



SAPPORO

Presentation Material for Timely Disclosure Regarding Injection of External Capital into the Real Estate Business

Note: Throughout this document, the following abbreviations are used:

SRE: Sapporo Real Estate Co., Ltd.

YGP: Yebisu Garden Place

December 24, 2025

Sapporo Holdings Limited (2501)

URL: <https://www.sapporoholdings.jp/en/>

Sapporo Group's vision for the future / objectives of injecting external capital into the Real Estate business

Medium- to long-term vision

By focusing on the alcoholic beverages business in which the Company has a competitive advantage and further honing its market creation capabilities, the Company aims to grow as **a company that can create rich beer and consumer experiences on a global scale**, while also targeting further improvements in capital returns.

Objectives of injecting external capital into the Real Estate business
(Toward achieving the medium- to long-term vision)

- **By off-balancing the Real Estate business to concentrate management resources**, and investing the funds obtained into **the growth of the alcoholic beverages business**, the Group aims to **enhance its medium- to long-term corporate value**
- **SRE will pursue further sustainable growth** by injecting external capital and advancing **value enhancement of the properties** it holds

Exploration of options for injection of external capital into the Real Estate business: Review framework and process

- ◆ **Together with outside directors and external advisers**, the Company conducted a **broad, comparative review of all feasible options**, including the injection of external capital into SRE, the sale of properties, and tax-qualified spin-offs.
- ◆ **The injection of external capital into SRE by SPARK LLC was evaluated as having the highest overall attractiveness based on the following factors**, and SPARK LLC (Equity investors: PAG · KKR) was selected as the transaction counterparty:

1) **Evaluation of SRE's enterprise value and equity value**

2) **Comprehensive evaluation from the perspective of enhancing SRE's enterprise value following the transaction**

Overview of the transaction for the injection of external capital into the Real Estate business and key financial impacts

- ◆ The transaction value is **477.0 billion yen** on an enterprise value basis, and **estimated accounting gains of approximately 330.0 billion yen** are expected
- ◆ For the purpose of ensuring smooth execution of the transaction, the **transfer of SRE's voting rights will be implemented in three stages** (with the first stage scheduled for June 2026)
- ◆ **Certain assets held by SRE (including 30% of YPG) will be excluded from the transaction** and will be **utilized to enhance the value of the Alcoholic Beverages business through strengthened customer touchpoints and brand experiences**



Cash allocation policy for cash obtained through the injection of external capital into the Real Estate business

- ◆ With a view to **achieving the long-term target of ROE of 10% or higher**, the Company has set a **medium-term ROE target for 2030 at 8% or higher**
- ◆ By **strategically allocating the funds obtained through the injection of external capital into the real estate business (approximately 470.0 billion yen) to growth investments in the alcoholic beverages business**, the Company will strengthen medium- to long-term cash generation, and strategically promote the **enhancement of its financial base** through debt repayment, and the **optimization of shareholders' equity through shareholder returns**

<Cash allocation policy>

Growth investments
(including M&A, etc.)
Approx.
300–400 billion yen

Debt repayment
(repayment of temporary debt)

Approx. 100 billion yen
Shareholder returns
(total value of returns until FY2030)
Approx. 100 billion yen

Regarding the Injection of External Capital into the Real Estate Business

Sapporo Holdings Limited (the “Company”) resolved to enter into an agreement with SPARK LLC relating to a series of transactions (the “Transactions”) involving SRE’s shares.

◆ **Value of the Transactions (on an enterprise value basis): 477.0 billion yen**

Enterprise value (1)	Net interest- bearing debt, etc. (2)	Equity value (1)–(2)
477.0 billion yen	102.4 billion yen	374.6 billion yen

◆ **Counterparty to the Transactions:** SPARK LLC (Equity investors: PAG · KKR)

- ◆ **Closing dates:**
- June 1, 2026 (Scheduled) (51%)
 - June 1, 2028 (Scheduled) (29%)
 - June 1, 2029 (Scheduled) (20%)

◆ **Purpose of the Transactions:** The Company plans to move the Real Estate business off its balance sheet to concentrate its management resources on the Alcoholic Beverages business and invest the funds raised in the growth of that business, as well as to seek further sustained growth for SRE with a new partner.

Note: Net interest-bearing debt, etc. includes the value of a loan to be collected from SRE. In addition, the value of the Transactions may change as it will be adjusted in line with the amount recorded in the balance sheet just prior to closing.

Overview of assets subject to the Transactions and transaction stages

Examples of SRE assets subject to the Transactions

- 70%¹ of YGP
- Sapporo Factory etc.

Assets currently owned by SRE that are excluded:

- ✓ 30% of YGP
Developed on the former site of the brewery where the YEBISU Brand was born, YGP has grown together with the local community over many years and has contributed to the growth of the YEBISU Brand as a base for brand experiences and information dissemination. The Company will continue to hold and further utilize YGP as a venue for customer touchpoints and brand experiences to support the growth of the Alcoholic Beverages business. At the same time, as further enhancement of YGP's real estate value is expected, the Company will consider the liquidity of 20% of the excluded 30% of YGP, taking into account future conditions for value enhancement and the growth stage of the Alcoholic Beverages business.
- ✓ Part of Sapporo Garden Park ²
A mixed-use facility located on the former site of the brewery that has supported the Sapporo brand over many years. While remaining rooted in the local community, it has contributed to the growth of the Sapporo brand as a base for brand experiences and information dissemination. The Company will continue to hold and further utilize the property as a venue for customer touchpoints and brand experiences to support the growth of the Alcoholic Beverages business.
- ✓ Ginza Place
An asset that the Company will continue to utilize as a venue for customer touchpoints and brand experiences, while also being expected to achieve further enhancement of real estate value in the future. Taking into account its contribution as a customer touchpoint and brand experience venue, as well as the growth stage of the Alcoholic Beverages business, the Company will consider the future realization and liquidity of its real estate value.

1. The percentage of quasi-co-ownership interest in trust beneficiary rights.
2. This refers to the areas including the Sapporo Beer Museum and Sapporo Beer Garden.

Overview of transaction stages

The plan is to achieve a smooth separation and raise cash in line with the growth scenario for the Alcoholic Beverages business by conducting the Transactions in three stages.

Schedule

First:	June 2026—51% & collection of loan in full
Second:	June 2028—29%
Third:	June 2029—20%

Main financial impacts

2026

- Profit to be booked in 2026 following loss of control over subsidiary: Approx. 330.0 billion yen
- Transaction value & value of loan to be collected: Approx. 290.0 billion yen

Until 2029

Cash inflow according to percentage of voting rights transferred: Approx. 470.0 billion yen in total (including approx. 30.0 billion yen as interest equivalent to the Company's cost of capital)

To maximize shareholder value and achieve sustained growth for SRE, the Company took steps to identify the optimal approach. When selecting the counterparty to the Transactions, it followed a selection process intended to maximize value while creating and maintaining a sufficiently competitive environment. The Company also made use of opportunities for focused deliberation and working groups including outside directors, establishing a structure that enabled outside directors to be involved throughout the entire process and exercise their supervisory function to the full.

Exploration of options for injection of external capital into the Real Estate business: Content and structure

Duration

April 2024 – December 2025

Content

The Company explored the following options from the perspectives of achieving its objectives and maximizing shareholder value and enterprise value:

- Methods for moving the Real Estate business off its balance sheet (share transfer, asset sales, or tax-qualified spin-offs)
- Plan for injection of external capital
- Selection of counterparty to share transfer (including the share transfer process)
- Cash allocation

Structure

Outside directors with specialist expertise were involved throughout the entire process

- ✓ Working groups including outside directors
- ✓ Board of Directors: reporting and deliberation
- ✓ Meetings for focused deliberation separate from Board of Directors' meetings
- ✓ Appointment of external specialist advisors including financial/legal advisors and consultants on accounting/taxation and on real estate

Process of selecting share transfer counterparty

Duration

September 2024 – December 2025

Background to selection

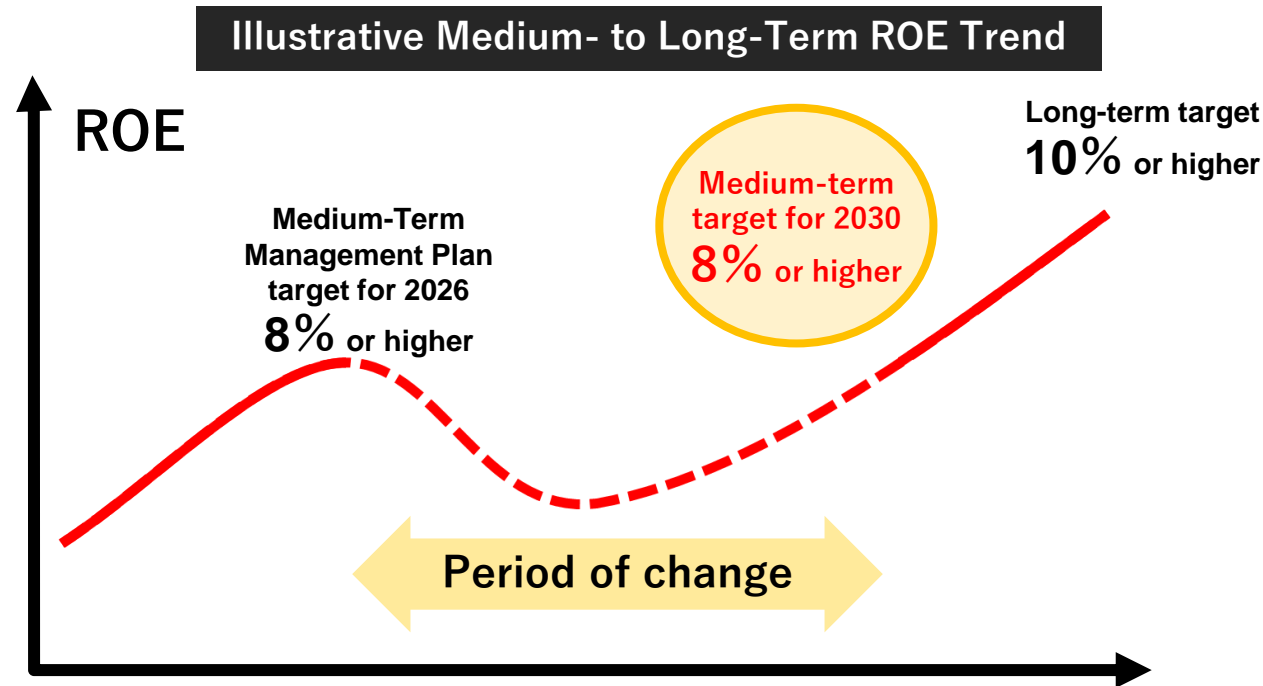
- In September 2024, commenced open invitation of proposals for injection of external capital (46 companies were willing to sign NDAs, 24 companies considered proposals, and 11 companies submitted proposals)
- Proceeded with the selection process in stages, offering several opportunities for candidates to present more detailed proposals. Candidates were gradually narrowed down by considering their proposed transaction value and compatibility with the Company's objectives.
- Continued dialogue with multiple candidates until just before end of selection process, thereby maximizing shareholder value and enterprise value

Policy for Allocation of Cash Raised Through Injection of External Capital into the Real Estate Business

Vision for Growth in the Group Medium- to Long-Term Growth Strategy

- » To achieve its long-term target of 10% or higher in ROE, the Company will strategically invest the funds raised through injection of external capital into the Real Estate business to boost growth in the Alcoholic Beverages business. In doing so, it will seek to accelerate profit growth and strengthen medium- to long-term cash generation capacity to increase Group-wide corporate value.
- » Although moving the Real Estate business off the balance sheet can be expected to increase equity and financial security, ROE will decline temporarily.
- » Setting its medium-term ROE target for 2030 at 8% or higher, the Company will aim to further improve capital efficiency from a medium- to long-term perspective and will strategically promote the optimization of shareholders' equity through shareholder returns.

[Financial Targets]



The Company will accelerate long-term profit growth by re-investing in the Alcoholic Beverages business, recognizing potential short-term fluctuations due to the injection of external capital into the Real Estate business.

[Balance sheet movements during period of change]

① Before the Transactions

Assets	Liabilities
	Equity

② Injection of external capital into Real Estate business

Cash & deposits	Liabilities
Assets	Profit*
	Equity

* Profit from injection of external capital into Real Estate business

③ Repayment of temporary loan

Cash & deposits	Repayment
Assets	Liabilities
	Equity

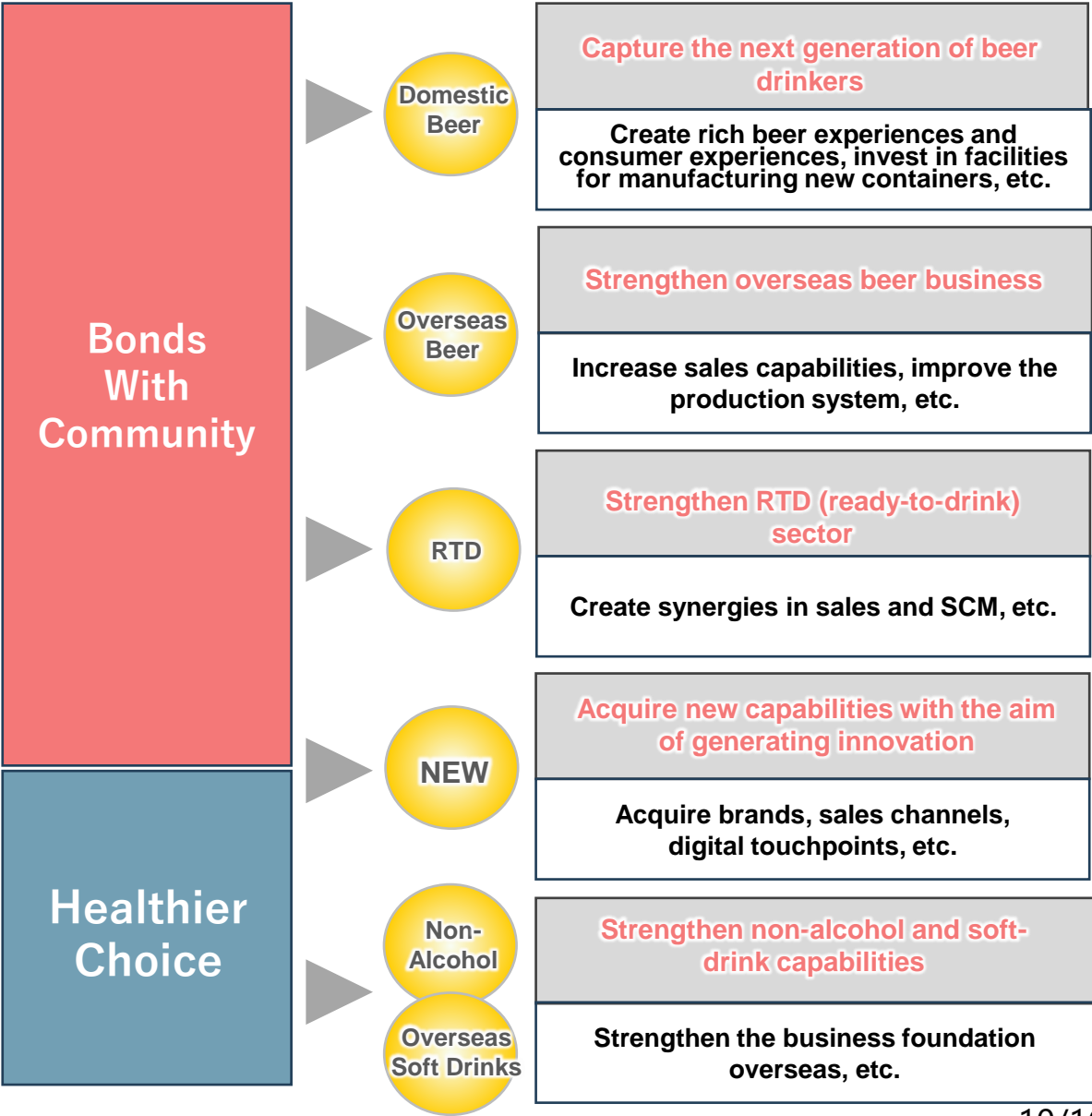
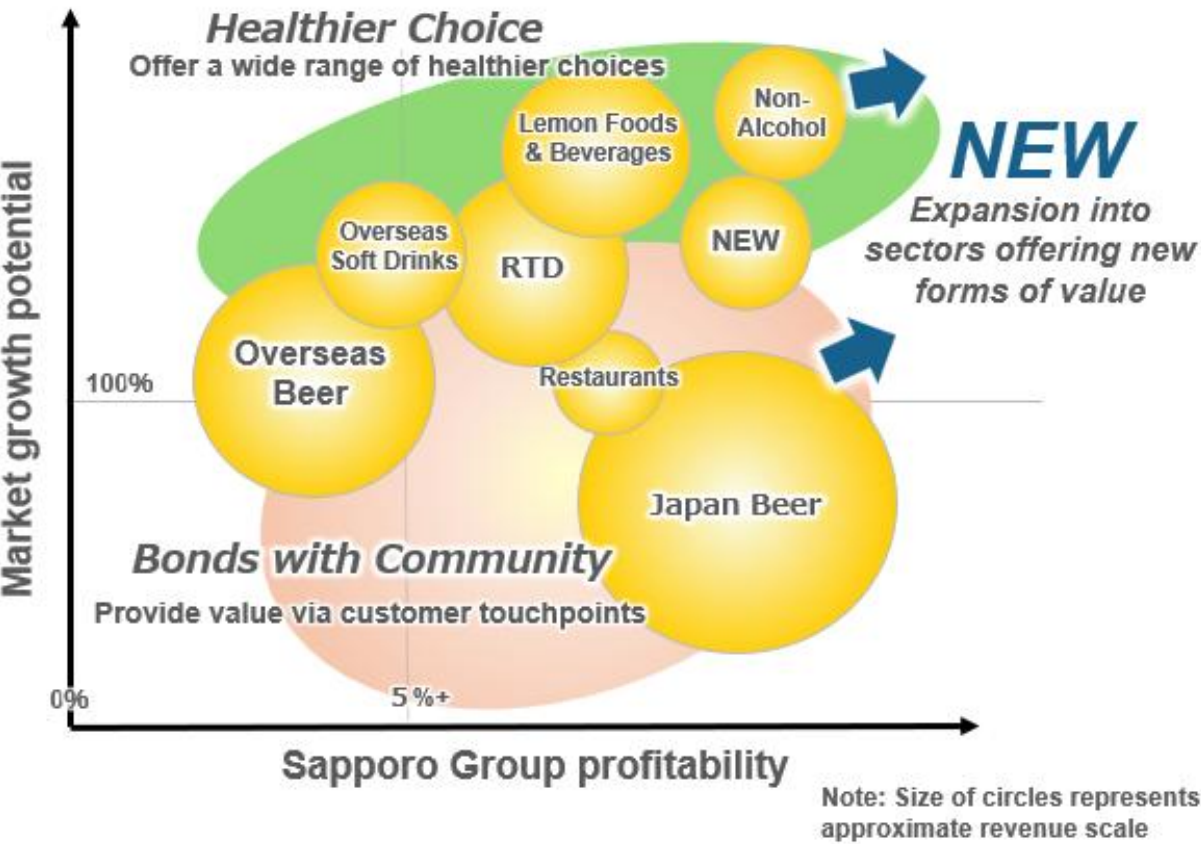
④ Investment of funds for growth & control of equity

Cash & deposits	Fundraising
Growth investment	Liabilities
Assets	Shareholder returns
	Equity

Outline of Growth and Investment Areas



Conduct growth investment according to strategy outline to increase profits and expand sectors in each segment



Policy for Allocation of Cash Raised Through Injection of External Capital into Real Estate Business



- » Cash raised through injection of external capital into the Real Estate business will be allocated mainly to growth investments. Moreover, repaying debt relating to the Real Estate business will increase financial security and ensure debt capacity for undertaking future investments.
- » To ensure stable and sustained return of profits to shareholders, the Company's dividend policy will be to aim for a DOE of 3% or higher, targeting 4% or higher by 2030. In addition, the Company will consider share buybacks as a means of improving capital efficiency.

Growth investments

(including M&A, etc.)

Approx.

300–400 billion yen

Debt repayment

(repayment of temporary debt)

Approx. 100 billion yen

Shareholder returns

(total value of returns until FY2030)

Approx. 100 billion yen

Priority sectors for investment

- ✓ Capture the next generation of beer drinkers
- ✓ Strengthen overseas beer business
- ✓ Strengthen RTD sector
- ✓ Acquire new capabilities with the aim of generating innovation
- ✓ Strengthen non-alcohol and soft-drink capabilities

- When making major investments including M&A, the Company will set hurdle rates for each business and area (Japan: 7%; overseas: 10%) and make comprehensive decisions before investing.
- If attractive investment opportunities are unlikely before FY2030, the Company will consider additional shareholder returns.

- The Company will increase capital efficiency by repaying the debt relating to the Real Estate business, as well as considering additional repayment of debt during the period before making growth investments.
- The Company will use financial leverage as required at each stage of growth investment, taking care to retain its "A" rating.
(Financial security aims: Control at D/E ratio of 0.5 times or less and D/EBITDA ratio of 3.0 times or less)

- The Company will aim for a DOE of 3% or higher, targeting 4% or higher by 2030.
- The Company will consider timely share buybacks aimed at increasing ROE and EPS.

The Company plans to disclose a more detailed policy, including cash from operations, in the next Medium-Term Management Plan (for 2027–2030), due to be announced in 2026.

Reference Material

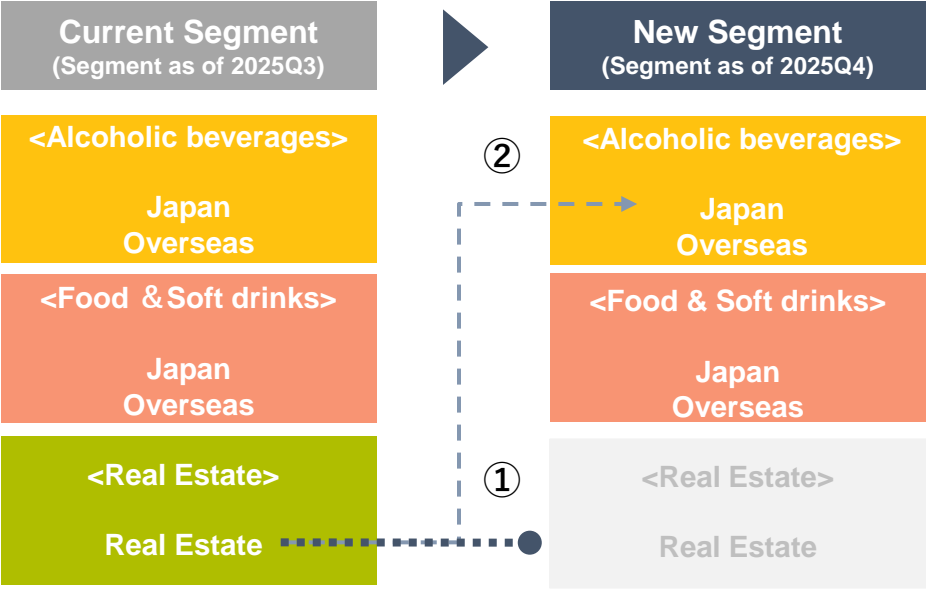
(Impact of Classifying the Real Estate Business as a Discontinued Operation)

Impact of Classifying the Real Estate Business as a Discontinued Operation (Overview)

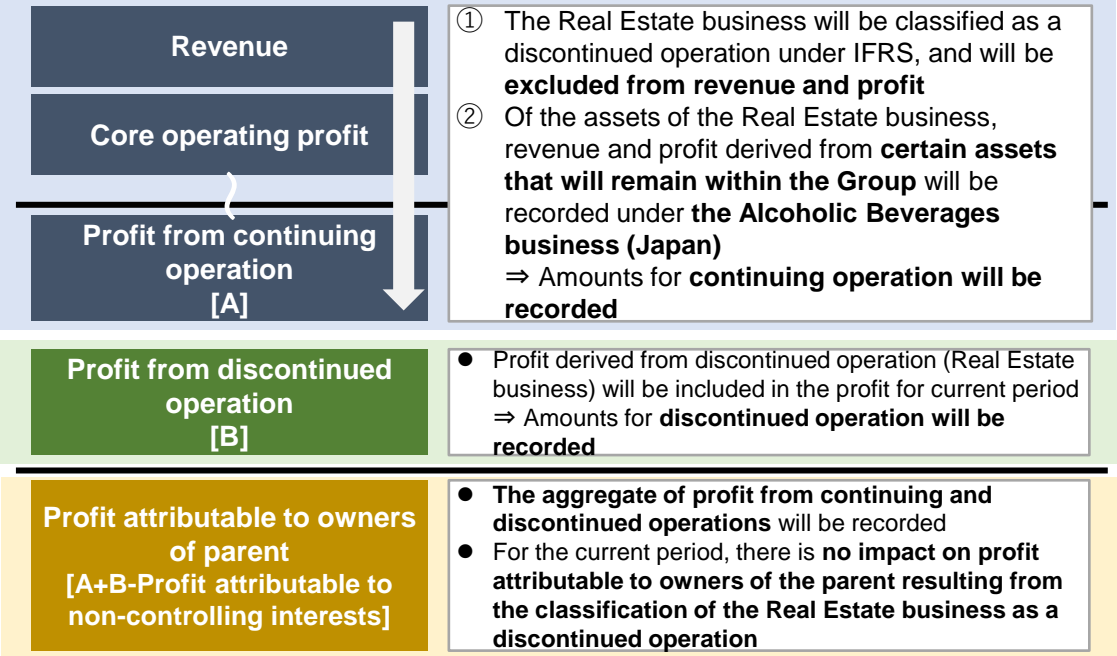


» Segment change arising from the injection of external capital into the Real Estate business and classification as a discontinued operation from 2025Q4

Overview of Reportable Segments Change



Financial Impact (Consolidated P/L)



<Segment change arising from the injection of external capital into the Real Estate business>

- ① The Real Estate business will be classified as a discontinued operation under IFRS, and will therefore be **excluded from revenue and profit**
(→From 2025Q4, it will be excluded from the scope of reporting)
- ② Of the assets of the Real Estate business, **certain assets that will remain within the Group will be transferred to the Alcoholic Beverages business (Japan)**, and revenue and profit will be recorded within the Alcoholic Beverages business (Japan)

Impact of classification of Real Estate business as discontinued operation
(Based on revised plan)

(Billion yen)	①	②	Total
Rvenue	(27.5)	+6.3	(21.2)
Core operating profit	(9.5)	+2.5	(7.0)

FY2025 Earnings Forecast Revision (Consolidated)



- » Revision to revenue and profit forecast following the classification of the Real Estate business as a discontinued operation
- » Substantively unchanged from the revised plan announced in November 2025 (accordingly, no change to profit attributable to owners of parent or ROE)

(Billion yen) (Classifying Real Estate business as discontinued operation)	2025 Revised Plan		Change Amount
	After Revision	Before Revision	
Revenue	501.8	523.0	(21.2) (4.1%)
EBITDA	40.0	51.7	(11.7) (22.7%)
Core operating profit (Revenue-Cost of sales-SG&A exp.)	22.5	29.5	(7.0) (23.7%)
Operating profit	21.1	27.8	(6.7) (24.1%)
Profit from continuing operation	-		
Profit from discontinued operation	-		
Profit attributable to owners of parent	16.5	16.5	- -
ROE	8.0%	8.0%	-

FY2025 Earnings Forecast Revision (Revenue / Core Operating Profit)



» Revision to revenue and core operating profit following the classification of the Real Estate business as a discontinued operation

Revenue (Billion yen) (Classifying Real Estate business as discontinued operation)	Revenue		Change Amount
	After Revision	Before Revision	
Alcoholic Beverages	396.3	390.0	+6.3
Japan	288.3	282.0	+6.3
Overseas	86.5	86.5	-
Restaurants	21.5	21.5	-
Food & Soft Drinks	105.5	105.5	-
Japan	80.0	80.0	-
Overseas	25.5	25.5	-
Real Estate	-	27.5	(27.5)
Other/Other • Adjustment (corporate and elimination)	-	-	-
Total	501.8	523.0	(21.2)

Core operating profit (Billion yen) (Classifying Real Estate business as discontinued operation)	Revenue		Change Amount
	After Revision	Before Revision	
Alcoholic Beverages	26.9	24.4	+2.5
Japan	25.0	22.5	+2.5
Overseas	-	-	-
Restaurants	2.0	2.0	-
Food & Soft Drinks	4.2	4.2	-
Japan	2.9	2.9	-
Overseas	1.3	1.3	-
Real Estate	-	9.5	(9.5)
Other/Other • Adjustment (corporate and elimination)	(8.5)	(8.5)	-
Total	22.5	29.5	(7.0)

As an intrinsic part of people's lives,
Sapporo will contribute to the evolution of creative,
enriching and rewarding lifestyles.



This document was prepared for the purpose of providing information to serve as a reference for investors in making investment decisions and not for the solicitation of investment or any other similar such actions.

The earnings forecasts and forward-looking statements contained in this document were prepared based on the judgment of the Company as of the date of this document and include potential risks and uncertainties.

Actual published future results may therefore differ materially from the content of this document.

The Company shall not in any way be responsible or liable for any losses or damages resulting from the use of the information in this document.