SAPPORO HOLDINGS LTD.

Sapporo Holdings Limited

Financial Results Briefing for the Third Quarter of the Fiscal Year Ending December 2025

November 12, 2025

Event Summary

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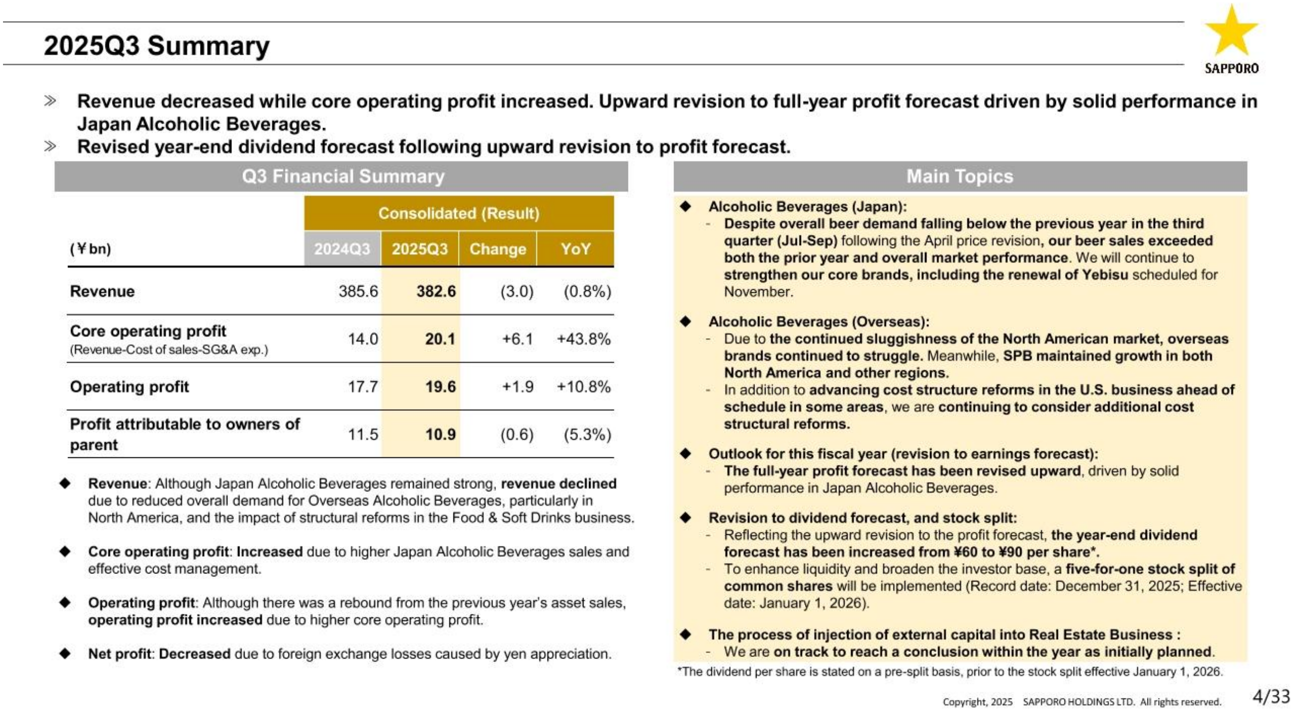
[Venue]	Webcast
[Number of Speakers]	2

Takayuki Sato	Group Managing Officer, General Manager of Accounting Department
Yosuke Nakamura	General Manager of Corporate Planning Department

Presentation



Sato:

I will explain the financial results for the third quarter announced today, as well as the revisions to our full-year earnings and dividend forecasts.

Revenue for the third quarter was JPY 382.6 billion, a YoY decrease of JPY 3 billion (–0.8%). Core operating profit was JPY 20.1 billion, a YoY increase of JPY 6.1 billion (+43.8%). Profit attributable to owners of parent was JPY 10.9 billion, a YoY decrease of JPY 0.6 billion (–5.3%).

Revenue increased in Japan Alcoholic Beverages, which continued to perform well; however, overall revenue declined due to the ongoing softening of the North American beer market and lower sales of overseas brands. Revenue in the Japan Food & Soft Drinks business also decreased partly due to structural reforms, resulting in an overall decline in revenue.

Meanwhile, core operating profit increased overall, driven significantly by Japan Alcoholic Beverages, with both the Food & Soft Drinks business and the Real Estate business also posting higher profits.

Profit attributable to owners of parent declined due to the absence of last year's one-time gains from asset sales, as well as a deterioration in financial income and expenses stemming from foreign-exchange losses.

We have also revised our full-year earnings forecast. While revenue is now expected to decline, both core operating profit and profit attributable to owners of parent are projected to exceed the initial plan—mainly due to strong performance in Japan Alcoholic Beverages—and we have therefore revised our outlook upward.

In line with this, we have also revised our dividend forecast. As profit attributable to owners of parent has been revised upward from the initial JPY 11.0 billion to JPY 16.5 billion, the dividend forecast has also been revised upward from JPY 60 per share to JPY 90 per share.

We also disclosed today that we will implement a stock split to enhance liquidity and broaden our investor base. As the effective date is set for January 1, the split will not affect this year’s dividend.

Finally, regarding the introduction of external capital into the Real Estate business, which is part of our medium- to long-term management policy, the process is currently underway with the aim of reaching a conclusion within the year. We appreciate your understanding.

FY2025 Earnings Forecast Revision (Consolidated)

≫ **Taking into account progress against the full-year plan, the revenue forecast has been revised downward, while the profit forecast has been revised upward.**

(￥bn)	2025 Initial Plan [A]	2025 Revised Plan [B]	Revised Amount [B-A]	2024 Result [C]	Change Amount [B-C]
Revenue	532.0	**523.0**	(9.0) (1.7%)	530.8	(7.8) (1.5%)
Core operating profit (Revenue-Cost of sales-SG&A exp.)	24.5	**29.5**	+5.0 +20.4%	22.0	+7.5 +33.9%
Operating profit	20.0	**27.8**	+7.8 +39.0%	10.4	+17.4 +166.9%
Profit attributable to owners of parent	11.0	**16.5**	+5.5 +50.0%	7.7	+8.8 +113.9%
ROE	5.5%	**8.0%**	-	4.1%	-

In the initial plan announced in February, we projected revenue of JPY 532 billion, core operating profit of JPY 24.5 billion, and profit attributable to owners of parent of JPY 11 billion.

Under the revised plan, we now expect revenue of JPY 523 billion, a decline of JPY 9 billion (–1.7%); core operating profit of JPY 29.5 billion, an increase of JPY 5 billion (+20.4%); and profit attributable to owners of parent of JPY 16.5 billion, an increase of JPY 5.5 billion (+50%).

ROE is expected to improve from 5.5% to 8.0%.

FY2025 Earnings Forecast Revision (Revenue)

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≫ **As for the revenue forecast, while Japan Alcoholic Beverages have been revised upward, the overall forecast has been revised downward to reflect progress in Overseas Alcoholic Beverages and the Food & Soft Drinks business.**

(￥bn)	2025 Initial Plan [A]	2025 Revised Plan [B]	Revised Amount [B-A]	Main revisions	2024 Result [C]	Change Amount [B-C]
Alcoholic Beverages	393.5	**390.0**	(3.5)	-	388.2	+1.8
Japan	277.0	282.0	+5.0	Increase in beer-type beverage volume, etc.	273.0	+9.0
Overseas	95.0	86.5	(8.5)	Decrease in volume due to market conditions and revised foreign exchange forecast, etc.	94.3	(7.8)
Restaurants	21.5	21.5	-	-	20.9	+0.6
Food & Soft Drinks	113.0	**105.5**	(7.5)	-	117.9	(12.4)
Japan	85.0	80.0	(5.0)	Decrease in volume due to structural reforms and price revisions, etc.	90.7	(10.7)
Overseas	28.0	25.5	(2.5)	Decrease in volume due to production issues at plants and market conditions, etc.	27.2	(1.7)
Real Estate	25.5	**27.5**	+2.0	Increase in equity income and revenue from YGP, etc.	24.6	+2.9
Other/Other・Adjustment (corporate and elimination)	-	**-**	-	-	0.1	(0.1)
Total	532.0	**523.0**	(9.0)	-	530.8	(7.8)

In the Japan Alcoholic Beverages business, we expect revenue to be JPY 5 billion above the initial plan, driven mainly by higher beer volume. In the Real Estate business as well, revenue is expected to exceed the initial plan by JPY 2 billion, reflecting increased revenue at YGP and higher contributions from equity investments.

Conversely, in the Overseas Alcoholic Beverages business, revenue is expected to be JPY 8.5 billion below the initial plan, due to lower overseas brand sales stemming from deteriorating market conditions and the impact of revised exchange-rate assumptions.

In the Food & Soft Drinks business, revenue is expected to fall JPY 7.5 billion short of the initial plan: domestically due to factors such as price revisions, and overseas due to lower shipment volumes caused by manufacturing issues.

FY2025 Earnings Forecast Revision (Core operating profit)

≫ **As for the core operating profit forecast, while Overseas Alcoholic Beverages have been revised downward due to external factors, the overall forecast has been revised upward, driven mainly by solid performance in Japan Alcoholic Beverages.**

(￥bn)	2025 Initial Plan [A]	2025 Revised Plan [B]	Revised Amount [B-A]	Main revisions	2024 Result [C]	Change Amount [B-C]
Alcoholic Beverages	21.9	**24.4**	2.6	-	18.8	5.6
Japan	19.5	22.5	2.9	Effect of increased revenue and cost management,etc.	16.4	6.0
Overseas	0.4	0.0	(0.4)	Decrease in volume and revision of foreign exchange forecast,etc.	0.4	(0.4)
Restaurants	2.0	2.0	-	-	1.9	0.0
Food & Soft Drinks	4.2	**4.2**	-	-	3.4	0.8
Japan	2.9	2.9	-	-	2.2	0.6
Overseas	1.3	1.3	-	-	1.2	0.1
Real Estate	7.0	**9.5**	2.5	Increase in equity income , revenue from YGP and cost management,etc.	7.8	1.7
Other/Other・Adjustment (corporate and elimination)	**(8.5)**	**(8.5)**	-	-	**(8.0)**	**(0.5)**
Total	24.5	**29.5**	5.0	-	22.0	+7.5

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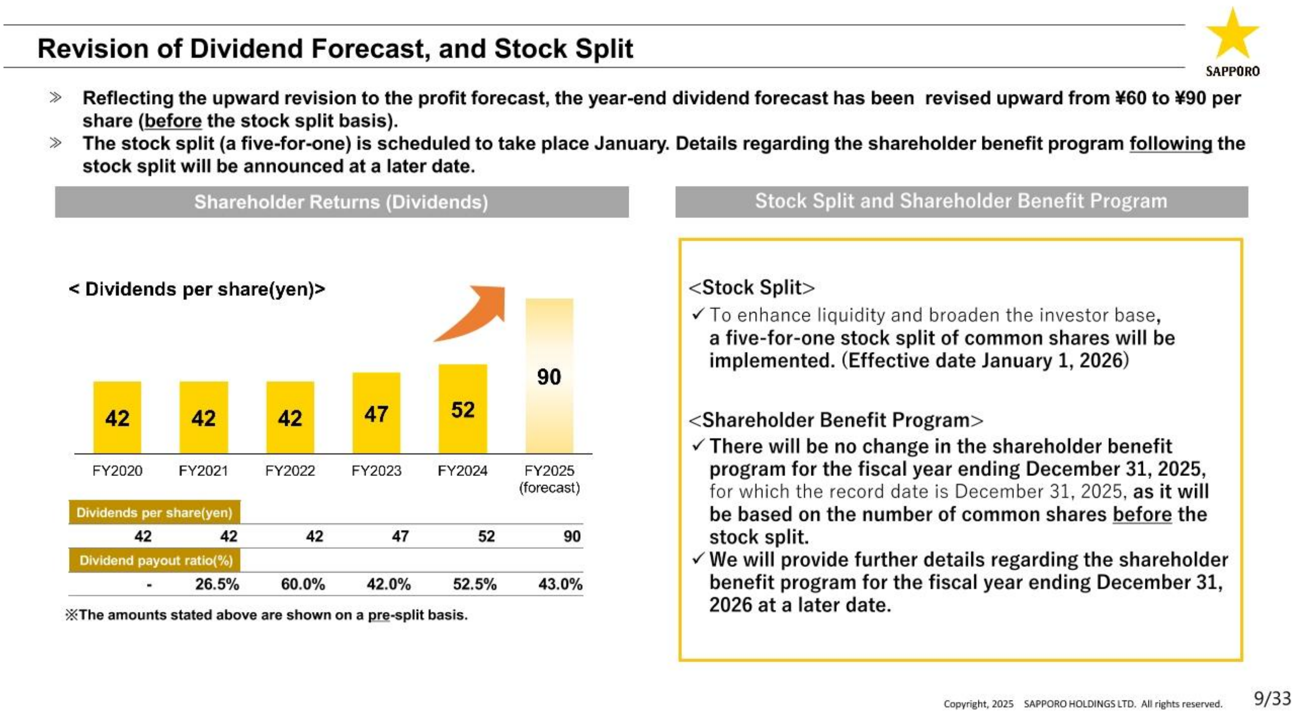
With revenue trending above the initial plan, Japan Alcoholic Beverages are expected to post core operating profit that is JPY 2.9 billion above the initial plan, while the Real Estate business is expected to be JPY 2.5 billion above.

In contrast, in Overseas Alcoholic Beverages, although higher Sapporo brand sales and cost reductions are offsetting part of the decline in overseas brand sales, we have been unable to fully absorb the approximately JPY 0.8 billion negative impact of U.S. tariffs. As a result, core operating profit is expected to be JPY 0.4 billion below the initial plan.

In the Food & Soft Drinks business, while revenue is expected to fall short of the initial plan both in Japan and overseas, cost reductions—including the effects of structural reforms—are expected to offset this, and profit is projected to be roughly in line with the initial plan.



Reflecting the upward revision to the profit forecast, the dividend per share is planned to be increased from the initial JPY 60 to JPY 90. This revision is made while maintaining the payout ratio assumed in the initial plan.

In addition, we disclosed today the implementation of a stock split. With an effective date of January 1, 2026, each share of common stock will be split into five shares. Through this measure, we aim to enhance liquidity and broaden our investor base.

We are also reviewing the shareholder benefit program. For FY2025, the program will remain unchanged, and we will provide updates regarding the program for FY2026 onward at a later date.

2025Q3 Financial Highlights (Consolidated)

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≫ **Although net profit declined due to factors such as the rebound from the previous year's asset sales and foreign exchange losses from yen appreciation, core operating profit—reflecting the underlying earning power of the business—continued to improve steadily.**

(¥bn)	2024Q3	2025Q3	Change	YoY
Revenue	**385.6**	**382.6**	(3.0)	(0.8%)
Revenue (excluding liquor tax)	300.9	299.2	(1.7)	(0.6%)
Overseas revenue	96.5	90.9	(5.6)	(5.8%)
EBITDA	**30.4**	**36.3**	+5.9	+19.5%
Core operating profit (Revenue-Cost of sales-SG&A exp.)	**14.0**	**20.1**	+6.1	+43.8%
(Core opetrating profit margin)	3.6%	5.2%	-	-
Other operating income (exp.)	**3.7**	**(0.5)**	(4.2)	-
Operating profit	**17.7**	**19.6**	+1.9	+10.8%
Finacial income (exp.)/ Equity in net income of affiliates	**(0.7)**	**(2.8)**	(2.1)	-
Profit before tax	**17.0**	**16.8**	(0.2)	(1.2%)
Profit attributable to owners of parent	**11.5**	**10.9**	(0.6)	(5.3%)

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Revenue through the third quarter was JPY 382.6 billion, a YoY decrease of JPY 3 billion. Core operating profit was JPY 20.1 billion, a YoY increase of JPY 6.1 billion.

Revenue declined due to lower sales volumes in Overseas Alcoholic Beverages and in the Food & Soft Drinks business. However, structural reform benefits, cost reductions, and solid revenue and profit growth in Japan Alcoholic Beverages more than offset these factors, resulting in higher core operating profit overall.

As demonstrated by the increase in core operating profit, we believe that the earning power of our core businesses continues to improve steadily.

2025Q3 Financial Highlights (by Segment)

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≫ **Although revenue declined in the Overseas Alcoholic Beverages and Food & Soft Drinks businesses, profit increased thanks to strong revenue growth in Japan Alcoholic Beverages and effective cost management.**

	Revenue				Core Operating Profit			
(¥bn)	2024Q3	2025Q3	Change	YoY	2024Q3	2025Q3	Change	YoY
Alcoholic Beverages	281.7	**283.8**	+2.1	+0.8%	12.9	**16.2**	+3.3	+25.7%
Japan	194.9	202.4	+7.4	+3.8%	11.0	14.8	+3.8	+34.5%
Overseas	71.1	65.3	(5.8)	(8.1%)	0.3	(0.1)	(0.4)	-
Restaurants	15.7	16.1	+0.5	+2.9%	1.6	1.5	(0.1)	(6.1%)
Food & Soft Drinks	86.2	**79.4**	(6.8)	(7.9%)	2.1	**3.3**	+1.1	+53.6%
Japan	65.9	60.4	(5.5)	(8.4%)	1.4	2.2	+0.8	+61.7%
Overseas	20.2	19.0	(1.3)	(6.3%)	0.8	1.0	+0.3	+38.2%
Real Estate	17.6	**19.4**	+1.8	+10.0%	5.1	**6.1**	+1.1	+21.3%
Other/Other・Adjustment (corporate and elimination)	0.1	**-**	(0.1)	-	(6.2)	**(5.6)**	+0.6	-
Total	385.6	**382.6**	(3.0)	(0.8%)	14.0	**20.1**	+6.1	+43.8%

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Revenue increased in both the Alcoholic Beverages and Real Estate businesses, while it declined in the Food & Soft Drinks business.

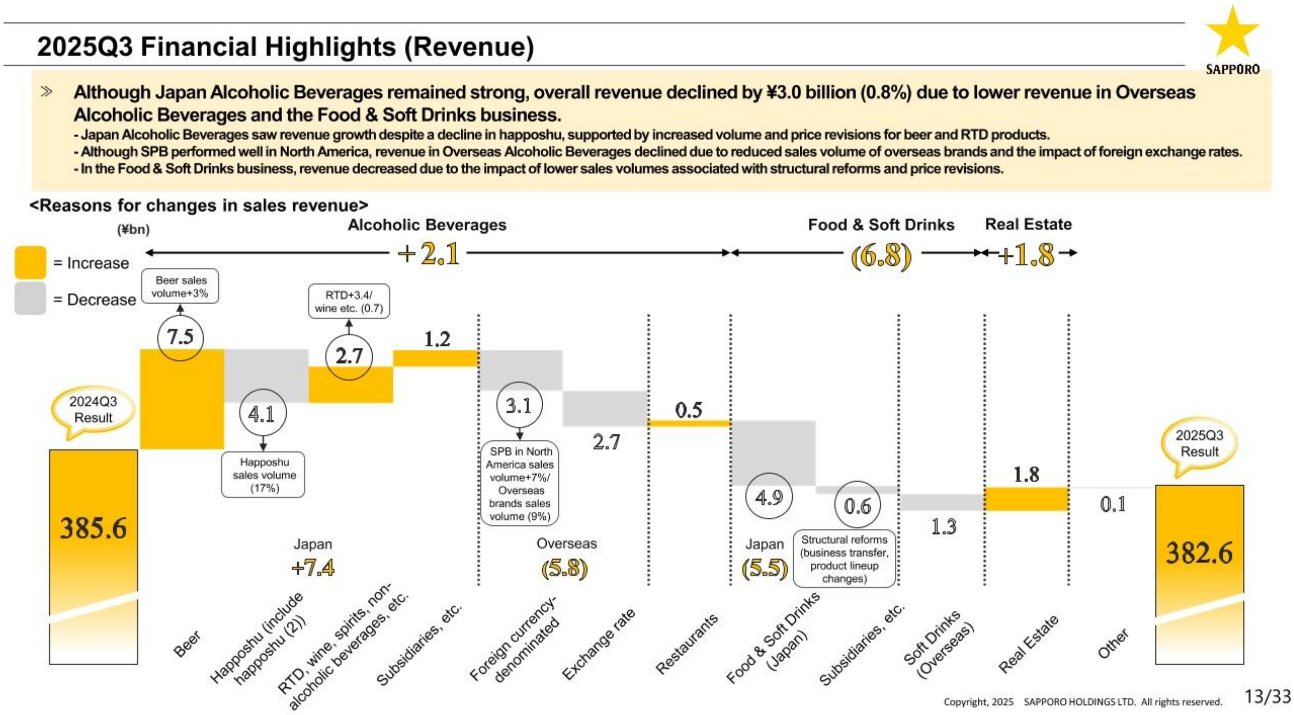
In Alcoholic Beverages, domestic beer performance remained solid, and despite our estimate that the overall market declined YoY, our sales outperformed the market. Including the effect of price revisions, domestic revenue increased 3.8%. Overseas Alcoholic Beverages declined 8.1%, impacted by lower overseas brand sales and by foreign-exchange effects. As a result, total Alcoholic Beverages revenue increased 0.8%.

In Food & Soft Drinks, domestic revenue declined 8.4% YoY due to factors including business divestitures associated with structural reforms. Overseas revenue also declined, reflecting reduced shipments caused by manufacturing troubles at the Malaysia plant and lower sales due to tighter control of promotional expenses aimed at improving profitability. Overall, revenue for the business declined 6.3%.

In the Real Estate business, both YGP offices and the Sapporo operations performed strongly, resulting in a 10% increase in revenue.

Core operating profit increased in all three segments—Alcoholic Beverages, Food & Soft Drinks, and Real Estate. While Overseas Alcoholic Beverages recorded lower profit due to the impact of U.S. tariffs, strong domestic performance offset this, resulting in higher profit for the Alcoholic Beverages business overall.

On a consolidated basis, core operating profit increased from JPY 14 billion last year to JPY 20.1 billion, an increase of JPY 6.1 billion (+43.8%).



For the Alcoholic Beverages business as a whole, revenue increased by JPY 2.1 billion.

In domestic Alcoholic Beverages, revenue increased by JPY 7.4 billion. Beer volume grew 3% YoY, contributing JPY 7.5 billion in additional revenue, and RTD added another JPY 3.4 billion. These increases more than offset declines in happoshu, wine, and other categories, resulting in overall revenue growth.

In Overseas Alcoholic Beverages, revenue declined by JPY 3.1 billion on a local-currency basis. For the Sapporo brand, volumes grew strongly—up 7% in North America and 30% in other regions—while Sleeman and Stone posted a 9% decline.

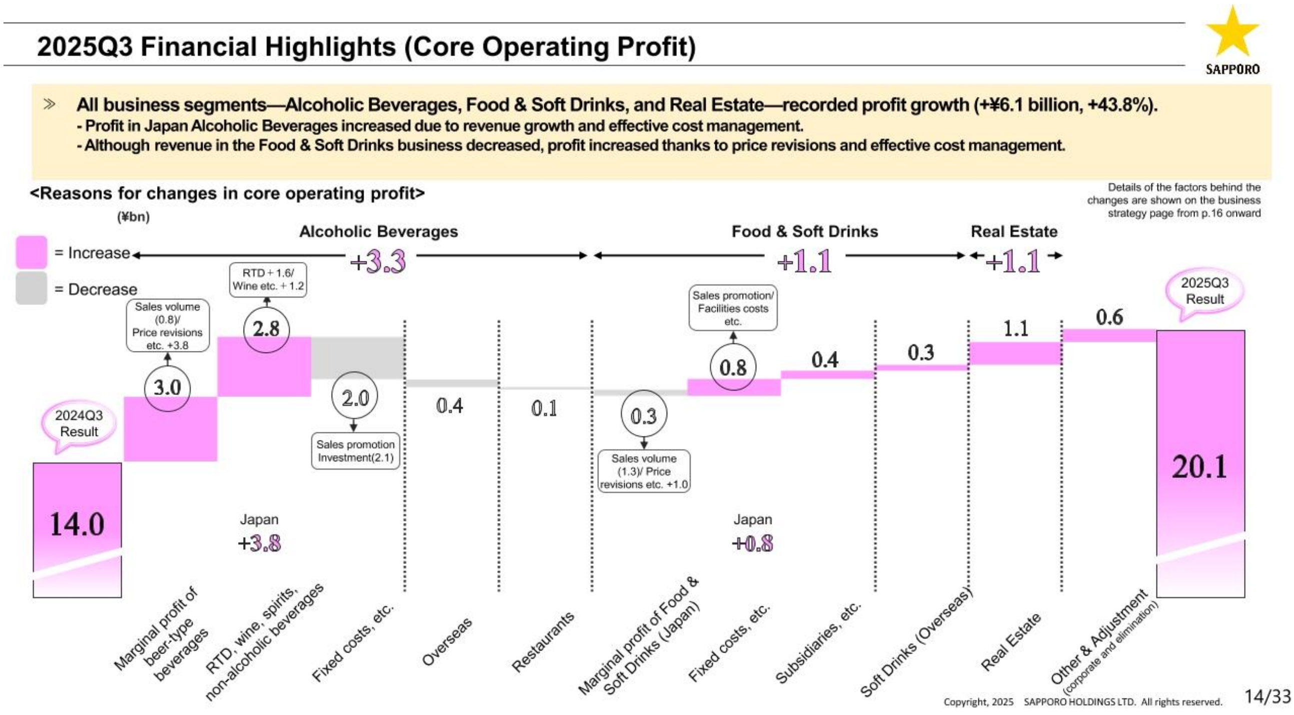
The Restaurants business recorded a revenue increase of JPY 0.5 billion, continuing its growth as initiatives to raise average customer spend proved effective.

In the Food & Soft Drinks business, revenue decreased by JPY 6.8 billion.

In Japan, revenue fell by JPY 5.5 billion, partly due to business divestitures associated with structural reforms. The lemon business continued to perform well, rising 8% YoY, but soft drinks revenue declined, including due to a reduction in vending machine placements.

In overseas beverages, revenue decreased due to lower shipments caused by the manufacturing trouble at the Malaysia plant, as well as reduced sales following tighter control of promotional expenses aimed at improving profitability. The Malaysia plant has been operating at full capacity since August. Exports increased as shipments suspended last year resumed; however, the business remains susceptible to disruptions stemming from conflict in the Middle East, and the environment continues to be unstable.

In the Real Estate business, revenue increased by JPY 1.8 billion, driven by YGP leasing and the Sapporo operations.



For the Alcoholic Beverages business, core operating profit increased by JPY 3.3 billion.

Japan Alcoholic Beverages posted an increase of JPY 3.8 billion. Including the effect of price revisions, beer-type beverages generated a JPY 3.0 billion increase in marginal profit, while RTD and other alcoholic beverages contributed an additional JPY 2.8 billion. As planned at the start of the fiscal year, we continued to invest actively in marketing, and promotional expenses increased by JPY 2.1 billion.

Overseas Alcoholic Beverages recorded a decline of JPY 0.4 billion. Sales of overseas brands declined due to worsening market conditions in North America. Although higher Sapporo brand sales and cost reductions helped offset the impact, U.S. tariffs had a roughly JPY 0.4 billion negative impact through Q3, which we were unable to fully absorb, resulting in lower profit.

The Restaurants business, despite revenue growth, was unable to fully offset higher costs, resulting in a JPY 0.1 billion decline in profit.

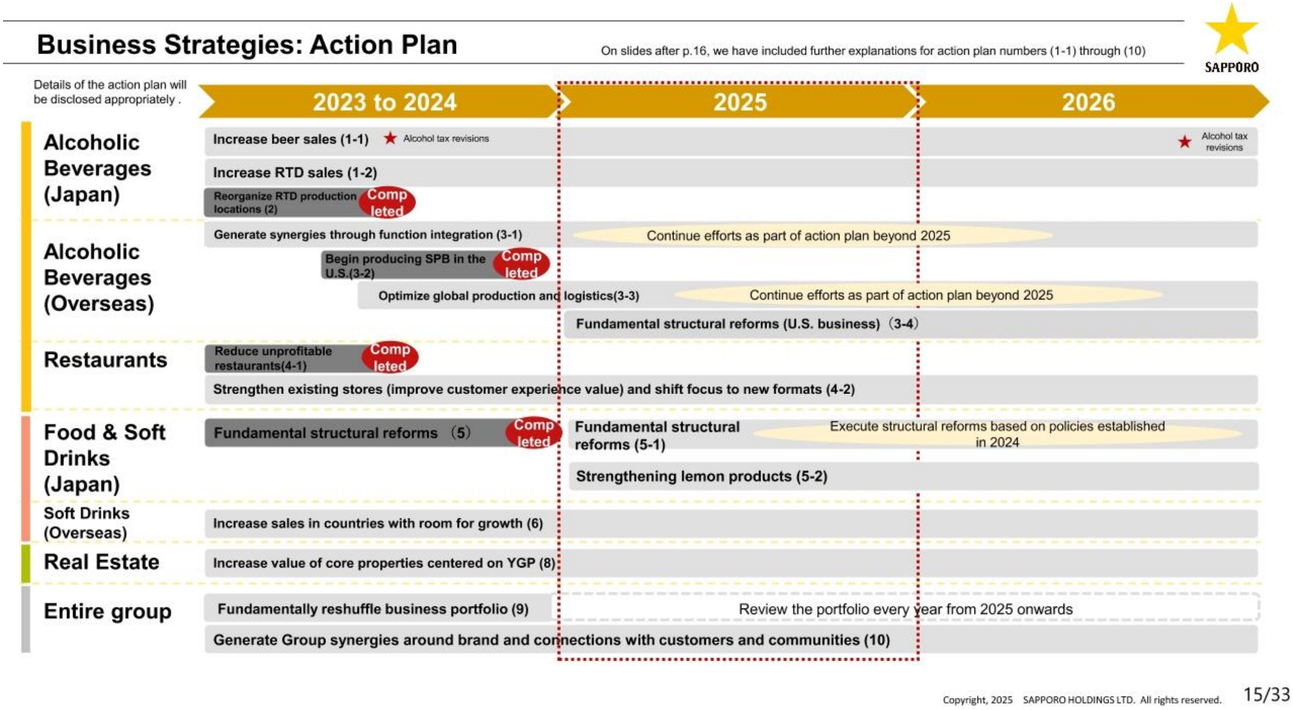
The Food & Soft Drinks business recorded an increase of JPY 1.1 billion.

Domestic operations posted an increase of JPY 0.8 billion. Although revenue declined due to structural reforms, cost improvements produced positive results, and the lemon business continued to perform well, contributing to higher profit.

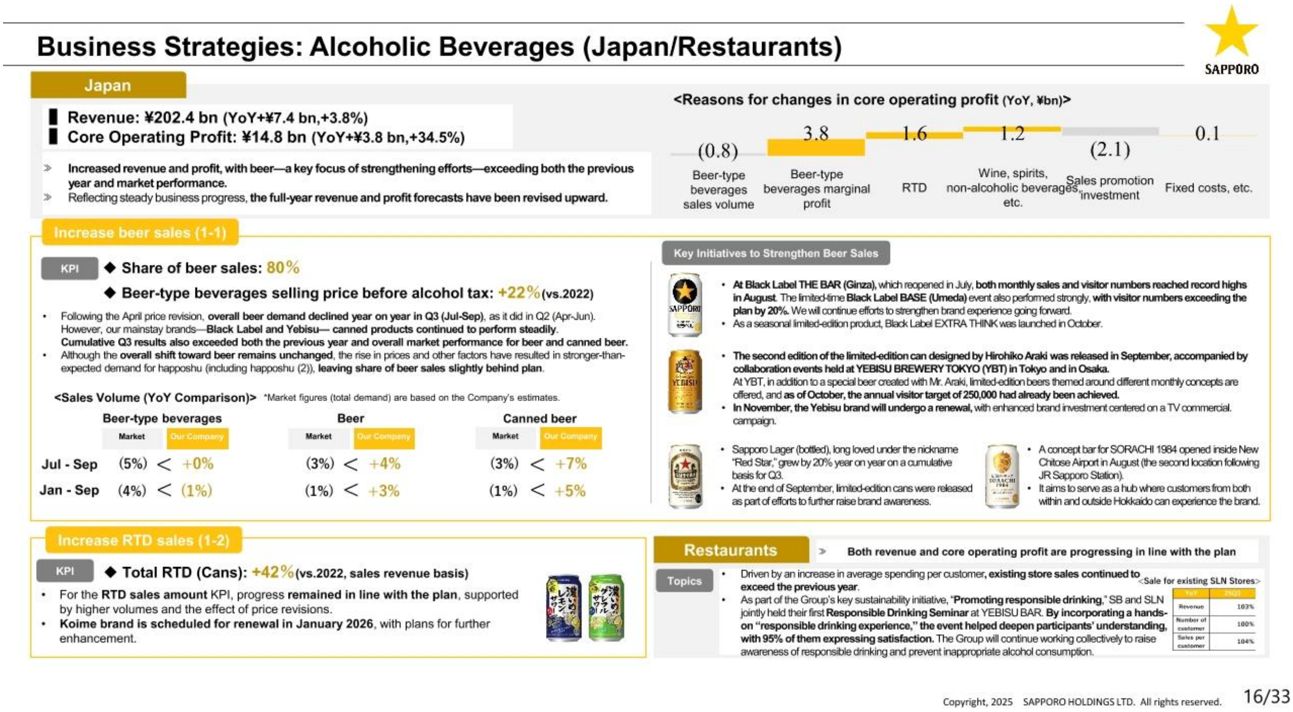
Overseas operations posted an increase of JPY 0.3 billion. Shipment volumes declined due to manufacturing issues at the Malaysia plant, but tighter control of marketing expenses to improve profitability contributed to lower revenue but higher profit.

In the Real Estate business, profit increased by JPY 1.1 billion, supported by higher revenue.

Company-wide expenses contributed a JPY 0.6 billion improvement in profit, partly due to the absence of IT equipment replacement costs incurred last year.



Regarding the action plan, there are no significant changes from the previous report for this third quarter.



In Japan Alcoholic Beverages, beer continued to perform strongly, led by Black Label cans and Yebisu cans. During the three months from July through September, total demand for beer-type beverages is estimated to have declined by 5%. Nevertheless, our performance was roughly in line with the previous year, outperforming the market.

For beer, total demand is estimated to have fallen by 3%, while our sales increased by 4%. For canned beer, with total demand similarly down 3%, our sales rose by 7%, indicating that we exceeded overall market demand.

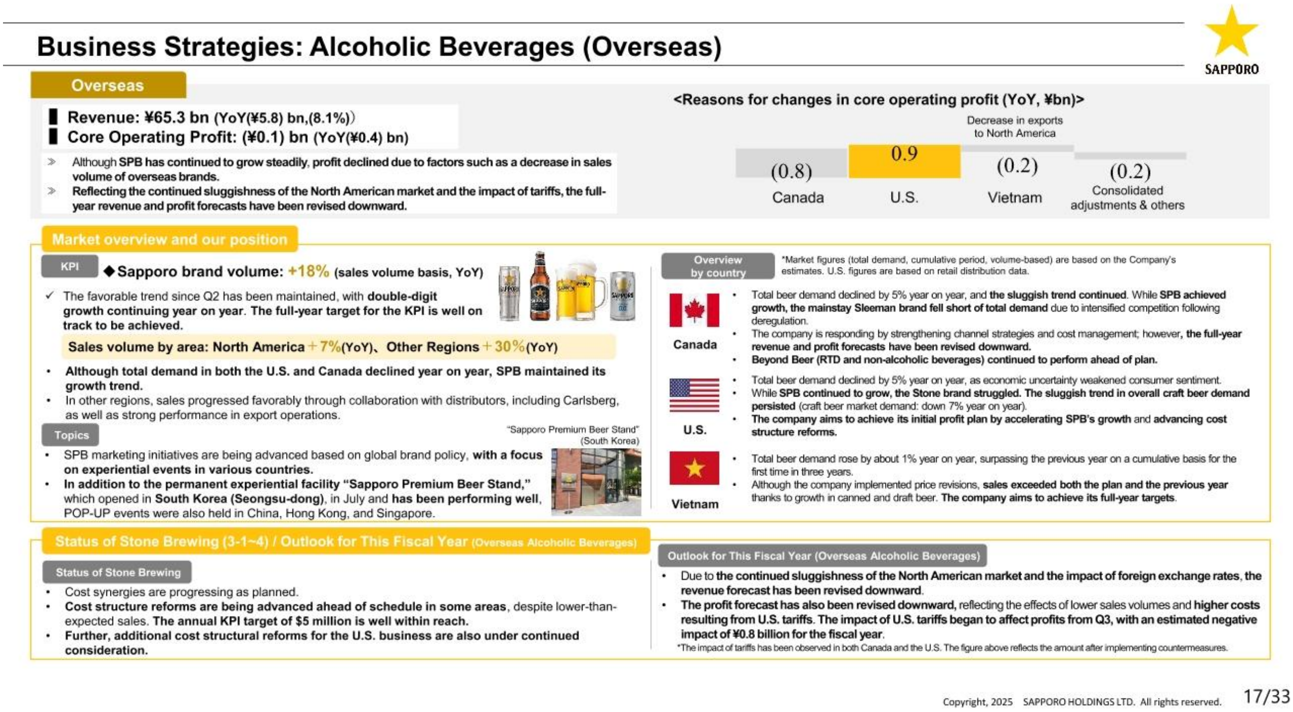
Beer accounted for 80% of the product mix. Although demand for reasonably priced happoshu remains slightly more resilient than expected due to inflation and other factors, we believe the trend toward beer continues.

For Black Label, we are further strengthening the brand by enhancing customer-experience touchpoints, centered on the Black Label THE BAR in Ginza, which reopened in July.

For Yebisu, we implemented initiatives such as launching the second series of cans designed by Hirohiko Araki. At YEBISU BREWERY TOKYO, the number of visitors surpassed the annual target as of October. A renewal will take place in November, accompanied by continued brand investment.

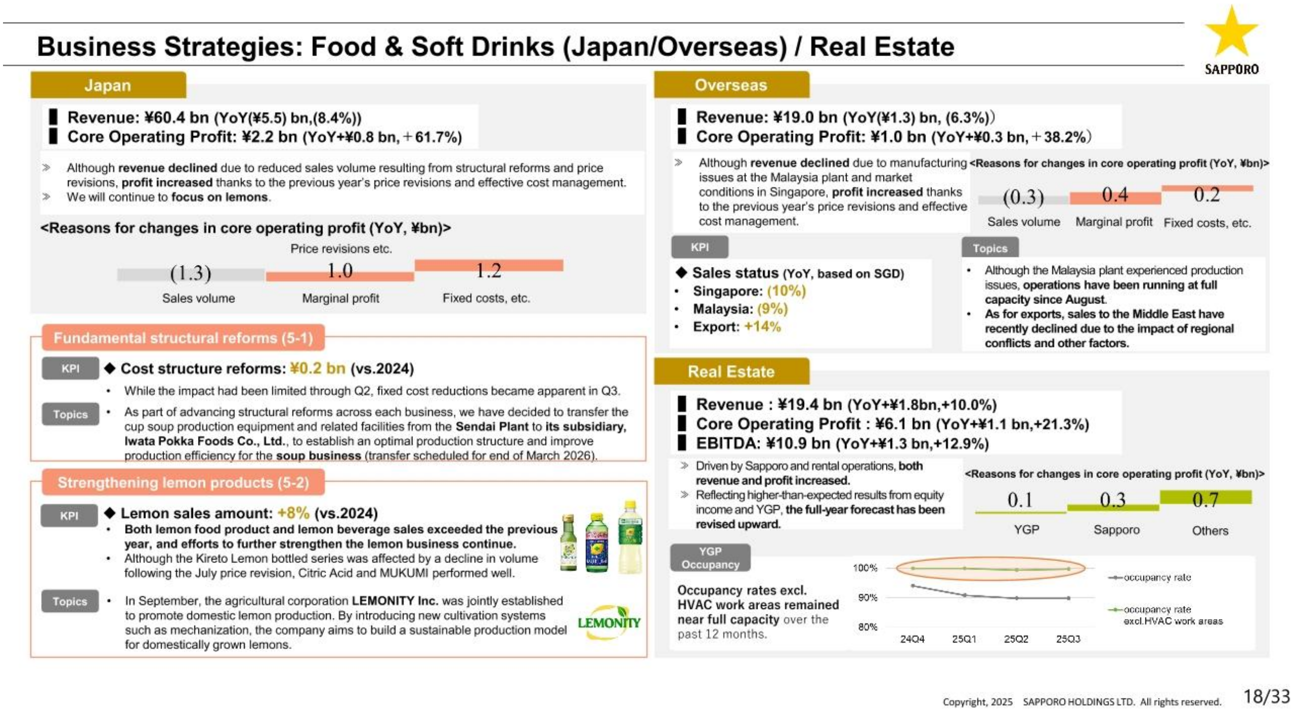
We will also continue to strengthen other beer brands such as Sapporo Lager ("Red Star") and SORACHI 1984.

For RTD, sales have grown 42% compared with 2022. To drive further growth, we plan to renew the Koime brand next year and continue reinforcing the business.



In the Canadian beer market, total demand is estimated to have declined by 5%, and the challenging market environment continues. With competition intensifying following retail deregulation, the Sapporo brand is growing; however, the core Sleeman brand is performing below overall market demand, creating difficult conditions. While we have implemented measures such as reviewing our channel strategy, we were nevertheless forced to revise our full-year outlook downward. RTD and non-alcoholic beverages, although still small in volume, are progressing ahead of plan.

In the United States, consumer sentiment has cooled due to uncertainty about the economic outlook, and total beer demand has declined significantly. Under these conditions, the Stone brand has seen a decrease in volume. However, supported by the growth of the Sapporo brand and the results of cost-structure reforms, we expect to achieve the initial profit plan.



In Japan Food & Soft Drinks business, revenue declined significantly due to business divestitures associated with structural reforms but profit increased owing to price revisions and effective cost management.

Cost-structure reforms generated an impact of approximately JPY0.2 billion in this third quarter. As announced yesterday, to further improve productivity, we have also decided to transfer our soup production equipment to a subsidiary next March.

The lemon business continued to grow, with revenue increasing 8% year-on-year. In September, we also established a joint lemon farming corporation to expand procurement of domestically produced lemons and build a sustainable production model.

In Overseas Beverages, revenue decreased due to shipment declines caused by manufacturing troubles at the Malaysia plant. However, by controlling promotional expenses to improve profitability, core operating profit improved year-on-year.

In the Real Estate business, Sapporo operations and leasing activities drove higher revenue and profit. For the full year, we have revised the outlook upward, supported by positive contributions from YGP and equity investments.

Business Strategies: Action Plan KPI

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※1 Forex assumption: ¥130
※2 Local currency basis (Singapore dollar)

Segment	KPI	No.	Q3 Results 2022Q3	Q3 Results 2024Q3	Q3 Results 2025Q3	Full Year 2022	Full Year 2024	Full Year 2025 Plan	2026 Medium-Term Plan target
Alcoholic Beverages (Japan)	**Reinforcement of Beer / Improving Profitability of Beer-type Bev.**								
	Increase beer sales: share of beer sales		66%	77%	80%	68%	78%	83%	79%
	Improve profit margin: selling price excluding alcohol tax		-	+16% (vs.2022)	+22% (vs.2022)	-	+12% (vs.2022)	+20% (vs.2022)	+11% (vs.2022)
	RTD Business Growth and Production Streamlining, Etc. RTD growth: RTD(cans) sales amount	(1-2)	-	+19% (vs.2022)	+42% (vs.2022)	-	+27% (vs.2022)	+37% (vs.2022)	+74% (vs.2022)
	Increase production efficiency: ratio of in-house production	(2)	-	-	-	73%	93%	98%	88%
Alcoholic Beverages (Overseas)	**SPB Growth** Sapporo brand volume	(3-1~3)	4.99 mn cases	6.47 mn cases	7.60 mn cases (YoY+18%)	6.61 mn cases	8.83 mn cases	9.57 mn cases	10.0 mn cases
	Stone Acquisition Synergy/Cost Structure Reforms Cost synergy	(3-1~3) ※1	-	-	-	-	$10M (vs.2022)	$13M (vs.2022)	$15M (vs.2022)
	Cost Structure Reforms (2025~)	(3-4)	-	-	-	-	-	$5M (vs.2024)	$15M (vs.2024)
Food & Soft Drinks (Japan)	**Cost Structure Reforms (~2024)**	(5) Completed	-	¥1.6 bn (vs.2022)	-	-	¥2.1 bn (vs.2022)	-	¥2.0 bn (2024 vs.2022)
	Cost Structure Reforms (2025~)	(5-1)	-	-	¥0.2 bn (vs.2024)	-	-	¥0.6 bn (vs.2024)	¥1.2 bn (vs.2024)
	Strengthening Lemon Products Lemon sales amount (2025~)	(5-2)	-	-	+8% (vs.2024)	-	-	+9% (vs.2024)	+17% (vs.2024)
Soft Drinks (Oversea)	**Expanding Sales and Increasing Logistics Efficiency** Overseas sales amount	(6) ※2 excluding OEM sales	-	(3%) (vs.2022)	(8.5%) (vs.2022)	-	(4.1%) (vs.2022)	+6.7% (vs.2022)	+10% (vs.2022)
Real Estate	**Increase value of YGP** Rate of increase in average rent price	(8)	-	-	-	-	+2.9% (vs.2022)	+2.9% (vs.2022)	+2.5% (vs.2022)
Entire Group	**Drastic Reorganization of Unprofitable Businesses, etc.**	(9)	-	-	-	¥1.0 bn (vs.2022)	¥1.7 bn (vs.2022)	-	-

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Regarding the indicators related to strengthening beer and improving profit margins for beer-type beverages in Japan Alcoholic Beverages, progress continues to be solid toward achieving the 2026 targets. In the revised plan, we expect revenue growth and a core operating profit margin of 8%, significantly exceeding the target set in the current medium-term management plan. We view the 2026 liquor tax revision next autumn as a major opportunity and will further intensify efforts to expand revenue and profit.

In the RTD business, we have set ambitious targets for 2026, and there is still a gap to close. We will continue taking actions to drive further growth, including renewing the Koime brand next year.

In Overseas Alcoholic Beverages, the Sapporo brand continues to make steady progress. Although we revised the cost-synergy target, given the challenging sales environment for overseas brands, we will accelerate cost-structure reforms.

In the Food and Soft Drinks business, we completed one stage of domestic cost-structure reforms last year and will continue to pursue further reforms. Although overseas beverage sales have remained challenging this year, once a stable production framework is firmly established, we aim to shift the business onto a growth trajectory.