

Asahi Group Holdings, Ltd.



FY2024 Q3 Consolidated Financial Results (IFRS)

NOTE:

All information has been prepared in accordance with International Financial Reporting Standards (IFRS). Amounts shown in this accounting report and in the attached materials have been rounded down to omit fractions less than one million yen. This document is a partial English translation of the Japanese Financial Statement which was filed at Stock Exchanges in Japan on November 14, 2024.

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

**Summary Report of Financial Results
(Fiscal 2024 Q3)**

November 14, 2024

Asahi Group Holdings, Ltd.

Code number: 2502
Shares Listed: Prime Market of Tokyo Stock Exchange
Head Office: Tokyo
Contact: Sasana Nemoto, Head of Corporate Communications
Tel: +81 3 5608 5126 (<https://www.asahigroup-holdings.com/en/>)
US GAAP: Not applicable

1. Overview of Performance (From January 1, 2024 to September 30, 2024)

(Figures are rounded down to the million)

(1) Business Performance

(Percentage figures represent the change from the previous year)

	Revenue		Core Operating Profit		Operating profit		Profit for the period	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2024 Q3 ended September 30, 2024	2,167,952	7.2	214,233	7.3	193,480	2.2	140,423	4.5
Fiscal 2023 Q3 ended September 30, 2023	2,023,004	9.4	199,645	12.9	189,393	15.8	134,366	17.2

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share		Diluted earnings per share	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(yen)	(yen)	(yen)	(yen)
Fiscal 2024 Q3 ended September 30, 2024	139,318	4.7	186,606	(53.5)	91.66		91.64	
Fiscal 2023 Q3 ended September 30, 2023	133,034	16.2	401,646	3.3	87.52		87.51	

(Reference)

- Profit before tax: FY2024 Q3 190,850 millions of yen 3.0% FY2023 Q3 185,355 millions of yen 18.9%
- Adjusted profit attributable to owners of parent: FY2024 Q3 140,446 millions of yen 5.1% FY2023 Q3 133,595 millions of yen 7.1%
- Constant Currency Basis (Figures calculated by converting foreign currency amounts for the year to yen using the exchange rate of the previous year)
FY2024 Q3 Revenue 2.2% YoY Core Operating Profit 2.3% YoY

*Core Operating Profit is the reference index for normalized business performance. Core Operating Profit = Revenue - (COGS + general administrative cost)

Core Operating Profit is not the index defined in IFRS. We think this index is useful for financial statements users so that we disclose it spontaneously.

*Adjusted profit attributable to owners of parent

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

*Asahi Group Holdings, Ltd (The Company) conducted a 3-for-1 common stock split on October 1, 2024. "Basic earnings per share" and "Diluted earnings per share" are calculated as if the stock split had occurred at the beginning of the previous fiscal year.

(2) Financial Condition

	Total assets	Total equity	Equity attributable to owners of parent	Equity ratio attributable to owners of parent
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)
Fiscal 2024 Q3 ended September 30, 2024	5,298,434	2,583,628	2,578,405	48.7
Fiscal 2023 ended December 31, 2023	5,285,913	2,465,781	2,460,548	46.5

2. Dividends

	Cash dividend per share				
	Q1	Q2	Q3	Year-end	Total annual
	(yen)	(yen)	(yen)	(yen)	(yen)
Fiscal 2023 ended December 31, 2023	—	56.00	—	65.00	121.00
Fiscal 2024 ended December 31, 2024	—	66.00	—		
Fiscal 2024 ending December 31, 2024 (forecast)				25.00	—

Note: Changes to the latest dividend forecast announced: No

The Company conducted a 3-for-1 common stock split on October 1, 2024. The above FY2023 and FY2024 Q2 dividend per share are based on a number of shares prior to the stock split. The total annual dividend per share forecast for the fiscal year ending December 31, 2024 is not presented because the total of the interim dividend and the year-end dividend cannot be calculated due to effect of the stock split. Without taking the stock split into account, the year-end dividend per share forecast for the fiscal year ending December 31, 2024 would be 75 yen and the total annual dividend per share forecast for the fiscal year ending December 31, 2024 would be 141 yen.

3. Forecast for Fiscal 2024 (From January 1, 2024 to December 31, 2024)

(Percentage figures represent the change from the previous year)

	Revenue		Core Operating Profit		Operating profit		Profit	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2024 ending December 31, 2024	2,950,000	6.5	287,000	8.8	275,500	12.4	194,500	17.1

	Profit attributable to owners of parent		Basic earnings per share
	(Millions of yen)	(%)	
Fiscal 2024 ending December 31, 2024	193,000	17.6	126.94

*Basic earnings per share is calculated based on the number of shares after the stock split.

(Reference)

- Profit before tax: FY2024 forecast 270,000 million yen 11.6%
- Adjusted profit attributable to owners of parent: FY2024 forecast 178,500 million yen 7.8%
- Constant Currency Basis (Figures calculated by converting foreign currency amounts for the year to yen using the exchange rate of the previous year)
FY2024 (Forecast) Revenue 2.7% YoY Core Operating Profit 4.3% YoY

*Adjusted profit attributable to owners of parent

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

Notes

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

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

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

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

(3) Number of shares (common stock):

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

Q3 ended September 30, 2024	1,521,010,086 shares
Year ended December 31, 2023	1,521,010,086 shares

(2) Treasury shares at period-end:

Q3 ended September 30, 2024	982,815 shares
Year ended December 31, 2023	972,309 shares

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

Q3 ended September 30, 2024	1,520,032,018 shares
Year ended December 31, 2023	1,520,043,331 shares

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

(Q3 ended September 30, 2024: 397,515 shares, Year ended December 31, 2023: 397,515 shares, Q3 ended September 30, 2023: 397,515 shares)

*The Company conducted a 3-for-1 common stock split on October 1, 2024. "Issued share at period-end", "Treasury shares at period-end" and "Average number of outstanding shares during the period" are calculated as if the stock split had occurred at the beginning of the previous fiscal year.

* Review of the Japanese-language originals of the attached consolidated financial statements by certified public accountants or audit corporations: Yes (voluntary)

* Forward-looking statements and other special instructions

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

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

4. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position (As of December 31, 2023 and September 30, 2024)

(Millions of yen)

	As of December 31, 2023	As of September 30, 2024
(Assets)		
Current assets		
Cash and cash equivalents	59,945	46,201
Trade and other receivables	465,633	423,009
Inventories	267,317	281,713
Income tax receivables	2,930	8,797
Other financial assets	10,469	26,253
Other current assets	40,655	40,191
Total current assets	846,953	826,166
Non-current assets		
Property, plant and equipment	888,070	902,018
Goodwill and intangible assets	3,283,948	3,313,531
Investments accounted for using equity method	11,081	11,162
Other financial assets	151,168	142,103
Deferred tax assets	48,544	52,716
Net defined benefit assets	36,515	34,457
Other non-current assets	19,629	16,279
Total non-current assets	4,438,960	4,472,267
Total assets	5,285,913	5,298,434
(Liabilities and Equity)		
(Liabilities)		
Current liabilities		
Trade and other payables	714,781	631,626
Bonds and borrowings	389,848	317,718
Income tax payables	26,263	33,984
Provisions	17,429	19,365
Other financial liabilities	113,642	114,584
Other current liabilities	134,984	135,551
Total current liabilities	1,396,950	1,252,830
Non-current liabilities		
Bonds and borrowings	1,020,950	1,071,378
Net defined benefit liabilities	17,242	15,064
Deferred tax liabilities	233,190	231,088
Other financial liabilities	143,156	136,283
Other non-current liabilities	8,642	8,161
Total non-current liabilities	1,423,181	1,461,976
Total liabilities	2,820,131	2,714,806
(Equity)		
Issued capital	220,044	220,044
Share premium	161,867	162,262
Retained earnings	1,282,432	1,356,553
Treasury shares	(1,190)	(1,210)
Other components of equity	797,393	840,755
Total equity attributable to owners of parent	2,460,548	2,578,405
Non-controlling interests	5,233	5,222
Total equity	2,465,781	2,583,628
Total liabilities and equity	5,285,913	5,298,434

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

(From January 1 to September 30, 2023 and 2024)

<Consolidated Income Statements>

(Millions of yen)

	Previous year (From January 1 to September 30)	Current year (From January 1 to September 30)
Revenue	2,023,004	2,167,952
Cost of sales	(1,285,325)	(1,352,608)
Gross Profit	737,679	815,343
Selling, general and administrative expenses	(538,033)	(601,110)
Other operating income	3,096	3,661
Other operating expense	(13,347)	(24,414)
Operating Profit	189,393	193,480
Finance income	10,787	12,322
Finance costs	(15,890)	(15,352)
Share of profit (loss) of investments accounted for using equity method	1,065	399
Profit before tax	185,355	190,850
Income tax expense	(50,989)	(50,427)
Profit for the period	134,366	140,423
Attributable to:		
Owners of parent	133,034	139,318
Non-controlling interests	1,332	1,104
Total	134,366	140,423
Basic earnings per share (JPY)	87.52	91.66
Diluted earnings per share (JPY)	87.51	91.64

	Previous year (From January 1 to September 30)	Current year (From January 1 to September 30)
Profit for the period	134,366	140,423
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Changes in fair value of financial instruments measured at fair value through other comprehensive income	9,636	3,406
Items that might be reclassified to profit or loss		
Cash flow hedges	675	3,965
Costs of hedging	76	79
Translation difference on foreign operations	256,683	38,664
Share of other comprehensive income of entities accounted for using equity method	208	67
Total other comprehensive income	267,279	46,183
Total comprehensive income	401,646	186,606
Total comprehensive income attributable to:		
Owners of parent	399,968	185,505
Non-controlling interests	1,677	1,101

(3) Condensed Consolidated Statement of Changes in Equity

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

(Millions of yen)

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

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

Current year (from January 1 to September 30, 2024)

(Millions of yen)

	Equity attributable to owners of parent					
	Issued capital	Share premium	Retained earnings	Treasury shares	Other components of equity	
					Changes in fair value of financial instruments measured at fair value through OCI	Cash flow hedges
Balance as of January 1, 2024	220,044	161,867	1,282,432	(1,190)	49,086	224
Comprehensive income						
Profit			139,318			
Other comprehensive income					3,406	3,970
Total comprehensive income	—	—	139,318	—	3,406	3,970
Transfer to non-financial assets						(1,648)
Transactions with owners						
Dividends			(66,374)			
Purchase of treasury shares				(19)		
Disposal of treasury shares		0		0		
Changes through business combinations						
Changes through sales of consolidated subsidiaries		289				
Share-based payment transaction		105				
Transfer from other components of equity to retained earnings			1,176		(1,176)	
Other increase (decrease)						
Total contributions by owners and distribution to owners	—	394	(65,198)	(19)	(1,176)	—
Total transactions with owners	—	394	(65,198)	(19)	(1,176)	—
Balance as of September 30, 2024	220,044	162,262	1,356,553	(1,210)	51,316	2,546

	Equity attributable to owners of parent				Non-controlling interests	Total equity
	Other components of equity			Total equity attributable to owners of parent		
	Costs of hedging	Translation difference on foreign operations	Total other components of equity			
Balance as of January 1, 2024	(425)	748,508	797,393	2,460,548	5,233	2,465,781
Comprehensive income						
Profit			—	139,318	1,104	140,423
Other comprehensive income	79	38,730	46,186	46,186	(3)	46,183
Total comprehensive income	79	38,730	46,186	185,505	1,101	186,606
Transfer to non-financial assets			(1,648)	(1,648)		(1,648)
Transactions with owners						
Dividends				(66,374)	(1,112)	(67,487)
Purchase of treasury shares				(19)		(19)
Disposal of treasury shares				0		0
Changes through business combinations				—		—
Changes through sales of consolidated subsidiaries				289		289
Share-based payment transaction				105		105
Transfer from other components of equity to retained earnings			(1,176)	—		—
Other increase (decrease)				—		—
Total contributions by owners and distribution to owners	—	—	(1,176)	(65,999)	(1,112)	(67,111)
Total transactions with owners	—	—	(1,176)	(65,999)	(1,112)	(67,111)
Balance as of September 30, 2024	(345)	787,238	840,755	2,578,405	5,222	2,583,628

(4) Consolidated Statement of Cash Flows

(From January 1 to September 30, 2023 and 2024)

(Millions of yen)

	Previous year (From January 1 to September 30)	Current year (From January 1 to September 30)
Cash flows from operating activities		
Profit before tax	185,355	190,850
Depreciation and amortization	110,059	119,750
Impairment loss	743	1,612
Interest and dividends income	(4,182)	(5,713)
Interest expenses	10,134	13,205
Share of profit (gain) of entities accounted for using equity method	(1,065)	(399)
Loss (gain) on sales of shares of associates	—	(1,604)
Loss (gain) on sales and retirement of non-current assets	1,184	1,753
Decrease (increase) in trade and other receivables	(7,315)	47,899
Decrease (increase) in inventories	(36,478)	(10,690)
Increase (decrease) in trade and other payables	30,732	(34,477)
Increase (decrease) in accrued liquor tax payables	9,770	(6,594)
Increase (decrease) in defined benefit assets and liabilities	753	277
Other	23,643	(28,624)
Subtotal	323,336	287,242
Interest and dividends received	4,209	9,600
Inrerest paid	(7,227)	(12,180)
Income tax paid	(65,747)	(62,523)
Cash flows from operating activities	254,571	222,138

(Continued)

(Millions of yen)

	Previous year (From January 1 to September 30)	Current year (From January 1 to September 30)
Cash flows from investing activities		
Purchase of property, plant and equipment	(69,165)	(83,500)
Proceeds from sales of property, plant and equipment	5,786	4,219
Purchase of intangible assets	(9,514)	(16,526)
Purchase of investment securities	(475)	(2,062)
Proceeds from sales of investment securities	3,263	2,848
Purchase of subsidiaries and others relating to the change of scope of consolidation	(3,551)	(21,397)
Proceeds from sales of subsidiaries and others relating to the change of scope of consolidation	—	485
Payments for contingent consideration	(18,574)	—
Other	(1,669)	(26)
Cash flows from investing activities	(93,901)	(115,960)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(205,881)	48,169
Repayments of lease obligations	(17,801)	(21,806)
Proceeds from long-term loans payables	50,000	—
Repayment of long-term loans payables	(38,138)	(43,016)
Proceeds from issuance of bonds	150,000	165,002
Redemption of bonds	—	(201,760)
Purchase of treasury shares	(14)	(19)
Dividends paid	(57,761)	(66,374)
Other	(629)	(2,402)
Cash flows from financing activities	(120,227)	(122,207)
Effect of exchange rate changes on cash and cash equivalents	17,512	2,285
Increase (decrease) in cash and cash equivalents	57,955	(13,744)
Cash and cash equivalents at the beginning of period	37,438	59,945
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	(586)	—
Cash and cash equivalents at the end of period	94,807	46,201

(5) Notes to the Condensed Consolidated Financial Statements

(Segment Information)

Previous year (January 1 to September 30, 2023)

(Millions of yen)

	Japan	Europe	Oceania	Southeast Asia	Other	Total	Adjustments	Consolidated total
Revenue								
To outside customers	1,000,240	523,496	442,008	42,367	14,892	2,023,004	—	2,023,004
Inter-segment revenue	6,001	854	2,154	—	—	9,010	(9,010)	—
Total	1,006,241	524,351	444,163	42,367	14,892	2,032,014	(9,010)	2,023,004
Segment profit (loss)	96,631	51,670	51,085	369	3,403	203,160	(13,766)	189,393

Adjustment of segment profit (loss) of -13,766 million yen includes corporate expenses of -14,663 million yen which is not allocated to reporting segment and the elimination of inter-segment transactions, etc. of 896 million yen. The corporate expenses are mainly Group management expenses generated by the Company in its role as a pure holding company.

Current year (January 1 to September 30, 2024)

(Millions of yen)

	Japan	Europe	Oceania	Southeast Asia	Other	Total	Adjustments	Consolidated total
Revenue								
To outside customers	996,817	608,922	493,489	48,343	20,378	2,167,952	—	2,167,952
Inter-segment revenue	5,686	987	1,387	561	0	8,623	(8,623)	—
Total	1,002,503	609,909	494,877	48,905	20,379	2,176,576	(8,623)	2,167,952
Segment profit (loss)	94,174	61,579	43,950	1,191	3,513	204,409	(10,928)	193,480

Adjustment of segment profit (loss) of -10,928 million yen includes corporate expenses of -16,623 million yen which is not allocated to reporting segment and the elimination of inter-segment transactions, etc. of 5,695 million yen. The corporate expenses are mainly Group management expenses generated by the Company in its role as a pure holding company.