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Announcement Regarding the Restructuring Plan of Production/Distribution Network

Asahi Group Holdings, Ltd. (“the Company”) today announced its decision to restructure the supply chain network of Asahi Group Japan, Ltd.’ and its subsidiaries. The aim of the restructuring plan is to build an optimal production and distribution system in Japan and further enhance the Company’s sustainability strategy. The restructuring plan was formulated based on the Company’s new Medium- to Long-term Management Policy, also announced today. Details are as follows.

The restructuring is aimed at increasing capacity utilization levels at the Company’s breweries in Japan by optimizing production capacity at each facility. The plan also involves further boosting cost-competitiveness and efficiency Group-wide by increasing the number of hybrid breweries able to produce a wide range of products including alcohol and non-alcohol beverages. The Company will use a new brewery with sustainable production facilities as a model for other facilities to dramatically enhance their energy efficiency, and will also introduce CO₂ capture technologies on the way to making all facilities carbon negative (with CO₂ absorption volumes exceeding CO₂ emissions) as soon as possible. The Company will reinvest the resources freed up through this restructuring into making all Asahi Group production bases in Japan carbon negative as part of the Company’s efforts to help create a more sustainable world and earn the trust of stakeholders into the future.

1. Regarding the End of Operations in Asahi Breweries’ Kanagawa Brewery and Shikoku Brewery

After consideration of medium- to long-term market trends, the decision was made to end operations at Asahi Breweries’ Kanagawa Brewery and Shikoku Brewery at the end of January 2023 with the aim of enhancing overall Group productivity and earnings power. The 137 employees of these two breweries will be given the opportunity to transfer to other Asahi Group’s bases or provided with the Company’s reemployment support and other such services. The Company is currently considering how to utilize the brewery sites after operations cease.

Impairment losses on the abovementioned breweries’ fixed assets etc. are expected to lead to the recording of “other operating expenses” of approximately 14.5 billion JPY in the

Company's financial results for the fiscal year ending December 31, 2022. The details are, however, yet to be determined.

2. Regarding the End of Operations in Asahi Breweries' Hakata Brewery and the launch of Asahi Breweries' Shin-Kyushu Brewery (tentative name)

Asahi Breweries' Hakata Brewery is also scheduled to end operations at the end of 2025, with operations to be transferred to a new facility located nearby. Preparations for the launch of operations at the Shin-Kyushu Brewery (tentative name) will begin in 2026. The Hakata Brewery's 122 employees will be given the opportunity to transfer to the Shin-Kyushu Brewery (tentative name) and other Group operations. The Company is currently considering how to utilize the Hakata Brewery site after operations cease.

The Shin-Kyushu Brewery (tentative name) will be utilized as a model facility for the Asahi Group's next-generation production system. New production methods and other innovations will be used to reduce energy consumption by 50% from current levels, and production facilities will shift to using renewable energy. In addition, by introducing CO₂ capture technologies, the Company aims to make the brewery carbon negative as soon as possible. In addition, by producing a wide range of products, from beer and non-alcohol beer-taste beverages to ready-to-drink beverages and products of Asahi Soft Drinks as well as the containers for these products, the Group aims to streamline distribution and increase brewery capacity utilization.

The impact of the End of Operations in Hakata Brewery and the transfer of operations to the Shin-Kyushu Brewery (tentative name) on the Company's consolidated results in the fiscal year ending December 31, 2022 will be minimal.

3. Regarding the End of Operations in Asahi Breweries Nishinomiya-higashi Distribution Center and Nikka Whisky Nishinomiya Plant

The Asahi Breweries Nishinomiya-higashi Distribution Center is scheduled to end operations at around the end of 2024. The Nikka Whisky's Nishinomiya Plant, which is located on the same site, is scheduled to cease operations around March 2024. Production of the kegged *Taruhai Club* and *Taruzume Highball* on-premise market products will be transferred to Asahi Breweries' Suita Brewery. Employees at the Asahi Breweries' Nishinomiya-higashi Distribution Center and Nikka Whisky Nishinomiya Plant will be given the opportunity to transfer to other Group operations. The Company is currently considering how to utilize the distribution center/plant site after operations cease.

The impact of the End of Operations in the distribution center and plant on the Company's consolidated results in the fiscal year ending December 31, 2022 will be minimal.

4. Overview of the breweries, distribution center, and plant included in the restructuring plan

Name	Asahi Breweries Kanagawa Brewery	Asahi Breweries Shikoku Brewery	Asahi Breweries Hakata Brewery
Location	1223, Nuda, Minami Ashigara City, Kanagawa Prefecture	2-6 Hiuchi, Saijo City, Ehime Prefecture	3-1-1, Takeshita, Hakata-ku, Fukuoka City
Operation Started	May 2002	June 1998	April 1921
Chief Manager	Yutaka Miyajima	Mika Kawaguchi	Shinichi Hada
Number of Employees	79	58	122
Annual Production Volume	Approx. 10.65 million cases	Approx. 4.73 million cases	Approx. 17.53 million cases
Main Products	<i>Asahi Super Dry</i> <i>Clear Asahi</i> <i>Asahi Style Free</i> <i>Asahi Off</i> <i>Asahi The Rich</i> etc.	<i>Asahi Super Dry</i> <i>Asahi Nama Beer</i> <i>Clear Asahi</i> <i>Asahi Style Free</i> <i>Asahi The Rich</i> etc.	<i>Asahi Super Dry</i> <i>Clear Asahi</i> <i>Asahi Style Free</i> <i>Asahi Off</i> <i>Asahi The Rich</i> <i>Asahi Dry Zero</i> etc.
Site Size	Approx. 412,000 sq. metre	Approx. 76,000 sq. metre	Approx. 120,000 sq. metre
Shipping Area	Tokyo, Kanagawa, Shizuoka, and Yamanashi Prefectures	All Shikoku and Hiroshima prefectures	All Kyushu and Yamaguchi prefectures

Name	Asahi Breweries Nishinomiya-higashi Distribution Center
Location	2-117, Tsutoidencho, Nishinomiya City, Hyogo Prefecture
Operation Started	1983
Number of Employees	39
Site size	Approx. 84,000 sq. metre

Name	Nikka Whisky Nishinomiya Plant
Location	2-118, Tsutoidencho, Nishinomiya City, Hyogo Prefecture
Operation Started	September 1959
Chief Manager	Tetsuo Tatsumi
Number of Employees	13
Annual Production Volume	Approx. 15,790 kl
Main Products	<i>Taruhai Club</i> and <i>Taruzume Highball</i>
Site Size	Approx. 4,200 sq. metre
Shipping Area	All areas of Kyushu, Kansai, and Shikoku