers is as follows.

1) The Company shall establish a remuneration structure that emphasizes the linkage of remuneration with business performance and medium- to long-term corporate value and share value with the shareholders.
2) Remuneration levels shall be appropriate for the roles and responsibilities of the Kirin Group's officers.
3) Remuneration shall be deliberated by the Nomination & Remuneration Advisory Committee, in which Non-executive Directors constitute a majority, in order to ensure objectivity and transparency.

[Composition of remuneration and mechanism for linkage to performance]

The composition of remuneration and mechanism for linkage to performance for officers for the current fiscal year are as follows.

In order to encourage awareness of achieving short-term performance targets and enhancing medium- to long-term corporate value, remuneration for Directors of the Board is composed of three parts: basic remuneration which is the fixed remuneration, and bonus and trust-type stock compensation[*1, 2] which are the performance-linked remunerations[*3].

Performance evaluation indicators for bonuses are the Company's consolidated normalized operating profit and individual performance evaluation indicators. The amount paid ranges from 0%-200% where 100% indicates the achievement of targets.

Performance evaluation indicators for trust-type stock compensation are normalized EPS, ROIC and non-financial indicators, which are the main performance indicators set in the Medium-Term Business Plan, and the non-financial indicators are determined based on a comprehensive evaluation of achievements of CSV commitment. The performance evaluation indicators are determined in the range of 50%-150% depending on the degree of achievement of the targets for each fiscal year. Shares are granted to the Directors of the Board approximately 2 years after the performance evaluation indicators for each fiscal year are finalized. This will encourage continuous management efforts and motivate share price

improvements during the period.

*1 Mitsubishi UFJ Trust and Banking Corporation's Board Incentive Plan Trust
*2 A performance-linked and stock-price-linked remuneration system (Phantom Stock Plan) with an equivalent evaluation scheme shall apply to those who are non-residents in Japan and are not subject to the trust-type stock compensation system.
*3 Non-executive Directors assume a role to monitor and advise the management of the Company and the Kirin Group as a whole from an objective point of view, and Audit & Supervisory Board Members assume a role to audit the execution of duties by the Directors of the Board from an objective point of view. Therefore, Non-executive Directors and Audit & Supervisory Board Members are paid only basic remuneration (fixed remuneration).

[Determination procedure]

In order to ensure fair and reasonable operation of the system in accordance with the above basic policy on remuneration for officers, remuneration for officers is deliberated by the Nomination & Remuneration Advisory Committee, of which Non-executive Directors constitute a majority and a Non-executive Director is the chair. The result of such deliberation shall be reported to the Board. With regard to specific decisions on remuneration, remuneration for Directors of the Board is determined by the Board (Provided that performance evaluation and payment amount of bonuses regarding such performance evaluation for each Director are entirely left to the President & Chief Executive Officer), and remuneration for Audit & Supervisory Board Members is determined in consultation with Audit & Supervisory Board Members, based on the reports from the Nomination & Remuneration Advisory Committee, within the remuneration limit resolved in advance by a General Meeting of Shareholders.

(3) Major activities of Non-executive Directors and Non-standing Audit & Supervisory Board Members during this fiscal year

Title	Name	Attendance at Board Meetings	Attendance at Audit & Supervisory Board Meetings	Statements contribution
Director of the Board	Shoshi Arakawa	14 times of 14 meetings	–	He managed the Nomination & Remuneration Advisory Committee as Chairman, and he made instructive statements based on his wealth of experience and broad perspective in corporate management.
	Masakatsu Mori	14 times of 14 meetings	–	He managed the Board Meetings in an active and efficient manner as Chairman of the Board, and he made instructive statements based on his wealth of experience and broad perspective in corporate management, finance and accounting.

	Hiroyuki Yanagi	13 times of 14 meetings	–	He made instructive statements based on his wealth of experience and broad perspective in corporate management.
	Chieko Matsuda	10 times of 10 meetings	–	She made instructive statements based on her expertise in finance and corporate governance and broad perspective in corporate management.
	Noriko Shiono	10 times of 10 meetings	–	She made instructive statements based on her wealth of experience in corporate management and broad perspective in the pharmaceutical and healthcare field.
	Rod Eddington	10 times of 10 meetings	–	He made instructive statements based on his wealth of experience in global company management and broad perspective in corporate governance.
	George Olcott	9 times of 10 meetings	–	He made instructive statements based on his wealth of experience in international financial markets and broad perspective in global management and corporate governance.

Title	Name	Attendance at Board Meetings	Attendance at Audit & Supervisory Board Meetings	Statements contribution
Audit & Supervisory Board Member	Nobuo Nakata	14 times of 14 meetings	16 times of 16 meetings	He made instructive statements based on his expertise, as well as wealth of experience and broad perspective in corporate legal affairs as an attorney.
	Yoshiko Ando	14 times of 14 meetings	16 times of 16 meetings	She made instructive statements based on her highly specialized expertise, as well as wealth of experience and broad perspective in the fields of employment and labor.
	Kaoru Kashima	10 times of 10 meetings	11 times of 11 meetings	She made instructive statements based on her wealth of experience and broad perspective in audit operations and corporate management at an auditing firm.

(Notes)
1. As for the attendance at the Board Meetings of Director of the Board Ms. Chieko Matsuda, the Board Meetings applicable to her are only those held on and after March 27, 2020, the date of her assumption of office. She attended all of four Board Meetings and all of five Audit & Supervisory Board Meetings as an Audit & Supervisory Board Member, which were held prior to her resignation from the position of Audit & Supervisory Board Member as of the aforementioned date.
2. As for the attendance at the Board Meetings of the three Directors of the Board, Ms. Noriko Shiono, Mr. Rod Eddington and Mr. George Olcott, the Board Meetings applicable to them are only those held on and after March 27, 2020, the date of their assumption of office.
3. As for the attendance at the Board Meetings and the attendance at Audit & Supervisory Board Meetings of Audit & Supervisory Board Member Ms. Kaoru Kashima, the Board Meetings and Audit & Supervisory Board Meetings applicable to her are only those held on and after March 27, 2020, the date of her assumption of office.

4. Accounting Auditor

(1) Name of Accounting Auditor

KPMG AZSA LLC

(2) Remuneration to the Accounting Auditor

1)	Amount of remuneration paid for services as the Accounting Auditor during this fiscal year	170 million
2)	Total amount of money and other property benefits to be paid by the Company and its subsidiaries for services during this fiscal year	560 million

(Notes)
1. The Company's Audit & Supervisory Board has made the agreement mentioned in Article 399, Paragraph 1 of the Japanese Companies Act regarding remuneration to the Accounting Auditor. In agreeing to such remuneration, the Company's Audit & Supervisory Board has, in light of the "Guidance on Cooperation with Accounting Auditor" announced by the Japan Audit & Supervisory Board Members Association, deliberated the adequacy of the scheduled audit hours and amount of remuneration proposed for this fiscal year, by comparing the audit plans and the performance of the Accounting Auditor for the previous fiscal year and by confirming the progression of the hours of audits and the amount of remunerations.
2. The audit agreement between the Accounting Auditor and the Company does not separately stipulate audit remuneration for audit under the Japanese Companies Act or audit under the Financial Instruments and Exchange Act. Furthermore, such remuneration is practically indivisible. Hence, the remuneration referred to at 1) above does not separate these two payments.
3. The Company pays the Accounting Auditor for services including support for the Internal Control Reporting System (J-SOX), which are beyond the scope of operations stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit operations).
4. Among the significant subsidiaries of the Company, the financial statements of Lion Pty Ltd., Myanmar Brewery Limited and Coca-Cola Beverages Northeast, Inc. are audited (limited to audits stipulated in the Japanese Companies Act or the Financial Instruments and Exchange Act (including similar foreign laws)) by a certified public accountant or an auditing firm (including overseas auditors possessing similar qualifications) other than the Accounting Auditor of the Company.

(3) Policy regarding decisions to dismiss or deny reappointment of Accounting Auditor

If the Company's Audit & Supervisory Board determines that any of the items of Article 340, Paragraph 1 of the Japanese Companies Act apply with respect to the Accounting Auditor, the Audit & Supervisory Board shall dismiss the Accounting Auditor. Such dismissal shall require the unanimous agreement of all the Audit & Supervisory Board Members.

The Company's Audit & Supervisory Board will determine the content of proposals calling for the dismissal or denial of reappointment of the Accounting Auditor, which shall be submitted to the General Meeting of Shareholders if it is determined that a change of Accounting Auditor is necessary for reasons such as having difficulty in execution of duties by the Accounting Auditor as a result of a comprehensive evaluation from a perspective of qualification, expertise, independence from the Company, and other assessment standards.

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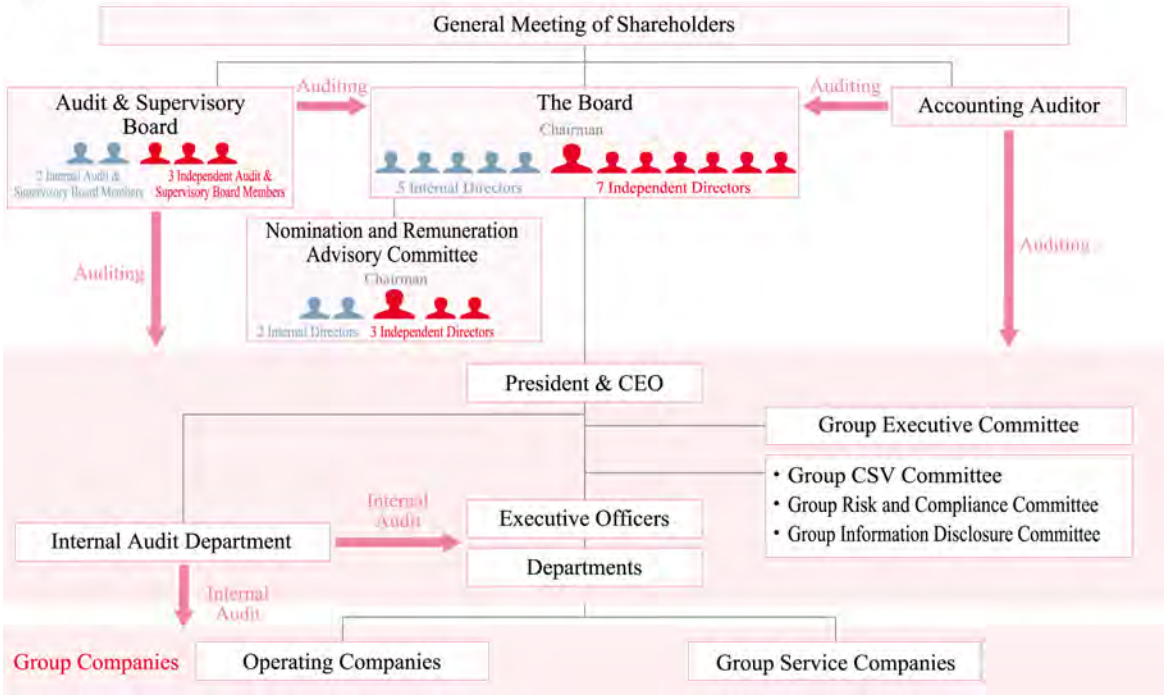
Corporate Governance System

(1) Basic Philosophy and Policy Concerning Corporate Governance

In line with the Kirin Group's corporate philosophy and "One KIRIN" Values that are shared across the Kirin Group, the Kirin Group recognizes that achieving "2027 Vision" in Long-Term Management Vision "Kirin Group Vision 2027" will lead to sustainable growth for the Group and improvement of Corporate value over the medium- to long-term, and also develops a corporate governance system that is capable of effectively and efficiently achieving this goal.

The Kirin Group recognizes that collaboration with Group's stakeholders is essential to realize "2027 Vision" based on the Kirin Group's corporate philosophy and management principles, and respect each stakeholder's position. The Kirin Group will promptly disclose information to shareholder and investors based on transparency, fairness and continuity, and will actively engage in constructive dialogue with shareholders and investors to fulfill the accountability in good faith.

<Corporate Governance Structure>



(2) Composition of the Board

Taking into account the knowledge, experience, skills and discernment that are necessary for turning the 2027 Vision into a reality, the Board of the Company is composed of the appropriate number of members, ensuring overall balance and diversity. In particular, at the 181st Ordinary General Meeting of Shareholders, the Company elected non-executive directors including two female directors and two non-Japanese directors, and changed its governance structure to have a majority of non-executive (outside) directors (five internal directors and seven non-executive (outside) directors). Through this change, the Company is striving to build a highly diverse and transparent governance system, as well as to ensure the effectiveness of objective management supervision. Currently, a non-executive director serves as Chairman of the Board.

The Board of the Company has established the Nomination & Remuneration Advisory Committee composed of a majority of non-executive directors as a voluntarily-established body. Currently the Committee is composed of two internal directors and three non-executive directors and a non-executive director serves as Chairman.

(3) Evaluation of the Effectiveness of the Board

The Company routinely evaluates the operation of the Board and the content of its discussions among others and strives to ensure the important decision-making function and the overseeing function.

In this fiscal year, the Company conducted a survey that included evaluation criteria based on the research of third-party advisors and had discussion at the Board meeting in light of the existing initiatives and improvements.

In this fiscal year, the evaluation was conducted based on the following eight evaluation criteria: (1) Composition and operation of the Board; (2) Development, execution and monitoring of strategies; (3) Supervision of risk management and crisis control; (4) Supervision of decision-making on business acquisition/withdrawal, etc.; (5) Supervision of remuneration for officers and succession plan, etc.; (6) Thorough understanding and implementation of healthy corporate ethics and supervision thereof; (7) Supervision of overall disclosures to stakeholders; and (8) Strengthening points to improve the effectiveness of the Board. The evaluation results indicated that the Board was functioning properly overall and that the effectiveness of the Board was ensured.

While recognizing the importance of efforts regarding ESG (Environment, Society and Governance), such as SDGs, and looking ahead to changes in the business environment, the Company will strive to maintain and improve the effectiveness of the Board toward enhancement of corporate value in the medium- to long-term and sustained growth through (1) discussions on the “Functional strategies required to implement the overall company strategy.”; (2) discussions on the “Disseminating and infiltration of wholesome company ethics”; (3) discussions on the “Risk management”; and (4) discussions on the “Non-financial target, such as CSV commitment”.

Reform of the Election and Dismissal Process for President & CEO

As part of its efforts to strengthen corporate governance, the Company reformed the election and dismissal process for President & CEO in this fiscal year. Specifically, in order for the Board and the Nomination and Remuneration Advisory Committee to be more deeply involved in the election and dismissal of President & CEO, and members of the Nomination and Remuneration Advisory Committee (only three Non-executive Directors) conducted strategic dialogues with President & CEO, Yoshinori Isozaki. Based on a quantitative evaluation of earnings and other factors, a qualitative evaluation was conducted from the viewpoint of whether Yoshinori Isozaki possesses the qualities necessary for the top management of the Company and whether he demonstrates the qualities appropriately. The Nomination and Remuneration Advisory Committee also reported the results of this evaluation to the Board, which led to a management decision that ensured more objectivity, timeliness and fairness in terms of the election and dismissal of President & CEO.

For the details of corporate governance of the Company, please refer to the following “Corporate Governance Policy.”

https://www.kirinholdings.co.jp/irinfo/governance/pdf/governance_policy.pdf

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(At December 31, 2020)

(¥ millions)

ASSETS	
Non-current assets	
Property, plant and equipment	521,919
Goodwill	245,709
Intangible assets	209,291
Equity-accounted investees	387,467
Other financial assets	105,740
Other non-current assets	21,162
Deferred tax assets	101,533
Total non-current assets	**1,592,821**
Current assets	
Inventories	217,176
Trade and other receivables	372,146
Other financial assets	7,948
Other current assets	33,941
Cash and cash equivalents	161,667
(Sub-total)	792,878
Assets held for sale	73,664
Total current assets	**866,542**
Total assets	**2,459,363**

EQUITY	
Share capital	102,046
Share premium	24,940
Retained earnings	980,903
Treasury shares	(201,783)
Reserves	(67,522)
Equity attributable to owners of the Company	838,584
Non-controlling interests	257,355
Total equity	**1,095,939**
LIABILITIES	
Non-current liabilities	
Bonds and borrowings	393,610
Other financial liabilities	140,343
Defined benefit liability	66,890
Provisions	4,456
Other non-current liabilities	3,408
Deferred tax liabilities	17,243
Total non-current liabilities	**625,950**
Current liabilities	
Bonds and borrowings	249,033
Trade and other payables	220,277
Other financial liabilities	63,781
Current tax liabilities	8,707
Provisions	3,961
Other current liabilities	164,692
(Sub-total)	710,451
Liabilities directly associated with assets held for sale	27,024
Total current liabilities	**737,475**
Total liabilities	**1,363,424**
Total equity and liabilities	**2,459,363**

*Amounts are rounded to the nearest ¥1 million.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(From January 1, 2020 to December 31, 2020)

(¥ millions)

Revenue	**1,849,545**
Cost of sales	**1,045,662**
Gross profit	**803,883**
Selling, general and administrative expenses	641,768
Other operating income	6,376
Other operating expenses	65,572
Operating profit	**102,919**
Finance income	5,400
Finance costs	8,521
Share of profit of equity-accounted investees	24,752
Profit before tax	**124,550**
Income tax expense	24,709
Profit	**99,842**
Profit attributable to:	
Owners of the Company	71,935
Non-controlling interests	27,907
Profit	**99,842**

*Amounts are rounded to the nearest ¥1 million.

BALANCE SHEET

(At December 31, 2020)

ASSETS	(¥ millions)
Current assets	**264,550**
Cash and time deposits	13,825
Short-term loans receivable	220,734
Other	29,990
Non-current assets	**1,704,947**
Property, plant and equipment	**17,015**
Buildings	4,647
Structures	207
Machinery and equipment	1,485
Vehicles	0
Tools, furniture and fixtures	2,834
Land	3,211
Leased assets	3,938
Construction in progress	693
Intangible assets	**46,728**
Software	5,234
Leased assets	3,088
Software in progress	38,210
Other	197
Investments and other assets	**1,641,204**
Investment securities	12,091
Shares of subsidiaries and affiliates	1,597,795
Deferred tax assets	23,221
Other	9,449
Allowance for doubtful accounts	(1,353)
Total assets	**1,969,497**

LIABILITIES	
Current liabilities	**557,025**
Short-term loans payable	345,330
Commercial paper	155,003
Bonds due within one year	40,000
Lease liabilities	2,121
Non-trade accounts payable	9,658
Accrued expenses	1,045
Income taxes payable	106
Allowance for employees' bonuses	2,054
Allowance for bonuses for directors and corporate auditors	32
Other	1,676
Non-current liabilities	**425,419**
Bonds	170,000
Long-term debt	232,135
Lease liabilities	4,986
Reserve for retirement benefits	14,535
Other	3,761
Total liabilities	**982,443**

NET ASSETS	
Shareholders' equity	**983,034**
Common stock	**102,046**
Capital surplus	**81,412**
Additional paid-in capital	81,412
Retained earnings	**1,000,995**
Legal reserve	25,511
Other retained earnings	975,484
Reserve for tax purpose reduction entry of non-current assets	162
General reserve	506,368
Retained earnings carried forward	468,954
Treasury shares	**(201,420)**
Valuation and translation adjustments	**4,020**
Net unrealized gains on securities	4,020
Total net assets	**987,054**
Total liabilities and net assets	**1,969,497**

*Amounts are rounded to the nearest ¥1 million.

STATEMENT OF INCOME

(From January 1, 2020 to December 31, 2020)

(¥ millions)

Operating revenue		
Group management revenue	49,083	
Dividend revenue from subsidiaries and affiliates	83,913	
Other	5,801	138,798
Operating expenses		
General and administrative expenses	62,113	
Other	903	63,016
Operating income		**75,782**
Non-operating income		
Interest and dividend income	1,352	
Other	1,140	2,492
Non-operating expenses		
Interest expense	2,866	
Foreign exchange losses	1,563	
Other	1,803	6,232
Ordinary income		**72,043**
Special income		
Gain on sale of property, plant and equipment and intangible assets	1,203	
Gain on sale of investment securities	1,944	
Other	467	3,614
Special expenses		
Loss on sale and disposal of property, plant and equipment and intangible assets	287	
Additional payments for employee transfer	1,032	
Other	1,894	3,212
Income before income taxes		**72,445**
Income taxes – current		(6,361)
Income taxes – deferred		(528)
Net income		**79,333**

* Amounts are rounded to the nearest ¥1 million.

Independent Auditor's Report

February 12, 2021

To the Board of Directors of
Kirin Holdings Company, Limited

KPMG AZSA LLC
Tokyo Office, Japan

Masakazu Hattori
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Masahiro Sasaki
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Yoshihiro Fujioka
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the consolidated financial statements, which comprise the CONSOLIDATED STATEMENT OF FINANCIAL POSITION, the CONSOLIDATED STATEMENT OF PROFIT OR LOSS, the CONSOLIDATED STATEMENT OF CHANGES IN EQUITY and the related notes of Kirin Holdings Company, Limited ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), as at December 31, 2020 and for the year from January 1, 2020 to December 31, 2020 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with the latter part of Article 120-1 of the Rules of Corporate Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the latter part of Article 120-1 of the Rules of Corporate Accounting that

prescribes some omissions of disclosure items required by International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with the latter part of Article 120-1 of the Rules of Corporate Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The selection and application of audit procedures depends on the auditor's judgement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with the latter part of Article 120-1 of the Rules of Corporate Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board

regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company and its subsidiaries which are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:
The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act for the conveniences of the reader.

Independent Auditor's Report

February 12, 2021

To the Board of Directors of
Kirin Holdings Company, Limited

KPMG AZSA LLC
Tokyo Office, Japan

Masakazu Hattori
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Masahiro Sasaki
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Yoshihiro Fujioka
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the financial statements, which comprise the BALANCE SHEET, the STATEMENT OF INCOME, the STATEMENT OF CHANGES IN NET ASSETS and the related notes, and the supplementary schedules ("the financial statements and others") of Kirin Holdings Company, Limited ("the Company") as at December 31, 2020 and for the year from January 1, 2020 to December 31, 2020 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and Others* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Financial Statements and Others

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for

such internal control as management determines is necessary to enable the preparation of financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and Others

Our objectives are to obtain reasonable assurance about whether the financial statements and the supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the supplementary schedules.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The selection and application of audit procedures depends on the auditor's judgement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements and the supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the supplementary schedules, including the disclosures, and whether the financial statements and the supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

Audit & Supervisory Board Members' Report

We the Audit & Supervisory Board Members of the Company, based on the audit reports prepared by each Audit & Supervisory Board Member regarding the performance of duties by the Directors of the Board during the 182nd business year from January 1, 2020, to December 31, 2020, prepared this audit report upon deliberation and hereby report as follows:

1. Audit Methods by Audit & Supervisory Board Members and the Audit & Supervisory Board and its Details

(1) The Audit & Supervisory Board established audit policy of this term, planning of audits, etc., and received reports from each Audit & Supervisory Board Member regarding the state of implementation of his or her audits and results thereof, as well as received reports from the Directors of the Board, etc., and the Accounting Auditor regarding performance of their duties, and sought explanations whenever necessity arose.

(2) Each Audit & Supervisory Board Member complied with the auditing standards of Audit & Supervisory Board Members established by the Audit & Supervisory Board, in accordance with the audit policy of this term, planning of audits, etc., communicated with the Directors of the Board, the internal audit department, other employees, etc., and made efforts to collect information and improve audit environment, and conducted audits in the following methods:

1) We attended the Board Meetings and other important meetings, received reports from the Directors of the Board, employees, etc., regarding the state of performance of their duties, sought explanations whenever necessity arose, inspected important decision documents, etc., and made investigation into the state of activities and property at the head office and other main business offices of the Company. With respect to subsidiaries, we communicated and exchanged information with directors, audit & supervisory board members, etc., of the subsidiaries, and visited subsidiaries whenever necessity arose to make investigation into the state of activities and property thereof.
2) We monitored and verified the status of the construction and implementation by the Directors of the Board of the system for ensuring that the performance of duties by the Directors of the Board listed on the business report conforms to the laws, regulations and Articles of Incorporation, as well as the resolutions of the Board regarding the improvement of the system stipulated in Article 100, Paragraph (1) and Paragraph (3) of the Ordinance for Enforcement of the Japanese Companies Act and the status of the establishment and operation of the system (internal controls system) that is prepared based on the resolutions, which are necessary for ensuring an appropriateness of operations of a joint stock corporation and corporate group comprised of its subsidiaries.
3) We monitored and verified whether the Accounting Auditor maintained their independence and implemented appropriate audits, and we received reports from the Accounting Auditor regarding the state of performance of their duties and sought explanations whenever necessity arose. In addition, we received notice from the Accounting Auditor that "The systems for ensuring the proper performance of duties" (matters set forth in each item of Article 131 of the Rules of Corporate Financial Calculation) is organized in accordance with the "Standards for Quality Control of Audit" (Business Accounting Council, October 28, 2005) and other relevant standards, and sought explanations whenever necessity arose.

Based on the above methods, we examined the business report and supporting schedules, financial statements (balance sheet, statement of income, statement of changes in net assets, and related notes) and the supporting schedules related to the relevant business term, and the consolidated financial statements (consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity, and related notes).

2. Results of Audit

(1) Results of Audit of Business Report and Other Relevant Documents

1) In our opinion, the business report and the supporting schedules fairly presents the state of the Company in accordance with the laws, regulations and Articles of Incorporation.

2) In connection with the performance of duties by the Directors of the Board, no dishonest act or material fact of violation of laws, regulations, or the Articles of Incorporation exists.

3) In our opinion, the contents of the resolutions of the Board regarding the internal controls system, including internal controls related to financial reporting, are fair and reasonable. In addition, we have not found anything that would need to be pointed out in relation to the performance of duties by the Directors of the Board regarding the internal controls system.

(2) Results of Audit of Financial Statements and Supporting Schedules

In our opinion, the methods and results of audit conducted by the Accounting Auditor, KPMG AZSA LLC are proper.

(3) Results of Audit of Consolidated Financial Statements

In our opinion, the methods and results of audit conducted by the Accounting Auditor, KPMG AZSA LLC are proper.

February 15, 2021

Audit & Supervisory Board
Kirin Holdings Company, Limited

Akihiro Ito (Seal)
Standing Audit & Supervisory Board Member

Keiji Kuwata (Seal)
Standing Audit & Supervisory Board Member

Nobuo Nakata (Seal)
Audit & Supervisory Board Member

Yoshiko Ando (Seal)
Audit & Supervisory Board Member

Kaoru Kashima (Seal)
Audit & Supervisory Board Member

- END -