



**SAPPORO HOLDINGS LTD.**

## **Sapporo Holdings Limited**

Annual Financial Results Briefing for Fiscal Year 2025

February 13, 2026

## Event Summary

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<b>[Company Name]</b>	Sapporo Holdings Limited	
<b>[Company ID]</b>	2501	
<b>[Event Language]</b>	JPN	
<b>[Event Type]</b>	Earnings Announcement	
<b>[Event Name]</b>	Annual Financial Results Briefing for Fiscal Year 2025	
<b>[Fiscal Period]</b>	FY2025 Annual	
<b>[Date]</b>	February 13, 2026	
<b>[Number of Pages]</b>	24	
<b>[Time]</b>	17:00 – 18:16 (Total: 76 minutes, Presentation: 46 minutes, Q&A: 30 minutes)	
<b>[Venue]</b>	Webcast	
<b>[Number of Speakers]</b>	3	
	Hiroshi Tokimatsu	President and Representative Director
	Yoshitada Matsude	Executive Managing Director
	Rieko Shofu	Executive Managing Director

# Presentation

## Summary



FY2025 Financial Results*			FY2026 Management Plan*		
Core operating profit	Profit attributable to owners of parent	ROE	Core operating profit	Profit attributable to owners of parent	ROE
<b>¥25.0billion</b> YoY +¥8.2bn +49%	<b>¥19.5billion</b> YoY +¥11.8bn +153%	<b>9.4%</b> FY2024 Result 4.1%	<b>¥22.0billion</b> YoY (¥3.0)bn (12%)	<b>¥296.0billion</b> YoY +276.5bn	<b>83.4%</b> FY2025 Result 9.4%
<ul style="list-style-type: none"> <li>◆ Core operating profit increased across all segments, driven by improved profitability in each business, particularly Japan Alcoholic Beverages. Due to the increase in core operating profit, profit attributable to owners of parent rose significantly.</li> <li>◆ Following the adoption of IFRS in FY2018, core operating profit, operating profit, and profit attributable to owners of parent all reached record highs</li> <li>◆ ROE achieved the FY2026 financial target of 8% set in the Medium-Term Management Plan (2023–2026) one year ahead of schedule.</li> </ul>			<ul style="list-style-type: none"> <li>◆ Having achieved our Mid-Term Plan financial targets ahead of schedule and aim to transform into a company centered on the alcoholic beverages business, we position FY2026 as a transition period toward medium- to long-term growth.</li> <li>◆ Core operating profit is expected to decline as investment costs will be incorporated for medium- to long-term growth, and operating profit is also planned to decrease due to structural reforms expenses. Meanwhile, profit attributable to owners of parent is expected to increase significantly, driven by gains from the injection of external capital into the real estate business.</li> <li>◆ In Japan Alcoholic Beverages, the Company will invest in its business amidst the unification of liquor tax rates for beer-type beverages. In Overseas Alcoholic Beverages (U.S.), structural reforms will be accelerated and initiatives will be driven forward.</li> </ul>		
Review of the Mid-Term Plan and Formulation of next Mid-Term Plan (2027–2030)			<ul style="list-style-type: none"> <li>◆ Following the ahead-of-schedule achievement of our Mid-Term Plan financial targets, a review of the current Medium-Term Management Plan (2023–2026) is being announced, along with the status of considerations toward the formulation of the next Medium-Term Management Plan (2027–2030).</li> </ul>		
Shareholder return <small>(Dividends are stated on a post-stock-split basis as of December 2025)</small>			<ul style="list-style-type: none"> <li>◆ Based on our policy of a DOE of 3% or higher, the dividend for FY2025 has been set at 18 yen. With the goal of achieving a DOE of 4% or higher for FY2030, the Company plans to increase dividends for FY2026 significantly to 40 yen per share. An interim dividend will also be implemented to enhance shareholder returns.</li> </ul>		

\*Figures after classification of Real Estate business as discontinued operation

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## Tokimatsu:

An overview of the full-year financial results for fiscal year 2025 is as follows. Core operating profit was JPY25 billion, an increase of JPY8.2 billion year on year. Profit attributable to owners of parent was JPY19.5 billion, an increase of JPY11.8 billion year on year.

As a result, ROE increased significantly to 9.4% from 4.1% in the previous year, greatly exceeding the 8% target set in the current medium-term management plan.

Regarding core operating profit, profitability improved across all businesses, particularly in domestic alcoholic beverages, resulting in profit growth in all segments. Reflecting the increase in core operating profit, profit attributable to owners of parent also increased significantly.

Following the adoption of IFRS, all figures reached record highs. In particular, ROE achieved the 8% target set for fiscal year 2026, the final year of the medium-term plan, one year ahead of schedule in fiscal year 2025.

Regarding the management plan for fiscal year 2026, core operating profit is expected to be JPY22 billion, representing a year-on-year decline of JPY3 billion. Profit attributable to owners of parent is projected to be JPY296 billion, assuming the injection of external capital into the real estate business is executed on June 1, which would represent a significant increase year on year. Due to the temporary cash inflow associated with this transaction, ROE is expected to be temporarily elevated to 83.4%.

I will explain the factors behind the expected JPY3 billion decline in core operating profit. First, although the medium-term plan targets were achieved in fiscal 2025, we plan to incur certain costs for remaining structural reforms and to secure the sustainability of our business. Second, we anticipate strengthening marketing for beer products in anticipation of the liquor tax revision.

However, when looking solely at the domestic alcoholic beverages business, even after factoring in increased investments and other elements, core operating profit is expected to remain roughly flat.

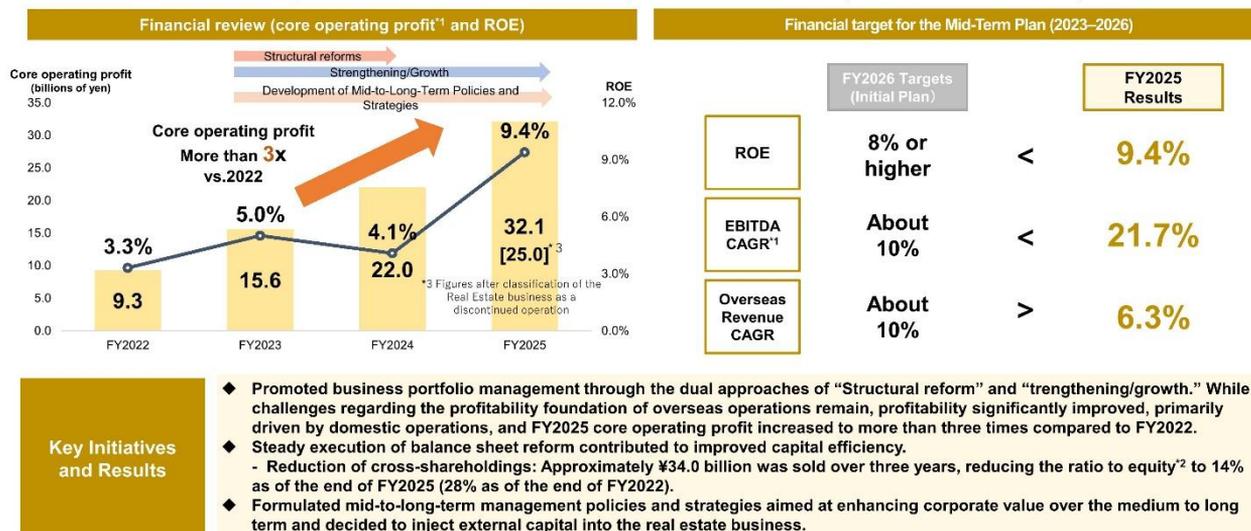
The Company plans to transition to an operating holding company structure on July 1 this year. The next medium-term management plan will cover FY2027 through FY2030, and FY2026 will be positioned as a transition year toward the next plan. We intend to steadily implement the necessary structural reforms and allocate the cash generated from the injection of external capital into the real estate business to growth investments, debt reduction, and shareholder returns.

We will provide a review of the current medium-term management plan and details of the next plan at a later date, but I would like to supplement information regarding shareholder returns. The dividends for fiscal year 2025 have been set at 18 yen on a post-stock split basis, in line with our policy of maintaining a DOE of 3% or higher. Furthermore, we are aiming for a DOE of 4% or higher by fiscal year 2030, and the dividend forecast for fiscal year 2026 is planned to be a significant increase to 40 yen. In addition, we have decided to implement interim dividends, which we have not done previously. Toward 2030, we will continue to focus on shareholder returns, including share buybacks.

## Review of the Medium-Term Management Plan (2023–2026) : Summary



- » Addressing capital efficiency and low profitability exit to drive the Medium-Term Management Plan.
- » The 8% ROE financial target set for FY2026 was achieved one year ahead of schedule (FY2025 actual ROE: 9.4%).



### Key Initiatives and Results

- ◆ Promoted business portfolio management through the dual approaches of “Structural reform” and “trengthening/growth.” While challenges regarding the profitability foundation of overseas operations remain, profitability significantly improved, primarily driven by domestic operations, and FY2025 core operating profit increased to more than three times compared to FY2022.
- ◆ Steady execution of balance sheet reform contributed to improved capital efficiency.
  - Reduction of cross-shareholdings: Approximately ¥34.0 billion was sold over three years, reducing the ratio to equity<sup>2</sup> to 14% as of the end of FY2025 (28% as of the end of FY2022).
- ◆ Formulated mid-to-long-term management policies and strategies aimed at enhancing corporate value over the medium to long term and decided to inject external capital into the real estate business.

<sup>1</sup>: For comparability with prior years, core operating profit and EBITDA CAGR are presented before the classification of the real estate business as a discontinued operation.

<sup>2</sup>: Equity: Total equity attributable to owners of parent

### Shofu:

Although the current medium-term management plan started in 2023, core operating profit has grown threefold compared with fiscal year 2022, before the plan began. ROE, one of our financial targets, also exceeded the 8% target set for the final year of the plan.

Let me provide some additional context on the two core operating profit figures shown in the graph on the left. Following the announcement at the end of last year regarding the injection of external capital into the real estate business, the real estate business has been classified as a discontinued operation. Consolidated core operating profit excluding the portion attributable to the real estate business subject to this transaction was JPY25.0 billion, while core operating profit without classifying the real estate business as a discontinued operation was JPY32.1 billion.

We set a target of approximately 10% for EBITDA CAGR, and the results significantly exceeded this target. On the other hand, while we also targeted approximately 10% CAGR in overseas revenue, the actual result was 6.3%, indicating that challenges remain.

Overall, our medium-term initiatives have focused on improving capital efficiency and moving away from a low-profit structure. We believe we significantly strengthened our earnings power in the domestic business, particularly in domestic alcoholic beverages.

Balance sheet reform was also a key theme. With regard to the reduction of cross-shareholdings, we progressed at a pace exceeding the initial plan, reducing the ratio to equity to 14% by the end of fiscal year 2025. Although equity will fluctuate significantly in 2026 due to the injection of external capital into the real estate business, based on progress to date, we expect the ratio to equity to reach 10%.

While non-financial items are not included in the materials, reductions in GHG emissions and improvements in the ratio of female directors and managers are both progressing steadily, and we expect to achieve our fiscal year 2026 targets.

In 2024, during the period covered by the medium-term plan, we announced our medium- to long-term management policy, significantly reshaping our portfolio and outlining a growth strategy centered on alcoholic beverages, where we have competitive strengths. In line with this policy, we decided to inject external capital into our real estate business, which we disclosed in December last year.

## Review of the Medium-Term Management Plan (2023–2026) : Status of each business



- Japan Alcoholic Beverages grew through strengthened beer initiatives, and Restaurants and Japan Food & Beverages improved profitability through structural reforms.
- Meanwhile, Overseas Alcoholic Beverages fell short of targets, and turnaround efforts to strengthen the earnings base continue, particularly in North America.

Core operating profit margin*	FY2022 Result	FY2023 Result	FY2024 Result	FY2025 Result	FY2026 Target (Medium-Term Plan target)
Alcoholic Beverages(Japan)	3.5%	5.3%	6.0%	9.0%	5.7%
Alcoholic Beverages(Overseas)	(0.4%)	(0.3%)	0.4%	1.1%	6.2%
Restaurants	(3.3%)	10.5%	9.3%	9.5%	5.0%
Food & Beverages (Japan)	0.9%	2.3%	2.5%	3.8%	3.8%
Overseas Beverages	3.6%	(2.2%)	4.3%	4.6%	5.0%

\*FY2025 core operating profit and core operating profit margin are presented after the classification of the Real Estate business as a discontinued operation (after the partial transfer of certain real estate assets from the Real Estate business to Japan Alcoholic Beverages), and after the transfer of the export business of SB (for APAC and Europe) from Japan Alcoholic Beverages to Overseas Alcoholic Beverages.

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Next, we will review the core operating profit margins of each business segment.

Domestic alcoholic beverages have been the driving force of our group, with the core operating profit margin rising sharply from 3.5% in 2022 to 9% in 2025. Overseas alcoholic beverages, however, continued to face significant challenges. In particular, structural difficulties in North America resulted in performance falling well short of the targets set when the medium-term management plan was formulated.

Meanwhile, core operating profit margins improved in the Restaurants, Domestic Food & Beverages, and Overseas Beverages segments. In particular, in Restaurants and Domestic Food & Beverages, we reviewed their positioning in our portfolio as businesses undergoing structural reforms and proceeded with the sale of certain assets and businesses. In Domestic Food & Beverages, we have also delivered steady growth in lemons, one of our key strengths.

## Review of the Medium-Term Management Plan (2023–2026) : Alcoholic Beverages (Japan)



- » The strategy to strengthen beer sales has been successful, leading to a significant increase in profitability. We will continue to work on further enhancing profitability beyond FY2026.



**Key Achievements and Future Challenges**

- ◆ Profitability improved significantly throughout the Mid-Term Plan period. The core operating profit margin largely exceeded the FY2026 Mid-Term Plan target of 5.7%.
- ◆ In addition to beer reinforcement, cost structure reforms such as base reorganization (Sendai, Nasu) and wine business review also contributed to improved profitability.
- ◆ Further strengthening beer sales by leveraging the October 2026 liquor tax revision, while enhancing the profitability of low-margin businesses and driving medium- to long-term growth in RTD (ready-to-drink) and non-alcoholic beverages.

<sup>\*1</sup>: FY2025 core operating profit and core operating profit margin are presented after the classification of the Real Estate business as a discontinued operation (after the partial transfer of certain real estate assets from the Real Estate business to Japan Alcoholic Beverages), and after the transfer of the export business of SB (for APAC and Europe) from Japan Alcoholic Beverages to Overseas Alcoholic Beverages.

<sup>\*2</sup>: Overall demand (market) is estimated by SH <sup>\*3</sup> Proportion of beer within beer-type beverages

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Next, I will explain the recent initiatives and future outlook for our core domestic and overseas alcoholic beverages businesses.

In domestic alcoholic beverages, we outperformed the market in beer and expanded sales volume. In particular, by promoting the brand's worldview and experiences, Black Label cans delivered 7% growth year on year, steadily strengthening their presence.

The share of beer within beer-type beverages also improved from 68% in 2022 to 81% in 2025. This improvement in product mix contributed to higher profitability.

In addition to beer growth, we have also been optimizing our production footprint to strengthen earnings. We converted the Sendai Beer Plant into an RTD production facility, sold the Nasu plant, and withdrew from domestic wine. These initiatives are also part of our efforts to enhance earnings power.

With liquor tax revision scheduled for October this year, we will continue to strengthen our domestic alcoholic beverages business.

## Regarding future growth (Alcoholic Beverages (Japan))

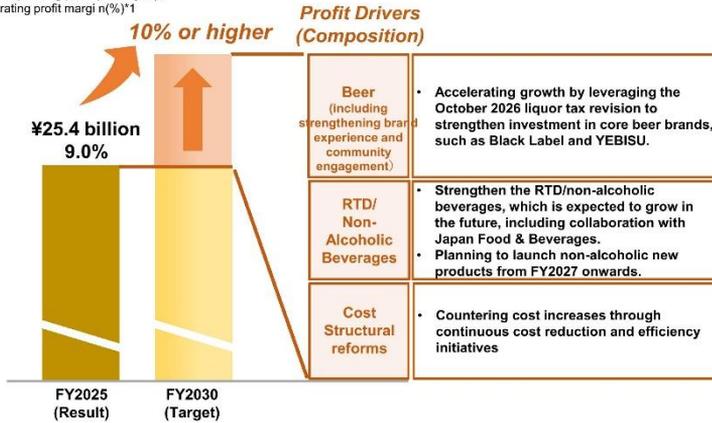


» Accelerating growth by leveraging the October 2026 liquor tax revision to increase investment in core beer brands.

### Profit Growth(Image)

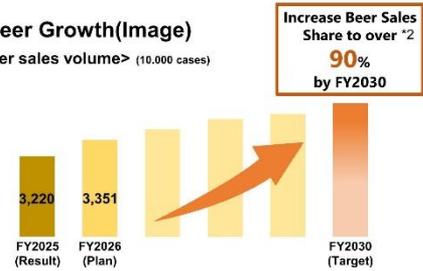
Execute "Bonds with Community × Healthier Choice" Business Strategy

Unit: Core operating profit (billion yen), core operating profit margin (%)<sup>\*1</sup>



### Beer Growth(Image)

<Beer sales volume> (10,000 cases)



<Strengthening core brands>



Black Label Brand  
Yebisu Brand

FY2030 target

+20% or higher

(Sales volume basis, vs.2025 Results)

<sup>\*1</sup>: FY2025 core operating profit and core operating profit margin are presented after the classification of the Real Estate business as a discontinued operation (after the partial transfer of certain real estate assets from the Real Estate business to Japan Alcoholic Beverages), and after the transfer of the export business of SB (for APAC and Europe) from Japan Alcoholic Beverages to Overseas Alcoholic Beverages.

<sup>\*2</sup> Proportion of beer within beer-type beverages

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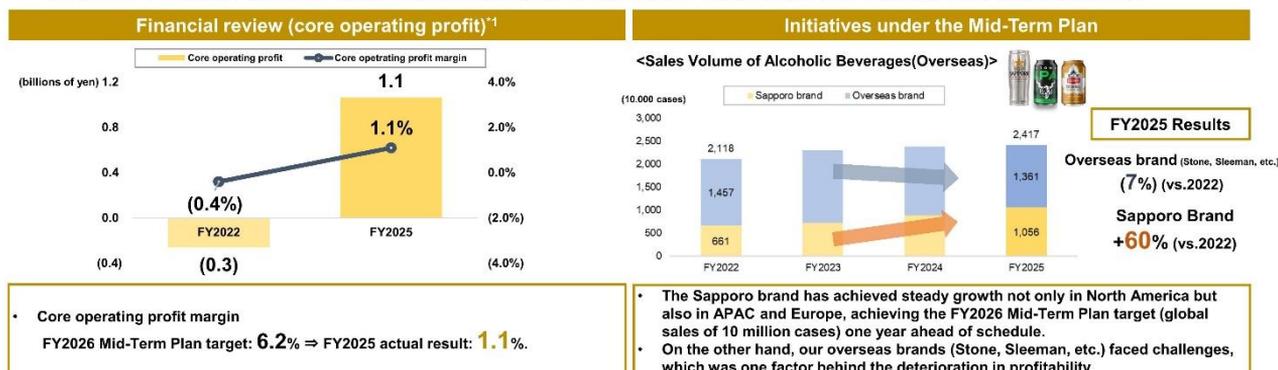
We will now explain the future outlook for our domestic alcoholic beverages business.

Toward 2030, we aim to achieve a core operating profit margin of 10% or higher in this segment. Beer will remain a key driver of profit growth. Based on our "Bonds with Community" concept, we will strengthen a wide range of consumer touchpoints through enhanced brand experiences and community building. We also plan to further develop initiatives to monetize these touchpoints going forward.

RTD and non-alcoholic beverages will also serve as growth and profit drivers. Over the long term, the domestic beer market is expected to gradually decline, while the RTD and non-alcoholic markets are expected to expand. We recognize that our RTD and non-alcoholic portfolio is not yet as strong as that of some competitors. We will therefore proactively allocate resources to build these categories into the next pillars of growth, as we formulate our next medium-term management plan.

We also aim to increase the beer mix to over 90% by 2030 and will continue to pursue further margin improvement initiatives. At the same time, we will continue strengthening our core brands, targeting volume growth of more than 20% versus fiscal year 2025 for the Black Label and Yebisu brands.

» The Sapporo brand continues to grow steadily. However, due to challenges in North America, sales and core operating profit are expected to fall short of the Mid-Term Plan targets. Efforts will be made to achieve an early turnaround of the North American business, potentially including additional cost structural reforms, while strengthening the earnings base in other regions.



**Key Achievements and Future Challenges**

- ◆ The Sapporo Brand (SPB) is growing steadily globally. However, affected by deteriorating market conditions due to inflation and other factors, the North American business profit margin is expected to fall short of the FY2026 Mid-Term Plan target. Furthermore, the U.S. tariffs are expected to prolong the soft beer market conditions. We will advance the early recovery of our North American business, considering additional cost structural reforms.
- ◆ To strengthen the management capabilities of our overseas operations, we will utilize external talent with extensive overseas experience and build a unified management foundation integrating local operations and headquarters through the International Management Committee (starting January 2025). We will further strengthen our organizational structure, including Overseas Beverage operations.

\*1: Core operating profit and margin for FY2025 are presented after the transfer of the export business of SB (for APAC and Europe) from Japan Alcoholic Beverages to Overseas Alcoholic Beverages. Copyright 2026 SAPPORO HOLDINGS LTD. All rights reserved. 10/58

As for overseas alcoholic beverages, significant challenges remain.

Regarding the growth of the Sapporo brand overseas, we had set a medium-term plan target of 10 million cases in sales, which we achieved one year ahead of schedule in fiscal year 2025.

On the other hand, brands other than the Sapporo brand, such as Sleeman in Canada and Stone in the United States, saw sales decline. The underperformance of these non-Sapporo brands, particularly Sleeman and Stone, had a significant negative impact on the earnings structure of our operations in Canada and the United States.

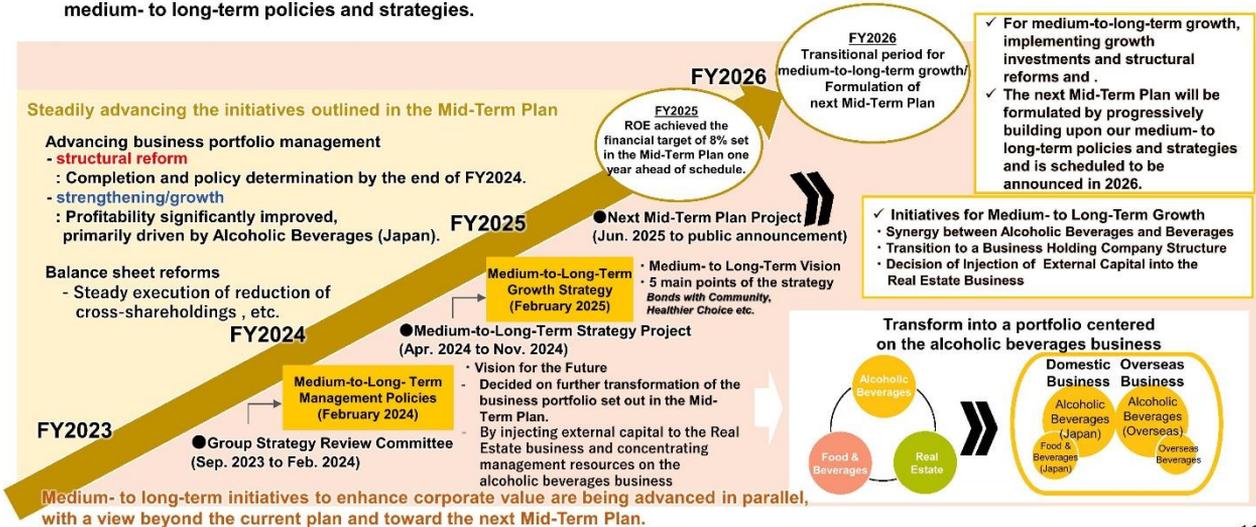
The key factors behind this underperformance were a greater-than-expected slowdown in the U.S. craft beer market, the overall decline of the Canadian beer market, and tariff-related cost increases. In particular, higher costs for can materials—such as aluminum and steel—were a major driver of cost inflation.

While the Sapporo brand continued to grow, we expect structural challenges in the United States and Canada to persist for some time. Accordingly, we are implementing additional structural reforms in both countries and will work to accelerate the turnaround of our North American business.

Strengthening our overseas governance and management capabilities was also identified as a key challenge. We have been managing overseas operations with a management structure different from that of our domestic business, and we established an International Management Committee in January last year.

As a result, we believe that transparency in management accounting and the profit structure has improved, and planning for reforms in close collaboration with local teams has begun to progress. Going forward, we will further strengthen our organizational structure, including our overseas beverage business.

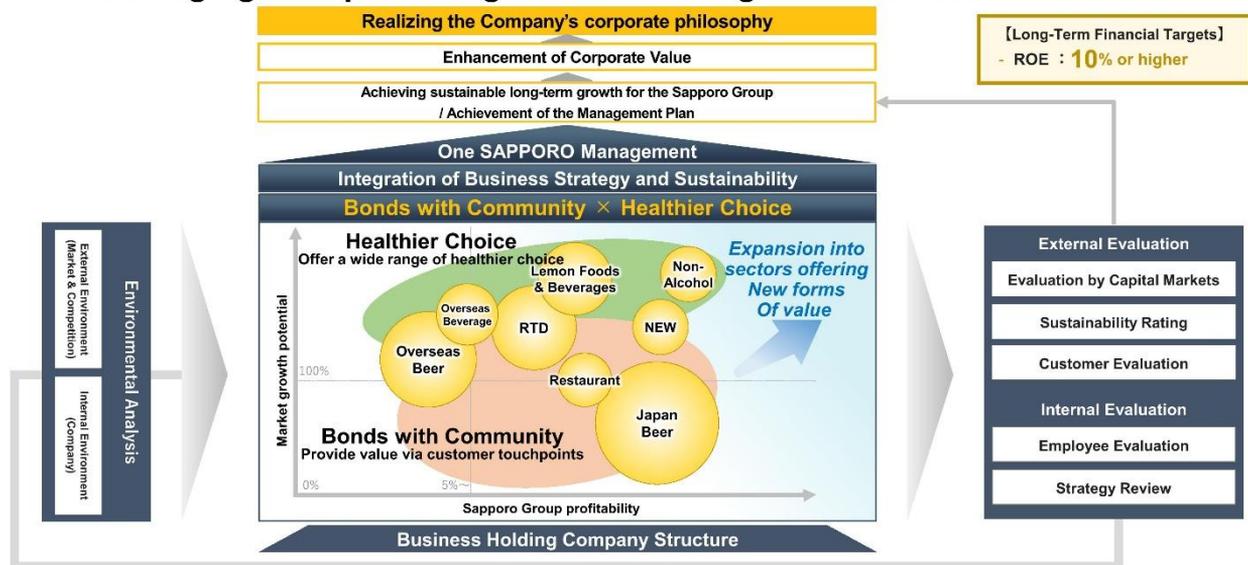
- During the Medium-Term Plan period, initiatives to enhance corporate value over the medium-to long term were advanced with a view beyond the current plan. Growth will be pursued by concentrating management resources on core domestic and overseas alcoholic beverage businesses.
- The next Medium-Term Management Plan (2027–2030) is planned to be formulated by progressively building upon our existing medium- to long-term policies and strategies.



The targets set in the current medium-term management plan were largely achieved ahead of schedule. In addition, during the plan period, we announced our medium- to long-term management policy and made the decision to significantly reshape our business portfolio by focusing resources on businesses where we have competitive strengths. We have now begun implementing initiatives in line with our disclosed medium- to long-term growth strategy.

Accordingly, the current medium-term management plan will come to an end in fiscal year 2025, and fiscal year 2026 will be positioned as a transition year, reflecting significant changes in equity associated with the injection of external capital into the real estate business, as well as the expected occurrence of one-time expenses. The next medium-term management plan will cover the four-year period from fiscal year 2027 to fiscal year 2030, and we plan to announce the details at an appropriate time later this fiscal year..

## Leveraging Group's Strengths and Working as One to Maximize Value



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The foundation for our next medium-term management plan is the medium- to long-term management policy announced in February 2024.

First, we plan to transition from our current pure holding company structure to an operating holding company structure starting in July this year. By more closely integrating group functions and businesses, we aim to build an organizational structure that can generate synergies more efficiently.

Within this framework, we will manage our businesses along two key strategic pillars—“Bonds with Community” and “Healthier Choice”—in line with our medium- to long-term policy and in anticipation of future market changes, as shown in the bubble chart.

With respect to growth investments, we will pursue opportunities across regions and through both organic and inorganic means. While continuing to strengthen domestic beer, we also aim to expand our overseas beer business while managing country-specific portfolio risks.

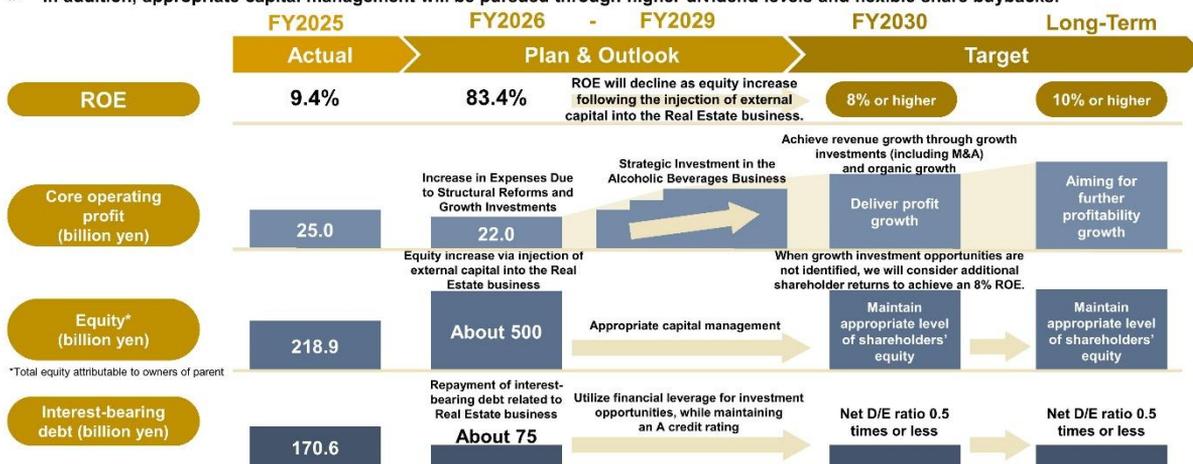
In addition, both domestically and internationally, RTD and non-alcoholic beverages will be priority categories for resource allocation.

While ROE may fluctuate temporarily in the short term, we are formulating the next medium-term management plan with the goal of delivering ROE of 10% or higher over the medium to long term.

## Financial Scenarios to Enhance Medium- to Long-Term Corporate Value



- To achieve our long-term ROE target of 10% or more, we will strategically invest the funds raised through the injection of external capital into the Real Estate business into growth initiatives in the Alcoholic Beverages business, accelerating earnings growth and strengthening medium- to long-term cash generation to enhance overall group corporate value.
- In addition, appropriate capital management will be pursued through higher dividend levels and flexible share buybacks.



◆ The cash (¥470 billion) raised through injection of external capital into the Real Estate business will primarily be allocated to ¥300–400 billion in growth investments and ¥100 billion in shareholder returns.

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### Matsude:

Let me begin by explaining our medium- to long-term financial scenario.

The key point of this medium- to long-term financial scenario is how we will allocate the cash obtained from the injection of external capital into real estate.

We assume the scale of this cash to be JPY470 billion. We plan to allocate JPY300–400 billion to growth investments and JPY100 billion to shareholder returns, including raising dividend levels and flexible share buybacks. Through this, we aim to achieve ROE of 10% or higher over the long term.

ROE was 9.4% in FY2025. In FY2026, due to the recognition of a significant gain from the injection of external capital into real estate, ROE is expected to be 83.4%. Thereafter, as equity more than doubles, ROE is expected to decline temporarily. However, through strategic investments in the alcoholic beverages business to drive profit growth, we aim to restore ROE to 8% or higher by FY2030 and to 10% or higher over the long term.

Note that core operating profit for FY2026 is planned at JPY22 billion, a year-on-year decline. This reflects a temporary decrease as we proactively invest to strengthen the foundation for future growth. We expect an early recovery from FY2027 onward.



## 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 primarily to growth investments. In addition, based on our view of the appropriate future balance sheet, we will strategically optimize shareholders' equity and appropriately utilize financial leverage to enhance capital efficiency and ultimately increase corporate value.
- To provide stable and sustainable shareholder returns, our dividend policy targets a DOE of 3% or higher as a guideline, with the aim of achieving 4% or higher by 2030. In addition, from the perspective of improving capital efficiency, we will also consider share buybacks.

<p><b>Growth investments</b> (including M&amp;A, etc.) Approx. 300–400 billion yen</p>	<p><b>Priority sectors for investment</b></p> <ul style="list-style-type: none"> <li>✓ Capture the next generation of beer drinker</li> <li>✓ Strengthen overseas beer business</li> <li>✓ Strengthen RTD sector</li> <li>✓ Acquire new capabilities with the aim of generating innovation</li> <li>✓ Strengthen non-alcohol and soft-drink capabilities</li> </ul> <ul style="list-style-type: none"> <li>• When making major investments including M&amp;A, the Company will set hurdle rates for each business and area (Japan: 7%; overseas*: 10%) and make comprehensive decisions before investing.</li> <li>• If attractive investment opportunities are unlikely before FY2030, the Company will consider additional shareholder returns.</li> </ul> <p style="text-align: right; font-size: small;">* North America 10%, etc.</p>
<p><b>Debt repayment</b> (repayment of temporary debt) Approx. 100 billion yen</p>	<ul style="list-style-type: none"> <li>• The Company will increase capital efficiency by repaying the debt related to the Real Estate business, as well as considering additional repayment of debt during the period before making growth investments.</li> <li>• 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 Net D/E ratio of 0.5 times or less and Net D/EBITDA ratio of 3.0 times or less)</li> </ul>
<p><b>Shareholder returns</b> (total value of returns until FY2030) Approx. 100 billion yen</p>	<ul style="list-style-type: none"> <li>• The Company will aim for a DOE of 3% or higher, targeting 4% or higher by 2030.</li> <li>• The Company will consider timely share buybacks aimed at increasing ROE and EPS.</li> </ul>

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

Next, I would like to provide additional details on our cash allocation policy for the proceeds from the injection of external capital into real estate.

Our basic approach is to prioritize investments in our growth strategy while also considering the balance sheet we aim to achieve over the medium to long term.

With respect to growth investments, we plan to allocate capital to both domestic and overseas investments, including organic and inorganic opportunities. In making investment decisions, we will use hurdle rates set by business and region. As examples, we have set hurdle rates at 7% for Japan alcoholic beverages and 10% for North American alcoholic beverages, based on WACC plus a spread. If we are unable to identify attractive investment opportunities by FY2030, we will consider additional shareholder returns.

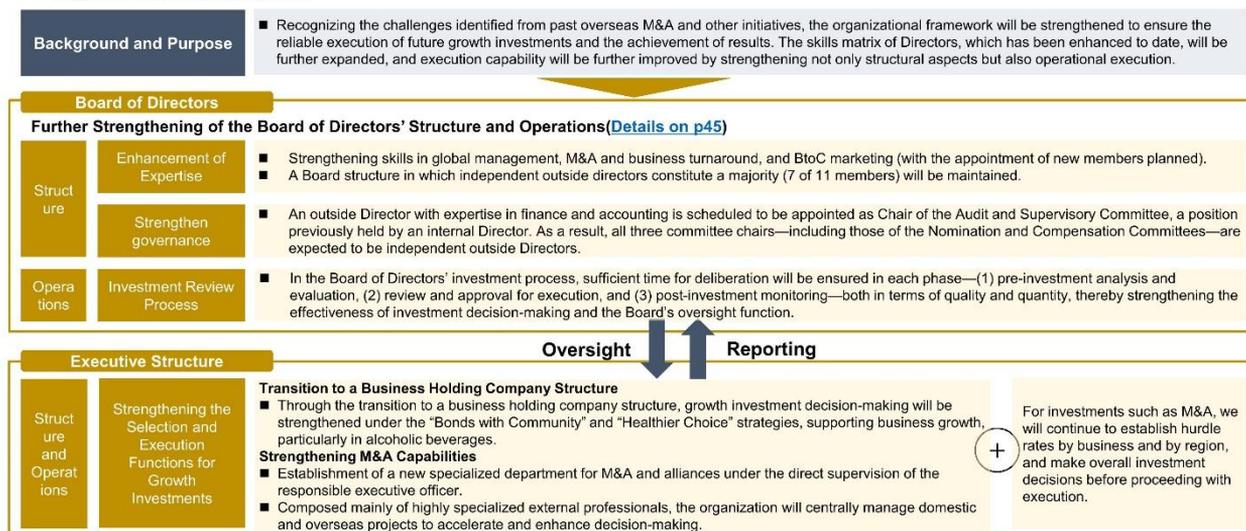
Turning to debt, we will first repay debt related to the real estate business. If cash remains in excess after that, we will use it to repay other outstanding debt. At the same time, over the medium to long term, we intend to make use of financial leverage. As benchmarks for financial soundness, we plan to manage our leverage within a net D/E ratio of 0.5x or below and a net debt/EBITDA multiple of 3.0x or below.

With respect to shareholder returns, in addition to enhancing dividends, we will also consider share buybacks. We plan to provide more specific guidance on share buybacks after the first closing, which is scheduled for June 1.

## Strengthening of Management and Governance Systems (Changes from FY2026 Onward)



- » Throughout the Medium-Term Management Plan period, both the executive structure and the Board of Directors' oversight structure have been continuously strengthened. As future growth investments are executed, these structures will be further enhanced to improve their effectiveness.



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Next, I will explain our management and governance framework to drive these growth investments.

We have strengthened both our executive and board structures to date, and we will further reinforce them as we pursue our growth strategy.

First, with respect to the Board, our approach is to enhance expertise aligned with our future strategy, with a focus on global management, M&A, business turnaround, and B2C marketing. We plan to nominate new outside director candidates with these capabilities. (Please refer to Appendix p.45 for details.)

In terms of governance enhancement, an outside director with financial and accounting expertise is expected to assume the role of Chair of the Audit and Supervisory Committee, which has previously been held by an internal director.

Regarding the investment review and approval process, we intend to ensure sufficient time and rigor in reviewing both qualitative and quantitative aspects, in order to strengthen the effectiveness of investment decision-making and the Board's oversight.

Turning to the executive structure, we plan to transition to an operating holding company structure in July this year. By strengthening execution both domestically and overseas, and improving the speed and quality of information flow to the Board, we will further enhance our decision-making processes.

Finally, with respect to M&A, we have received feedback from the capital markets that our track record has not been satisfactory. We intend to address this issue directly by establishing a dedicated organization specializing in M&A and alliances, and by recruiting highly specialized external talent to strengthen our capabilities.

**Overview of the Transaction**

- Maintain discussions with multiple candidates until the final stage of the process to foster and sustain a competitive environment and maximize shareholder value and corporate value\*1.

<Transaction Price (Enterprise Value Basis)>		<Key Financial Impacts> 2026
Corporate value (1)	¥477.0 billion	Gain on Loss of Control of a Subsidiary: Approximately ¥330 billion (Estimated after-tax profit: approximately ¥290 billion)
Net Interest-Bearing Debt, etc. (2)	¥102.4 billion	Transaction Amount and Loan Repayment Proceeds: approximately ¥290 billion
Equity Value ((1) - (2))	¥374.6 billion	Through FY2029 (cumulative) Total Cash Inflow Based on the Transaction Ratio: approximately ¥470 billion (including approximately ¥30 billion in interest equivalent to the Company's cost of capital)

**<Schedule>**

First Closing: June 2026 – 51%  
(Full repayment of shareholder loans)  
Second Closing: June 2028 – 29%  
Third Closing: June 2029 – 20%

**<Supplementary Information on Transaction Stages >**

- ✓ **Achieving a smooth separation**
  - We place importance on maintaining relationships with SRE's existing business partners, employees, and other stakeholders. By remaining a minority shareholder until 2029, we aim to ensure a smooth transition.
- ✓ **Realization of phased monetization**
  - We anticipate that growth investments in the alcoholic beverages business (including M&A) will require a certain amount of time for evaluation and completion.
  - Phased cash inflows will enable flexible cash management aligned with the growth scenario of the alcoholic beverages business, and contribute to improved asset efficiency.
  - The share price is fixed across all three closings to ensure the realization of certain cash proceeds. In addition, taking into account the time value of cash, for the second and third closings, an amount equivalent to the Company's cost of capital (6% per annual) will be added to the share transaction price.

\*1 Confirmed through the selection process that a staged transfer would not result in a lower share price compared with a lump-sum transfer.  
\*2 Net interest-bearing debt, etc. includes loan collections from SRE. In addition, the value of the transaction may change as it will be adjusted in line with the amount recorded in the balance sheet just prior to closing.

**Examples of SRE assets subject to the Transactions**

- 70% of YGP\*\*3
- Sapporo Factory etc

**< Assets currently owned by SRE that are excluded >**

Assets to be utilized for the alcoholic beverages business will be retained within the Group (scheduled to be transferred to SB in March 2026).

- 30% of YGP\*\*3
- Part of Sapporo Garden Park\*4
- Ginza Place

**✓ Quantitatively measure capital efficiency**

- For assets that contribute to the alcoholic beverages business—such as brand communication hubs and experiential venues in locations associated with the brand's origins—we assess their contribution to business growth\*\*5 by comparing property-level ROIC with the WACC of our domestic alcoholic business, and will continue to monitor this regularly.

**✓ With future monetization in view**

- 20% of YGP and Ginza Place are expected to offer further value enhancement and value realization. In light of the growth stage of the alcoholic beverages business, we will continue to consider the realization and monetization of real estate value.

\*\*3 The percentage of quasi-co-ownership interest in trust beneficiary rights  
\*4 Lots/areas including the Sapporo Beer Museum and Sapporo Beer Garden, etc.  
\*5 Includes synergies such as brand communication effects

Finally, I would like to provide additional details on the real estate external capital injection transaction structure.

First, regarding the scale of the transaction, the corporate value is JPY477 billion, as previously disclosed. We plan to conduct the first closing in June 2026. In connection with this, we expect to recognize a gain on the loss of control of a subsidiary of JPY330 billion, which is equivalent to approximately JPY290 billion after tax.

Cumulative cash proceeds through FY2029 are expected to total JPY470 billion, unchanged from our previous disclosure.

To ensure a smooth separation and phased cash realization, the transaction will be executed in stages. We have confirmed that there is no discount attributable to the staged nature of the transaction (i.e., no “step discount”).

With respect to the real estate assets included in the transaction, we have decided to retain certain assets currently held by Sapporo Real Estate Co., Ltd. within the Sapporo Group. These include a 30% interest in Yebisu Garden Place (YGP), a portion of Sapporo Garden Park, and Ginza Place. We will continue to leverage these assets as brand communication hubs and venues for brand experiences, contributing to the growth of our alcoholic beverages business.

We will monitor their contribution by comparing market ROIC with WACC. In addition, for a 20% portion of the 30% interest in YGP, as well as Ginza Place, we will also consider potential monetization in the future, depending on the growth stage of the alcoholic beverages business.

## FY2025 Financial Highlights (Consolidated)\*



- Improved core operating profit, which reflects the profitability of our core business, contributed to a significant increase in profit attributable to owners of the parent. We also achieved our Medium-Term Management Plan target of 8% ROE.
- Profit also increased compared with the revised plan announced in December 2025. Since the adoption of IFRS in FY2018, we achieved record-high profit at every level of profit.

(¥ bn)	FY2024 [A]	FY2025 [B]	Change [B-A]	YoY [B/A]	FY2025 Revised Plan [C]	Change [B-C]	YoY [B/C]
Revenue	512.4	506.9	(5.6)	(1.1%)	501.8	+5.0	+1.0%
EBITDA	34.1	42.0	+7.9	+23.2%	40.0	+2.0	+4.9%
Core operating profit (Revenue-Cost of sales-SG&A exp.)	16.8	25.0	+8.2	+48.6%	22.5	+2.5	+11.1%
(Core operating profit margin)	3.3%	4.9%	-	-	4.5%	-	-
Other operating income (exp.)	(11.2)	(0.6)	+10.6	-	(1.4)	+0.9	-
Operating profit	5.6	24.4	+18.8	+332.9%	21.1	+3.4	+16.0%
Financial income (exp.) Equity in net income of affiliates	1.6	(1.7)	(3.3)	-	(2.9)	+1.2	-
Profit before tax	7.2	22.7	+15.5	+214.6%	18.2	+4.6	+25.1%
Profit from continuing operation	2.8	15.1	+12.3	+446.7%	12.2	+2.9	+23.7%
Profit from discontinued operation	5.0	4.4	(0.6)	(11.3%)	4.3	+0.1	+3.4%
Profit attributable to owners of parent	7.7	19.5	+11.8	+152.8%	16.5	+3.0	+18.2%
ROE	4.1%	9.4%	-	-	8.0%	-	-

\*The FY2025 results classify the real estate business as discontinued operations, and the comparative FY2024 results have been reclassified accordingly.

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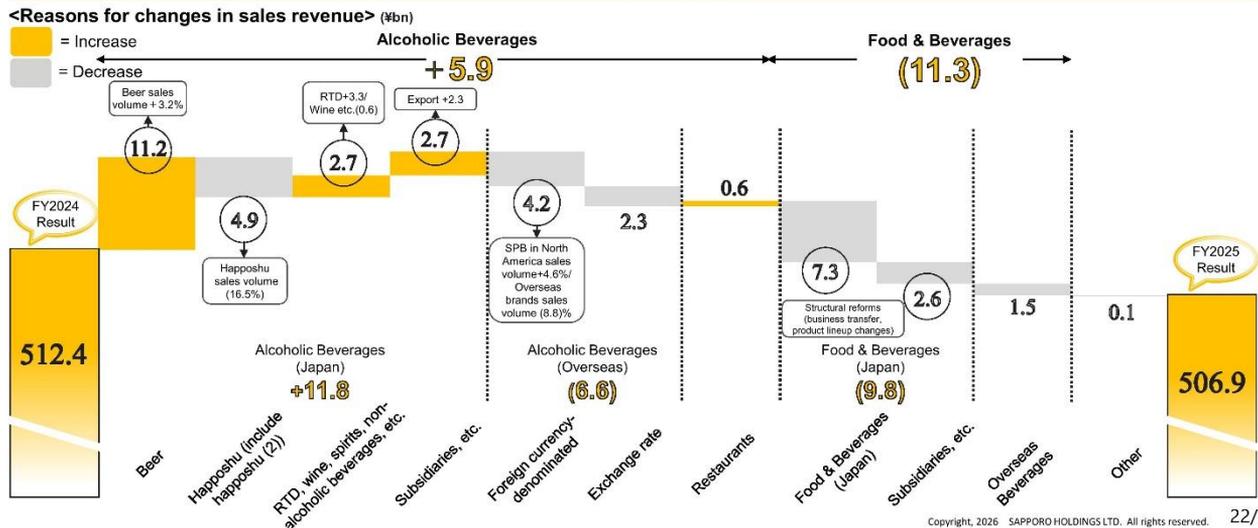
Next, let me provide an overview of our full-year financial results for FY2025.

Core operating profit, operating profit, and profit attributable to owners of parent all increased significantly year on year. These results also exceeded the revised plan we disclosed in December. Profit at each level reached record highs.

## FY2025 Financial Highlights (Revenue)



- > Japan Alcoholic Beverages saw increased revenue, but overall revenue decreased by ¥5.6 billion due to the impact of market conditions and exchange rates of Overseas Alcoholic Beverages, as well as reduced revenue in the Japan Food & Beverages business.
- Japan Alcoholic Beverages saw increased revenue due to higher volumes of beer and RTD and the effect of price revisions.
- Overseas Alcoholic Beverages experienced decreased revenue despite continued growth in North American SPB, due to market conditions and exchange rate impacts.
- Food & Beverage Business experienced a decline in revenue due to structural reforms and related factors.



Next, I will walk you through the factors behind the year-on-year change in revenue.

In Japan alcoholic beverages, revenue increased, driven by a 3% increase from higher beer volume and an 8% increase from higher RTD volume, as well as the contribution from price revisions.

In overseas alcoholic beverages, Sapporo Premium Beer (SPB) volume increased by 5%; however, revenue declined due to a 9% decrease in Overseas brands amid weaker market conditions, as well as the impact of foreign exchange.

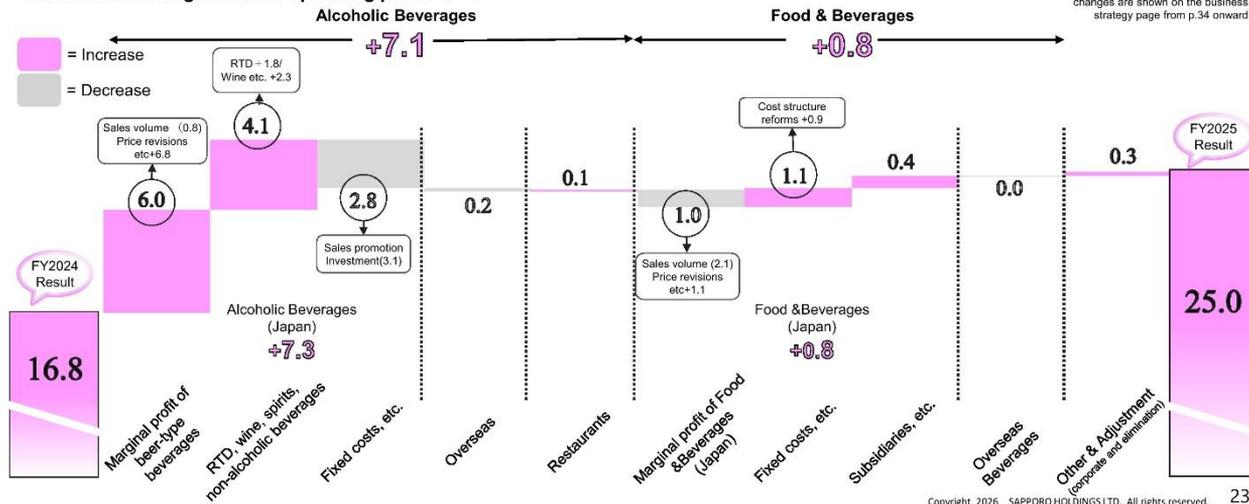
In Japan Food & Beverages, we continued structural reforms. Revenue decreased by JPY9.8 billion due to the impact from the business transfer of Shinsyu-ichi Miso Co., Ltd., resulting in an overall 1% decline year on year.

# FY2025 Financial Highlights (Core Operating Profit)



» **Japan Alcoholic Beverages drives significant profit growth (+¥8.2 billion, +48.6%)**  
 - Japan Alcoholic Beverages saw increased profits, driven by strengthened brand investment centered on beer and the effect of price revisions.  
 - Revenue declined in the Food and Beverages Business, but profit increased due to price revisions and cost structure reforms.

<Reasons for changes in core operating profit> (¥bn)



Next, I will explain the year-on-year factors behind the change in core operating profit.

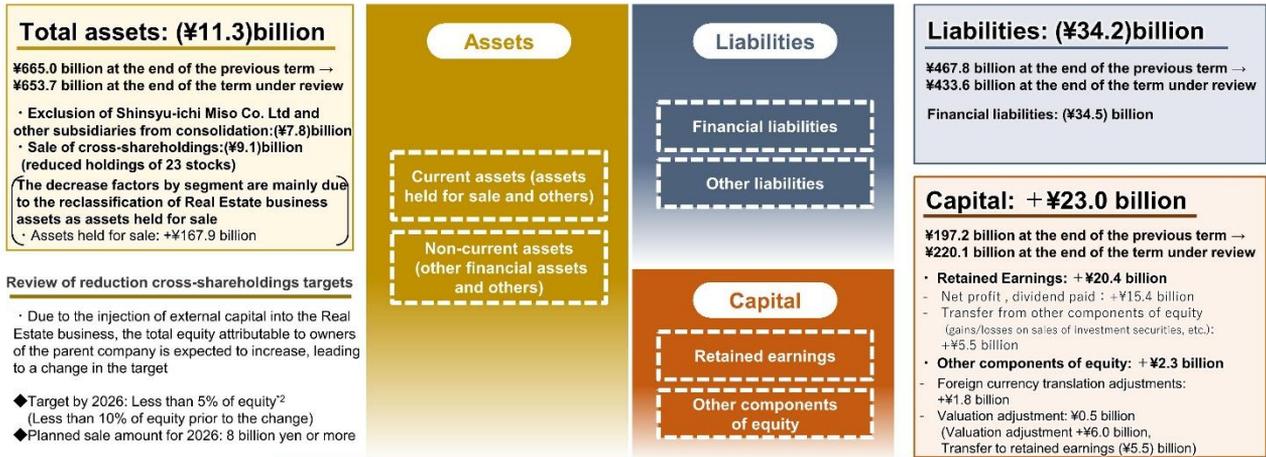
Core operating profit increased significantly, led by Japan alcoholic beverages. In FY2025, we benefited from price revisions, while also stepping up brand investments to strengthen our beer business.

In Japan Food & Beverages, revenue declined; however, core operating profit increased, reflecting the benefits of structural reforms. Other segments were broadly flat year on year.

## FY2025 Financial Highlights: Balance Sheet



- Through promoting business portfolio management and selling cross-shareholdings (¥9.1billion), total assets decreased by ¥11.3 billion compared to the previous period.
- Following the classification of the Real Estate Business as a discontinued operation, assets of the Real Estate Business were reclassified as assets held for sale.



<sup>1</sup>: Amount of cross-shareholdings sold (only stocks held by SH and SB)  
<sup>2</sup>: Equity: Total equity attributable to owners of parent

Next, let me update you on our balance sheet.

We continued to reduce strategic shareholdings. In FY2025, we sold JPY9.1 billion of such holdings, reducing the ratio to equity to 14%.

Going forward, we target reducing this ratio to below 10% based on the current level of equity, and to below 5% based on the higher equity level expected following the injection of external capital into real estate. For FY2026, we plan to sell more than JPY8.0 billion.

## FY2026 Group Management Plan: Key Assumptions



- » FY2026 is positioned as a transition period toward medium- to long-term growth, with plans formulated incorporating the growth investments and structural reforms necessary for growth.

Key Assumptions	<ul style="list-style-type: none"><li>◆ Having achieved our Mid-Term Plan financial targets ahead of schedule and aim to transform into a company centered on the alcoholic beverages business, we position FY2026 as a transition period toward medium- to long-term growth.</li><li>◆ For FY2026, formulated plans incorporating the growth investments and structural reforms necessary for medium- to long-term growth.</li></ul>
Profit Plan	<ul style="list-style-type: none"><li>◆ Regarding operating profit, we will pursue further strengthening of profitability while also actively advancing investments for growth, including brand investments for beer and temporary costs related to IT infrastructure enhancement, the transition to a business holding company structure, and the real estate separation.</li><li>◆ Operating profit is also expected to decline due to the inclusion of structural reform costs in Overseas Alcoholic Beverages and Japan Food &amp; Beverages, as well as expenses related to the Real Estate separation. Meanwhile, profit attributable to owners of parent is projected to increase significantly due to the recognition of gains associated with the injection of external capital into the real estate business.</li></ul>
Reportable Segment Revision for New Structure <a href="#">(Details on p46)</a>	<ul style="list-style-type: none"><li>◆ As announced in the timely disclosure on December 24, 2025, we plan to transition to a business holding company structure in July 2026. Restructured to a management approach-based portfolio system with 'Domestic' and 'Overseas' segments to support sustainable, overall alcohol-focused growth.</li><li>◆ The export business of SB (for APAC and Europe), formerly in 'Alcoholic Beverages,' are now in 'Overseas Business' in line with the above.</li></ul>

Next, I will explain the overview of this year's plan.

This year, there are three major developments. First, the external capital injection into real estate scheduled for June will significantly change our financial structure. Second, we will transition to a business holding company structure in July, which will significantly reshape our organizational structure. Third, a liquor tax revision is scheduled for October, which will bring major changes to the beer market.

Taking these developments into account, we intend to actively utilize the capital generated from the external capital injection into real estate to strengthen the foundation for growth, implement structural reforms, and execute growth investments.

Regarding the assumptions behind our earnings plan, for core operating profit we have incorporated approximately JPY6 billion of mainly temporary expenses, including brand investments to strengthen beer, real estate separation-related costs, costs related to the transition to a business holding company structure, and IT infrastructure enhancement costs. As a result, we expect a year-on-year decline in core operating profit on a consolidated basis.

Operating profit also incorporates temporary expenses totaling approximately JPY15 billion, including real estate separation-related costs as well as structural reform costs in overseas alcoholic beverages and Japan Food & Beverages, and is therefore also expected to decline year on year.

On the other hand, profit attributable to owners of parent is expected to increase substantially, reflecting the recognition of a significant gain associated with the external capital injection into real estate. As a result, equity will also be significantly strengthened.

In addition, in line with the transition to a business holding company structure, we will change our reportable segments from the current structure to Domestic Business and Overseas Business. Accordingly, the export business of Sapporo Breweries, which was previously included in Japan alcoholic beverages, will be reclassified into Overseas alcoholic beverages. The impact is expected to be approximately JPY10 billion in revenue and JPY1 billion in profit.

## FY2026 Group Management Plan (Consolidated)\*



- » Core operating profit and operating profit are planned to decline, factoring in growth investments and structural reforms aimed at medium- to long-term growth. Meanwhile, profit attributable to owners of parent is planned to increase significantly, driven by gains recognized from injection of external capital into the Real Estate business.

(¥ bn)	FY2025 Result	FY2026 Plan	Change	YoY
Revenue	506.9	505.0	(1.8)	(0.4%)
EBITDA	42.0	38.6	(3.3)	(8.0%)
Core operating profit (Revenue-Cost of sales-SG&A exp.)	25.0	22.0	(3.0)	(12.0%)
(Core operating profit margin)	4.9%	4.4%	-	-
Other operating income (exp.)	(0.6)	(16.0)	(15.4)	-
Operating profit	24.4	6.0	(18.4)	(75.4%)
Financial income (exp.)Equity in net income of affiliates	(1.7)	5.2	+6.9	-
Profit before tax	22.7	11.2	(11.5)	(50.9%)
Profit from continuing operation	15.1	6.0	(9.1)	(60.0%)
Profit from discontinued operation	4.4	290.0	+285.6	-
Profit attributable to owners of parent	19.5	296.0	+276.5	-
ROE	9.4%	83.4%	-	-

\*The FY2026 plan reflects the segment changes. The FY2025 comparative results have been reclassified accordingly.

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Next, I will explain the key figures in our plan.

Revenue is expected to be JPY505 billion, roughly flat year on year. Core operating profit is planned at JPY22 billion. This represents a decline, mainly reflecting approximately JPY6 billion of incremental investments for growth.

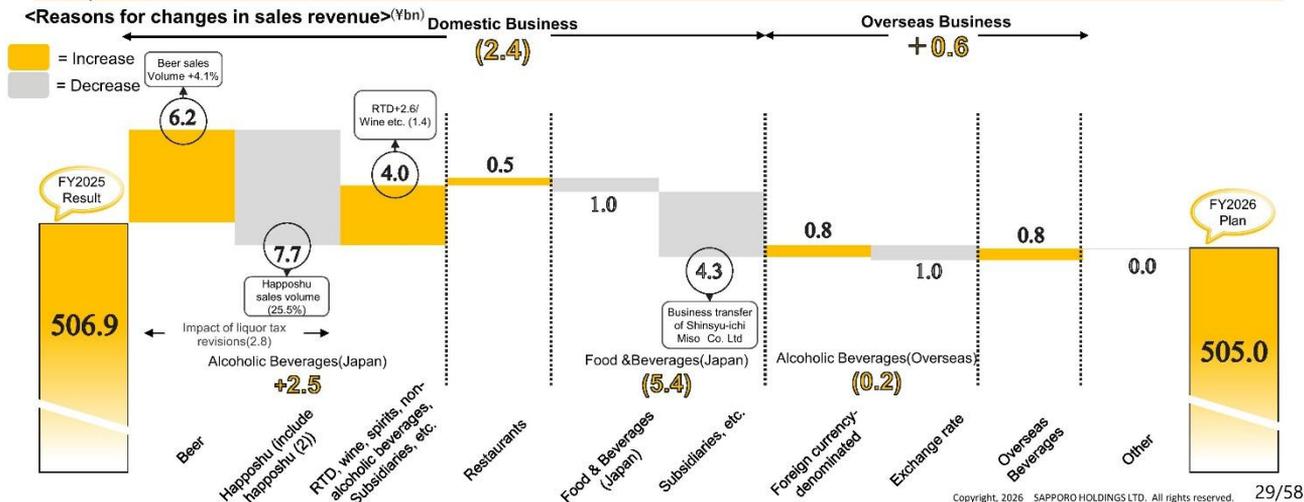
Operating profit is planned at JPY6 billion after incorporating approximately JPY15 billion of structural reform costs, and is therefore also expected to decline year on year. These are primarily temporary costs, and as structural reform benefits begin to materialize, we aim to restore profitability in FY2027 to a level above FY2025.

Profit attributable to owners of parent is expected to be JPY296 billion, reflecting the recognition of JPY290 billion (after tax) in gains associated with the real estate external capital injection.

# FY2026 Group Management Plan (Revenue)



> Japan Alcoholic Beverages are expected to increase revenue, but overall sales are expected to remain flat year-on-year due to the impact of structural reforms in Japan Food & Beverages.  
 - Japan Alcoholic Beverages expected to increase revenue due to increased volume of beer and RTD and the effect of price revisions.  
 - Japan Food & Beverages expect to decrease revenue due to the impact of structural reforms such as the business transfer of Shinsyu-ichi Miso Co., Ltd. in the previous year.  
 - While SPB continues to grow, Overseas Alcoholic Beverages are expected to remain largely flat year-on-year, as continued growth in SPB is offset by exchange rate impacts.



Next, I will explain the key factors behind our revenue outlook.

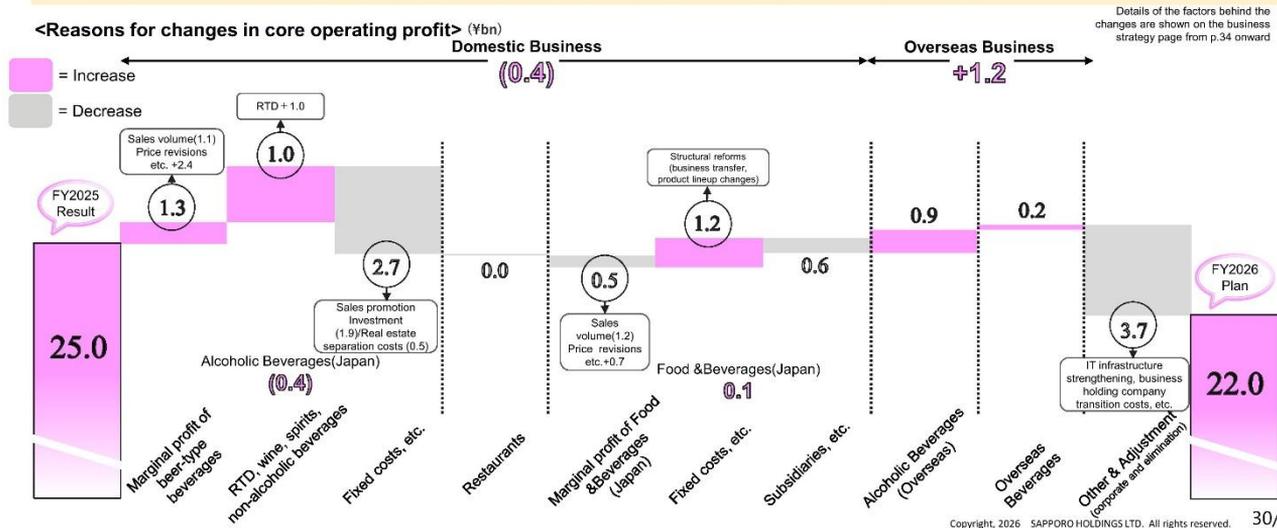
Overall, revenue is expected to be roughly flat year on year. In Japan alcoholic beverages, we expect revenue growth driven by higher beer and RTD volumes, as well as the contribution from price revisions. In Japan Food & Beverages, revenue is expected to decline, reflecting the continued impact of structural reforms. In overseas alcoholic beverages, while Sapporo Premium Beer is expected to continue growing, we expect revenue to be broadly flat year on year, mainly due to the offsetting impact of exchange rate.

# FY2026 Group Management Plan (Core Operating Profit)



> While profit is expected to increase on a combined domestic and overseas business basis, consolidated profit is expected to decline due to the inclusion of growth investments, including IT infrastructure enhancement, in corporate expenses.

- Japan Alcoholic Beverages: This fiscal year is positioned as an investment phase toward the unification of the liquor tax. While brand investment in beer will be strengthened, profit is expected to remain at approximately the same level as the previous year.
- Overseas Alcoholic Beverages: Profit is expected to increase due to the effects of cost structure reforms in the US.



Next, I will explain the year-on-year bridge for our core operating profit plan.

Overall, core operating profit is expected to decline due to incremental investments; however, on a segment basis, Japan alcoholic beverages is planned to be broadly flat year on year.

While we expect upside factors such as improved contribution margin in beer-type beverages and higher RTD sales, these are offset by stepped-up promotional investments and real estate separation-related costs. As a result, Japan alcoholic beverages is expected to remain roughly at the prior-year level.

In overseas alcoholic beverages, we expect profitability improvement driven by cost structure reform initiatives in the United States.

## Business Strategies: Domestic Business - Alcoholic Beverages (Japan) Key Highlights



### Increase beer sales (strengthen core brands) (1-1)

#### FY2025 Key Initiatives and Results

- **Achieved sales growth and increased market share in our key beer category (+3% YoY), outperforming a weak market (nearly 1%).**
  - Black Label: Outperformed market (+4% YoY), driven by 7% YoY growth in cans, leading our beer category expansion.
  - Yebisu: Yebisu<Cans> achieved 2 consecutive years of growth, outperforming the struggling premium beer category, despite a slight overall dip.
- **Expanding customer touchpoints through experiences at Black Label THE BAR (Ginza) and YBT.\***
  - Black Label: THE BAR welcomed over 100,000 visitors in 2025—a record high since opening in 2018
  - Yebisu: YBT attendance met its annual target as of October, exceeding 300,000 for the year.



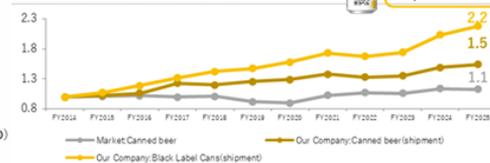
(Black Label THE BAR(Ginza))



(\*YBT: YEBISU BREWERY TOKYO)

#### Beer Category <Cans> sales volume trend

\*Sales Volume Index (FY2014 = 1)



Black Label Cans  
2.2 times growth  
compared to FY2014

#### FY2025 Sales Volume Results (YoY)

	Market	Our Company
Beer-type beverages	a little above (4%)	(1.2%)
Beer	a little under (1%)	+3.2%
Canned beer	around 0%	+3.7%

\*Overall market demand is based on the Company's estimates.



#### FY2026 Sales Volume Plan (YoY)

	Market	Our Company
Beer-type beverages	a little above (5%)	(1.4%)
Beer	around 0%	+4.1%
Canned beer	a little under +1%	+6.0%

\*Overall market demand is based on the Company's estimates.

#### FY2026 Key Initiatives

- **Ahead of the upcoming October liquor tax revisions, we are accelerating our beer growth by making record investments in Black Label and Yebisu.**
  - **Driving initiatives to improve customer experience and expand touchpoints throughout the year.**
  - Black Label: Quality improvement implemented in February. In March, we will launch Black Label EXTRA FEEL to reach new customers. Additionally, we plan to open THE BAR OSAKA (Umeda) and host the largest-ever Black Label experiential events. (at 25 locations).
  - Yebisu: Aim to expand touchpoints with new customers through initiatives such as launching collaboration-design cans (Ms. Ai Yazawa, March) and hosting events at YBT. We will also continue to launch limited-edition products from the CREATIVE BREW series (CREATIVE BREW "Sumifukashi" (February)).
  - SPB: To mark the 150th anniversary of Sapporo Beer's founding, we plan to release in December a limited-edition can design themed on Seibei Nakagawa, the pioneer of Sapporo Beer, and also launch it in Japan as a limited-edition product.

Next, I will explain our business strategy for Japan alcoholic beverages.

In FY2025, total beer-type beverages volume declined by 1% year on year. However, beer volume increased by 3%, and canned beer volume increased by 4%. In particular, Black Label cans grew 7% year on year.

Black Label has continued to grow steadily. While total demand for canned beer increased by 10% versus 2014, we strengthened our canned beer portfolio—led by Black Label—and achieved 1.5x growth. Black Label cans, in particular, delivered growth of more than 2x.

This growth has been driven by expanding consumer touchpoints. We have created brand experiences anchored by experiential venues and events such as Black Label THE BAR and YEBISU BREWERY TOKYO, and we will continue to further strengthen these initiatives in FY2026.

## Business Strategies: Domestic Business - Alcoholic Beverages (Japan) Key Highlights



### ■ Increase beer sales (Key Initiatives of Bonds with Community×Healthier Choice) ■ Increase RTD sales (1-2)

#### FY2026 Key Initiatives

- **Black Label & Yebisu experience hub opens at Ginza Lion Building**
  - Ginza Lion Building 4th Floor opens new facility offering unique beer experiences highlighting the individual charms of Black Label and Yebisu. Aims to enhance experiential value and expand customer touchpoints.
- **Expanding customer touchpoints through Restaurant Business (food service sector)**
  - Building brand loyalty by providing a high-quality draft beer experience.
  - The Perfect Black Label distribution network is expected to grow by approximately 20% YoY, reaching 8,000 stores by 2026.
- **Sapporo Beer Museum (Sapporo) reopens with enhanced content**
  - Marking our 150th anniversary, we are evolving into a more welcoming and enjoyable facility featuring multilingual audio guides, acting as a hub for the inheritance and development of beer culture.



- **The “SUPER STAR” co-developed with Mizuno will be released exclusively in the Kinki region (February 2026). Introducing a new consumption scene: Non-alcoholic beer for post-sports refreshment.**
  - We project medium- to long-term market growth in the non-alcoholic category.
  - Through a cross-industry collaboration between Sapporo Breweries Ltd. and Mizuno Corporation, we aim to create a new category and revitalize the market.



#### FY2025 Key Initiatives and Results

- **Sales exceeded the previous year for the fifth consecutive year, reaching a record high.**
  - In addition to the growth of Koime brand (up 8% YoY), the launch of Hyosai Sour in February 2025 contributed to sales, RTD sales amount increased 12% year on year.
  - Koi-shibori brand (non-alcoholic beverage) also performed well, increasing approximately 70% YoY in volume.



#### FY2025 Sales amount vs.2022

	Plan	Result
RTD (Including Non-Alcoholic RTD)	+37%	+43%

#### FY2026 Key Initiatives

- **We aim to achieve record-high sales for the sixth consecutive year, driven by two key strategies: strengthening existing brands and upcoming new product launches. (to be released at a later date).**
  - Koime brand: The brand was renewed in January 2026. In addition, we will enhance sales promotion activities, including the launch of collaboration-design cans (April, featuring the manga [Kingdom]), to expand market coverage.
  - Koi-shibori brand (non-alcoholic beverage): As part of the Healthier Choice initiative, we will strengthen marketing investment, targeting approximately 20% YoY growth in volume.



#### FY2026 Sales amount vs.2022

	Plan
RTD (Including Non-Alcoholic RTD)	+9%

Regarding our initiatives to enhance brand experience, we are planning a range of measures, including the opening of a new Black Label and Yebisu brand experience hub at the Ginza Lion Building.

In addition, under our “Healthier Choice” pillar, we plan to launch a non-alcoholic beer co-developed with Mizuno, highlighting its health-related value proposition. We will also continue to strengthen RTD this year, as we did last year.

## Business Strategies: Overseas Business - Alcoholic Beverages (Overseas) Key Highlights



### Sapporo Brand Growth

#### FY2025 Key Initiatives and Results<sup>\*1</sup>



- **Achieved the Mid-Term Plan sales target of 10 million cases one year ahead of schedule. (FY2025 results: 10.55 million cases)**
  - North America: Despite continued contraction in overall demand, sales increased by 4.6% YoY, driven by higher store penetration through Stone's distribution channels.
  - APAC and Europe: Growth significantly exceeded the previous year (+37.3% YoY), driven by collaboration with regional partners including Carlsberg.

#### FY2026 Key Initiatives<sup>\*1</sup>

- **To achieve the sales plan (11.75 million cases, +11.3% YoY), we will promote brand building and brand experiences in key areas.**
  - With a focus on key areas, we will enhance marketing and make capital investments to strengthen the Sapporo brand's positioning in major countries.
  - In commemoration of our 150th anniversary, we will roll out global initiatives, including SPB limited edition packaging (featuring Seibei Nakagawa) and activation events across key markets.
  - As part of our Beyond Beer initiatives, we plan to launch Sapporo Premium Cocktail Lemon Sour in Canada, where RTD and non-alcohol beverages growing.



### U.S. business (3-4)

#### FY2025 Initiatives and Future Policy

- **The amount generated by the cost-structure reforms for FY2025 exceeded the plan by \$10 million (vs. 2024, +\$5 million vs. plan). Despite the unexpected deterioration of the external environment, including U.S. tariffs, we responded flexibly and achieved our profit targets**
- **The impact of higher costs due to U.S. tariffs will further increase in FY2026. While addressing the impact through cost-structure reforms, we will accelerate consideration of additional cost structural reforms in anticipation of an overall contraction in beer demand due to weakening consumer sentiment.**

### Overview by Area (Outlook for FY2026)

<sup>\*1</sup> YoY comparison is based on sales volume

#### North America (the U.S. and Canada)<sup>\*1</sup>

- **Although overall demand is expected to continue shrinking, SPB aims to continue outpacing market trends.**
  - SPB continued to grow, driven by expanded sales channels primarily through U.S.-based chains (+7.7% YoY).
  - Overseas brands have been impacted by market conditions, and sales volume is expected to decrease.

#### <Outlook for FY2026>

<sup>\*2</sup> Market figures (overall demand) are based on the Company's estimates.

#### Overall demand<sup>\*2</sup>

#### Market overview and our position

(Canada)	Beer (total) (4%)	<ul style="list-style-type: none"> <li>● Market: An overall softness in demand is expected due to continued softness driven by inflation and other factors.</li> <li>● Company: Driving the revitalization of the Steeman brand and expanding SPB sales.</li> </ul>
(U.S.)	Beer (total) (3%)	<ul style="list-style-type: none"> <li>● Market: An overall softness in demand is expected due to inflation and U.S. tariffs. The craft beer category is expected to remain soft.</li> <li>● Company: Continuing focused investment in SPB and launching new SKUs, including non-alcoholic products.</li> </ul>

#### APAC and Europe<sup>\*1</sup>

- **Positioning APAC and Europe as growth areas, we aim to further expand sales and accelerate initiatives appropriate to each region's business stage, including strengthened partnerships and enhanced route to market capabilities.**
  - APAC and Europe : Aiming for +14.6% YoY.
  - Divide the regions into areas for strengthening profitability and for expanding sales, and advance initiatives aligned with each region's business stage.

#### Impact of U.S. Tariffs (billions of yen)

FY2025 Result	FY2026 Plan	YoY
(0.8)	(1.2)	(0.4)

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Next, overseas alcoholic beverages business.

The Sapporo brand grew 20% year on year in FY2025, achieving our medium-term management plan target of 10 million cases one year ahead of schedule. This was driven by growth across our focus regions, including North America as well as APAC and Europe. In FY2026, we plan to sustain this momentum, targeting volume growth of 8% in North America and 15% in APAC and Europe, for 11% growth overall.

Turning to the U.S. business, improving profitability remains a key challenge. We have been implementing cost structure reforms, and we believe we are steadily delivering results. At the same time, however, we now expect higher cost pressures from the Trump tariffs, which were not assumed in our initial plans. Specifically, we expect an unfavorable impact on cost of sales of approximately JPY0.8 billion in FY2025 and JPY1.2 billion in FY2026. In addition, we are not yet seeing clear signs of a market recovery, and we will therefore consider further, additional cost structural reforms.

## Financial Strategy: Shareholder Returns



- » The dividend for FY2025 is expected to be 18 yen, marking the third consecutive year of dividend increases, and for FY2026, it is projected to be 40 yen with an increase of 22 yen.
- » Starting from FY2026, interim dividends will be implemented to enhance shareholder return opportunities.
- » We are planning changes to the shareholder benefit program starting from the fiscal year ending December 2026, with details to be announced in August.



\* 1 : Dividends per share for the 12th period of 2025 and the 12th period of 2026 are forecasts. The stock split (5-for-1) effective January 1, 2026 has been reflected. Past dividends are stated as equivalent amounts per share after the split.

\* 2 : DOE = Dividend amount / Average total equity attributable to owners of parent (average of beginning and end of period)

\* 3 : The DOE based on the average parent company equity at the beginning and end of the period is expected to be 4.4%, while the DOE based on the parent company equity at the end of fiscal 2026 is expected to be 3.2%.

Finally, let me explain our approach to shareholder returns.

We intend to continue increasing dividends in FY2025 and FY2026. Our dividend policy is to maintain a DOE of 3% or higher, and we aim to achieve a DOE of 4% or higher by FY2030.

For FY2026, we expect DOE of 4.4%. This is because the denominator (equity) is calculated based on the average of beginning- and end-of-year equity, and therefore does not yet fully reflect the increase in equity resulting from the external capital injection into real estate. On a projected end-of-FY2026 equity balance basis, DOE is expected to be approximately 3.2%.

Building from this level, we will further enhance shareholder returns with the aim of achieving DOE of 4% or higher going forward.

We will continue to accelerate our efforts to enhance corporate value.