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FOR IMMEDIATE RELEASE

Company name: Asahi Group Holdings, Ltd.
President and Representative Director, CEO: Akiyoshi Koji
Securities Code: 2502
Stock Listings: Tokyo Stock Exchange, First Section
Contact: Osamu Ishizaka
Executive Officer, Head of Corporate Communications
Phone: +81-3-5608-5126

Announcement regarding issuance of new shares and disposal of treasury shares and secondary offering of its shares

Asahi Group Holdings, Ltd. (“Asahi” or the “Company”) is pleased to announce that it has resolved at the board meeting held today regarding issuance of its new shares, disposal of its treasury shares and secondary offering of its shares as follows.

1. Issuance of new shares through public offering

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| (1) | Class and number of shares to be offered | 20,875,700 shares of common stock of the Company, being the aggregate of (i) through (iii) described below:
(i) 6,825,500 shares of common stock of the Company, issued for purchase by the Japanese Underwriters in the Japanese Public Offering, described in (4)(i) below;
(ii) 10,237,600 shares of common stock of the Company, issued for purchase by the International Managers in the International Offering, described in (4)(ii) below; and
(iii) A maximum of 3,812,600 shares of common stock of the Company, additionally issued for purchase by the International Managers in the International Offering upon exercise of the option, described in (4)(ii) below. |
| (2) | Method of determination of amount to be paid in | The amount to be paid in will be determined on a day in the period between September 7, 2020 (Mon) and September 11, 2020 (Fri) (such date, the “Pricing Date”) in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting of Securities, etc. promulgated by the Japan Securities Dealers Association (the “JSDA”). |
| (3) | Amount of stated capital and additional capital reserves to be increased | The amount of stated capital to be increased is half of the maximum increase amount of stated capital, as calculated in accordance with the provisions of Article 14, Paragraph 1 of the Rules of Account Settlement of Corporations, with any fraction less than one yen resulting from the calculation being rounded up to the nearest one yen. The amount of capital reserves to be increased is the amount obtained by subtracting the said amount of stated capital to be increased from the maximum amount of increase of stated capital. |
| (4) | Method of offering | The Japanese offering and the international offering will be made simultaneously. |

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(i) Japanese Public Offering:

The issuance of new shares through public offering to be made in Japan (collectively with the disposal of treasury shares in Japan through public offering as described in “2. Disposal of treasury shares through public offering” below, the “Japanese Public Offering”) will be a public offering, and three Japanese underwriters (collectively, the “Japanese Underwriters”), acting as the Japanese joint lead managers, shall underwrite and purchase all of the new shares through public offering in Japan.

(ii) International Offering:

In the issuance of new shares through public offering to be made outside of Japan (with the offering in the United States restricted to sales to “qualified institutional buyers” under Rule 144A of the Securities Act) (collectively with the disposal of treasury shares outside Japan through public offering as described in “2. Disposal of treasury shares through public offering” below, the “International Offering”), the aggregate number of shares will be severally purchased by international managers (the “International Managers”, collectively with the Japanese Underwriters, the “Underwriters”), acting as the international joint lead managers and joint bookrunners. The Company shall also grant the International Managers the option to purchase additional newly issued shares of common stock, as described in (1)(iii) above.

With regard to the number of shares to be offered described in (i) and (ii) above, and “2. Disposal of treasury shares through public offering” (3)(i) and (ii) below, the number of shares to be offered is planned to be 16,945,500 shares in the Japanese Public Offering (the issuance of 6,825,500 new shares and disposal of 10,120,000 treasury shares through public offering to be made in Japan) and 29,230,200 shares in the International Offering (the International Managers will purchase 10,237,600 shares described in (1)(ii) above and 3,812,600 additional shares upon exercise of the option in (1)(iii) above granted to the International Managers and 15,180,000 shares described in “2. Disposal of treasury shares through public offering” (1)(ii) below initially). However, the final breakdown will be determined on the Pricing Date by taking into account market demand and other conditions. The issue price (the offer price and the amount to be paid described in (2) above) with regard to each of (i) and (ii) shall be determined on the Pricing Date in accordance with the method stated in Article 25 of the Regulations Concerning Underwriting of Securities, etc., of the JSDA, based on the preliminary pricing terms calculated by multiplying the closing price in regular trading of the shares of common stock of the Company on the First Section of the Tokyo Stock Exchange, Inc. on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with any fraction less than one yen being rounded down), taking into account market demand and other conditions. The global coordinator for the Japanese Public Offering, the International Offering as well as the offering mentioned below in

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- “3. Secondary offering of shares (offering through over-allotment)” (the “Offering Through Over-allotment”) will be one of the Japanese Underwriters (the “Global Coordinator”) and the co-global coordinator will be one of the Japanese Underwriters (the “Co-Global Coordinator”).
- (5) Consideration for the Underwriters The Company shall not pay any underwriting commissions to the Underwriters, although the aggregate amount of the difference between (a) the issue price (offer price) in the issuance of new shares through public offering and (b) the amount to be paid in to the Company by the underwriters shall constitute proceeds to the Underwriters.
- (6) Subscription period (in the Japanese Public Offering) The subscription period is from the business day immediately following the Pricing Date to the second business day following the Pricing Date.
- (7) Payment date The payment date is a day in the period from September 14, 2020 (Mon) to September 18, 2020 (Fri), provided, however, that such day is the fifth business day following the Pricing Date.
- (8) Subscription unit 100 shares
- (9) The amount to be paid in, the amount of stated capital and capital reserves to be increased, the issue price (the offer price), and any other matters necessary for this issuance of new shares through public offering will be determined at the discretion of President and Representative Director, CEO or person delegated by President and Representative Director, CEO.
- (10) If the disposal of treasury shares through public offering is cancelled, this issuance of new shares through public offering shall be also cancelled.

2. Disposal of treasury shares through public offering

- (1) Class and number of shares to be offered 25,300,000 shares of common stock of the Company, being the aggregate of (i) through (ii) described below:
 (i) 10,120,000 shares of common stock of the Company, disposed for purchase by the Japanese Underwriters in the Japanese Public Offering, described in (3)(i) below; and
 (ii) 15,180,000 shares of common stock of the Company, disposed for purchase by the International Managers in the International Offering, described in (3)(ii) below.
- (2) Method of determination of amount to be paid in The amount to be paid in will be determined on the Pricing Date in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting of Securities, etc. promulgated by the JSDA. The amount to be paid in shall be the same as the amount to be paid in in the issuance of new shares through public offering.
- (3) Method of offering The Japanese offering and the international offering will be made simultaneously.
- (i) Japanese Public Offering:
 The disposal of treasury shares through public offering to be made in Japan will be a public offering, and the Japanese Underwriters shall underwrite and purchase all of the treasury shares through public offering in Japan.
- (ii) International Offering:
 In the disposal of treasury shares through public offering to be made outside of Japan (with the offering in the United States restricted to sales to “qualified institutional buyers” under Rule 144A of the Securities Act), the aggregate number of shares will be severally purchased by the International Managers.

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With regard to the number of shares to be offered described in (i) and (ii) above, the final breakdown will be determined on the Pricing Date by taking into account market demand and other conditions as described in “1. Issuance of new shares through public offering” (4) above.

The disposal price (the offer price and the amount to be paid described in (2) above) with regard to each of (i) and (ii) shall be determined on the Pricing Date in accordance with the method stated in Article 25 of the Regulations Concerning Underwriting of Securities, etc., of the JSDA, based on the preliminary pricing terms calculated by multiplying the closing price in regular trading of the shares of common stock of the Company on the First Section of the Tokyo Stock Exchange, Inc. on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with any fraction less than one yen being rounded down), taking into account market demand and other conditions. The disposal price (the offer price) in the disposal of treasury shares through public offering shall be the same as the issue price (the offer price) in the issuance of new shares through public offering.

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| (4) | Consideration for the Underwriters | The Company shall not pay any underwriting commissions to the Underwriters, although the aggregate amount of the difference between (a) the disposal price (offer price) in the disposal of treasury shares through public offering and (b) the amount to be paid in to the Company by the underwriters shall constitute proceeds to the Underwriters. |
| (5) | Subscription period (in the Japanese Public Offering) | The subscription period is from the business day immediately following the Pricing Date to the second business day following the Pricing Date. That such period is the same as that in the issuance of new shares through public offering. |
| (6) | Payment date | The payment date is a day in the period from September 14, 2020 (Mon) to September 18, 2020 (Fri), provided, however, that such day is the fifth business day following the Pricing Date and the same as the payment date in the issuance of new shares through public offering. |
| (7) | Subscription unit | 100 shares |
| (8) | The amount to be paid in, the disposal price (the offer price), and any other matters necessary for this disposal of treasury shares through public offering will be determined at the discretion of President and Representative Director, CEO or person delegated by President and Representative Director, CEO. | |
| (9) | If the issuance of new shares through public offering is cancelled, this disposal of treasury shares through public offering shall be also cancelled. | |

3. Secondary offering of shares (offering through over-allotment) (See “Reference” item 1. below)

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| (1) | Class and number of shares to be offered | 2,541,800 shares of common stock of the Company.
The number of shares mentioned above is the maximum number of shares to be sold. The above number may decrease, or this Offering Through Over-allotment through itself may be cancelled, depending on market demand and other conditions in the Japanese Public Offering. Furthermore, the number of shares to be sold will be determined on the Pricing Date, taking into account market demand and other conditions in the Japanese Public Offering. |
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| (2) | Seller | A certain Japanese underwriter (the “Japanese Lead Manager”) |
| (3) | Selling price | Undetermined (The selling price will be determined on the Pricing Date; however, such selling price will be the same as the issue price and disposal price (the offer price) in the Japanese Public Offering and the International Offering.) |
| (4) | Method of offering | Taking into account market demand and other conditions for the Japanese Public Offering, the Japanese Lead Manager will conduct a secondary offering in Japan up to a maximum of the 2,541,800 shares that it borrows from a certain shareholder of the Company. |
| (5) | Subscription period | The subscription period is the same as the that in the Japanese Public Offering. |
| (6) | Delivery date | The delivery date is the business day immediately following the payment date in the Japanese Public Offering. |
| (7) | Subscription unit | 100 shares |
| (8) | The selling price and any other matters necessary for the Offering Through Over-allotment through will be determined at the discretion of President and Representative Director, CEO or person delegated by President and Representative Director, CEO. | |
| (9) | If the Japanese Public Offering is cancelled, the Offering Through Over-allotment through will also be cancelled. | |

4. Issuance of new shares through third-party allotment (the “Third-Party Allotment”) (See “Reference” item 1. below)

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| (1) | Class and number of shares to be offered | 2,541,800 shares of common stock of the Company. |
| (2) | Method of determination of the amount to be paid in | The amount to be paid in will be determined on the Pricing Date; however, such amount to be paid will be the same as the amount to be paid in with respect to the Japanese Public Offering and the International Offering. |
| (3) | Amount of stated capital and capital reserves to be increased | The amount of stated capital to be increased is half of the maximum increased amount of stated capital, as calculated in accordance with the provisions of Article 14, Paragraph 1 of the Rules of Account Settlement of Corporations, with any fraction less than one yen resulting from the calculation being rounded up to the nearest one yen. The amount of the capital reserves to be increased is the amount obtainable by subtracting the said amount of stated capital to be increased from the maximum amount of increase of stated capital. |
| (4) | Allottee | The Japanese Lead Manager |
| (5) | Subscription period (Subscription Date) | October 12, 2020 (Mon) |
| (6) | Payment date | October 13, 2020 (Tue) |
| (7) | Subscription unit | 100 shares |
| (8) | Shares not subscribed for within the subscription period (Subscription Date) in (5) above will not be issued. | |
| (9) | The amount to be paid in, the amount of stated capital and capital reserves to be increased and any other matters necessary for issuance of new shares by way of the Third-Party Allotment will be determined at the discretion of President and Representative Director, CEO or person delegated by President and Representative Director, CEO. | |
| (10) | The Third-Party Allotment is subject to the registration taking effect under the Financial Instruments and Exchange Act of Japan. If the Japanese Public Offering is cancelled, this issuance of new shares through the Third-Party Allotment will also be cancelled. | |

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Reference

1. The offering through over-allotment, etc.

The Offering Through Over-allotment in “3. Secondary offering of shares (offering through over-allotment)” above is a secondary offering of shares of common stock of the Company in Japan to be made in conjunction with the Japanese Public Offering in “1. Issuance of new shares through public offering” and “2. Disposal of treasury shares through public offering” in an amount not to exceed 2,541,800 shares, which will be borrowed by the Japanese Lead Manager from a certain shareholder of the Company (the “Borrowed Shares”), taking into account market demand for the offerings and other conditions. The number of shares in the Offering Through Over-allotment is expected to be 2,541,800 shares, which indicates the maximum number of shares to be sold, and depending on market demand and other conditions such number may decrease, or the over-allotment may be cancelled.

In connection with the Offering Through Over-allotment, the board of directors of the Company has resolved, at the meeting held on August 25, 2020 (Tue), that the Company will carry out the capital increase by The Third-Party Allotment (the “Capital Increase by The Third-Party Allotment”) to return the Borrowed Shares to the certain shareholder, through third-party allotment to the Japanese Lead Manager with the payment date set to be October 13, 2020 (Tue).

Furthermore, the Japanese Lead Manager may also purchase shares of common stock of the Company on the Tokyo Stock Exchange, Inc., up to the number of shares to be offered in the Offering Through Over-allotment (the “Syndicate Cover Transactions”). Shares of common stock of the Company purchased through Syndicate Cover Transactions will be used to return the Borrowed Shares. Such Syndicate Cover Transactions would be made during the period beginning on the date immediately following the last day of the subscription period of the Japanese Public Offering and the Offering Through Over-allotment and ending on October 7, 2020 (Wed) (the “Syndicate Cover Transaction Period”). During the Syndicate Cover Transaction Period, the Japanese Lead Manager may elect to not conduct any Syndicate Cover Transactions or may terminate Syndicate Cover Transactions before the number of shares purchased through such transactions reaches the number of shares offered in the Offering Through Over-allotment.

The Japanese Lead Manager may conduct stabilizing transactions as it conducts the Japanese Public Offering and the Offering Through Over-allotment. The shares of common stock of the Company acquired through such stabilizing transactions may be used, in whole or in part, to return the Borrowed Shares.

The Japanese Lead Manager plans to accept the allotment under the Capital Increase by The Third-Party Allotment of an equivalent number of shares of common stock of the Company (the “Number of Shares to be Acquired”) calculated by deducting (a) the number of shares purchased through stabilization transactions and Syndicate Cover Transactions that are to be used to return the Borrowed Shares from (b) the number of shares to be offered in the over-allotment. Accordingly, all or a part of the shares to be issued under the Capital Increase by The Third-Party Allotment may not be subscribed for, which may result in a decrease in the maximum number of shares purchased through stabilization transactions and Syndicate Cover Transactions, or in the cancellation of the entire issuance due to forfeiture.

If the Japanese Lead Manager accepts the allotment under the Capital Increase by The Third-Party Allotment, the Japanese Lead Manager will make payment for the Number of Shares to be Acquired from funds procured through the Offering Through Over-allotment.

The Syndicate Cover Transactions and the stabilizing transactions will be made by the Japanese Lead Manager in consultation with one of the Japanese joint lead managers.

2. Change in the total number of issued shares as a result of this capital increase through public offering and this capital increase through third-party allotment

Total number of issued shares at	483,585,862 shares	(As of August 25, 2020)
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present:		
Increase in number of shares as a result of the capital increase through public offering:	20,875,700 shares	(Note 1)
Total number of issued shares after the capital increase through public offering:	504,461,562 shares	(Note 1)
Increase in number of shares as a result of the capital increase through third-party allotment:	2,541,800 shares	(Note 2)
Total number of issued shares after the capital increase through third-party allotment:	507,003,362 shares	(Note 2)

Notes: 1. These figures are based on the assumption that the International Managers exercise all of the options set forth in (1)(iii) of “1. Issuance of new shares through public offering” above.

2. These figures are based on the assumption that the number of shares to be offered set forth in “4. Issuance of new shares through third-party allotment” are all subscribed for by the Japanese Lead Manager and issued and thus indicates the maximum number of the shares to be issued.

3. Change in the number of treasury shares as a result of this disposal of treasury shares through public offering

Number of treasury shares at present:	25,475,797 shares	(As of August 21, 2020)
Number of disposed shares through public offering:	25,300,000 shares	
Number of treasury shares after the disposal through public offering:	175,797 shares	

4. Use of proceeds

(1) Use of proceeds raised this time

Asahi plans to apply the estimated net proceeds from the Japanese Public Offering and the International Offering and the Capital Increase by The Third-Party Allotment, up to a maximum amount of JPY 157,541,362,875 in total, to partial repayment of a bridge loan of JPY 1.185 trillion borrowed from a financial institution in connection with the acquisition of CUB (as defined below) by the end of October 2020.

On July 19, 2019, Asahi executed a share purchase agreement with Anheuser-Busch InBev (“AB InBev”) to acquire all of the companies comprising CUB’s beer and cider businesses and other related businesses, intellectual property rights associated with all CUB beer and cider brands, including Carlton, Great Northern and other brands, perpetual license to sell certain AB InBev brands in Australia and manufacturing license of some of AB InBev’s brands and other related assets (“CUB”).

Under the terms in the agreement, Asahi completed, through its wholly-owned subsidiary Asahi Holdings (Australia) Pty Ltd, the acquisition of CUB on June 1, 2020. The acquisition of CUB was completed by way of Asahi Holdings (Australia) Pty Ltd directly acquiring all shares of ABI Australia Holding Pty Ltd. (Note) The purchase price of CUB was JPY 1.168 trillion, which was determined through discussion with AB InBev based on the value calculated by the discounted cash flow method or other methods. Asahi paid all of the purchase price in cash.

Note: ABI Australia Holding Pty Ltd. changed its trade name to CUB Australia Holding Pty Ltd on August 7, 2020.

End.

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