



SAPPORO HOLDINGS LTD.

Sapporo Holdings Limited

Financial Results Briefing for the First Quarter of the Fiscal Year Ending December 2026

May 15, 2026

Event Summary

[Company Name]	Sapporo Holdings Limited	
[Company ID]	2501	
[Event Language]	JPN	
[Event Type]	Earnings Announcement	
[Event Name]	Financial Results Briefing for the First Quarter of the Fiscal Year Ending December 2026	
[Fiscal Period]	FY2026 Q1	
[Date]	May 15, 2026	
[Time]	10:00 – 10:45 (Total: 45 minutes, Presentation: 24 minutes, Q&A: 21 minutes)	
[Venue]	Webcast	
[Number of Speakers]	2	
	Takayuki Sato	Group Managing Officer
	Yosuke Nakamura	General Manager of Corporate Planning Department

Presentation

*In this document, the name abbreviations and terms are used:

Beer-type beverages: Beer and Happoshu (include happoshu(2)) Beer: Beer within beer-type beverages

next Mid-Term Plan: next Medium-Term Management Plan (2027-30)

RVA Plant : Richmond Plant

Summary



Business Results for the First Three Months Ended March 31, 2026 and Full-Year Earnings Forecast for FY2026

(¥bn)	2025Q1	2026Q1	Change	YoY
Revenue	113.9	109.0	(4.9)	(4.3%)
Core operating profit	(1.0)	0.6	+1.6	-
Operating profit	(2.3)	(2.1)	+0.2	-
Profit attributable to owners of parent	(4.2)	(0.9)	+3.3	-

*Results for FY2025, the comparison year, are presented after the classification of the Real Estate Business as a discontinued operation.

● FY2026 is positioned as a “transition period toward medium- to long-term growth,” and initiatives are being advanced. As the final phase of the structural reforms, the Company recently announced “structural reform of the beverage business” (Food & Soft Drinks (Japan)) and “transfer of assets and restructure of production structure in the U.S. business” (Alcoholic Beverages (Overseas)).

● In Q1, revenue declined, but core operating profit increased. Core operating profit increased significantly, primarily due to the effect of cost structure reforms and other factors, marking the first profit in Q1 since the adoption of IFRS in FY2018. Progress is also on track with the plan. The situation in the Middle East did not have a major impact on the consolidated business results in Q1. However, as the future outlook is uncertain, the full-year earnings forecast is unchanged.

● The first closing related to the injection of external capital into the Real Estate Business is expected to take place on June 1 as scheduled.

Status of Consideration of the Next Medium-Term Management Plan (2027-2030)

- The process of formulating the next Medium-Term Management Plan (2027 - 2030) is underway with the aim of announcing it during 2026.
- Regarding the growth investment strategy, implementation is centered on “Bonds with Community” and “Healthier Choice.” A new specialized organization focused on M&A and alliances has been established, and recruitment of external experts is strengthening the organizational structure and capabilities.
- Furthermore, regarding the financial strategy, a working group that includes outside directors* has been launched to develop a strategy that incorporates objective external perspectives, and deliberations are advancing.

*Outside directors who possess skills that match the objective of the working group in the skill matrix

Copyright, 2026 SAPPORO HOLDINGS LTD. All rights reserved. 3/35

Sato:

This FY2026 is positioned as a “transition period toward medium- to long-term growth” toward the next Mid-Term plan scheduled to start next year. As part of these efforts, the Company recently announced “structural reform of the beverage business” and “transfer of asset and restructure of production structure in the U.S. business.”

In Q1 of this fiscal year, sales revenue was JPY109 billion, a decrease of JPY4.9 billion from the previous year. Core operating profit was JPY0.6 billion, a JPY1.6 billion improvement over the previous year. Profit attributable to owners of parent was negative JPY0.9 billion, a JPY3.3 billion improvement over the previous year.

Sales revenue decreased due in part to a reactionary decline from the rush demand for domestic alcoholic beverages prior to the price revision implemented during the previous year. Core operating profit increased due to the effects of cost structure reforms. Furthermore, core operating profit turned positive in Q1 for the first time since the adoption of IFRS in FY2018. Progress is currently on track with the Company’s plans.

The forecast for the full year remains unchanged due to the uncertain outlook, including the situation in the Middle East. Regarding the impact of the Middle East, it amounted to roughly JPY100 million to JPY200 million in Q1, mainly due to a decline in exports of Overseas Beverages to the Middle East. While the actual impact will depend on the situation, the Company currently estimates that rising costs (including increases in fuel, logistics, and aluminum prices) could amount to approximately JPY1 billion to JPY2 billion. The Company is currently working to determine additional measures to

absorb these cost increases. Furthermore, the Company recognizes the need to consider additional countermeasures in case the situation worsens, potentially leading to difficulties in procuring certain materials or restrictions on factory operations.

The first closing related to the injection of external capital into the Real Estate Business is expected to take place on June 1 as scheduled.



Preparations are underway to announce the next Mid-Term Management Plan within 2026. Regarding the growth strategy, implementation is progressing with a focus on “Bonds with Community” and “Healthier Choice.” With regard to M&A and alliances, capabilities are being strengthened from both a structural and organizational perspective through the establishment of a dedicated department and the recruitment of external talent. Furthermore, regarding the financial strategy, a working group that includes outside directors has been formed to develop a strategy that incorporates objective external perspectives, and discussions are advancing.

The cash allocation policy regarding the injection of external capital for Real Estate Business remains as disclosed in December 2025. The allocation strategy, which includes regular cash flow, will be announced as part of the next Mid-Term Plan.

Structural Reform of the Beverage Business (Food & Soft Drinks (Japan))



- Following structural reforms in the beverage business, a decision has been made to transfer the vending machine business.
- Going forward, the Company will focus on the “Healthier Choice” strategy centered on lemon products and the development of beverage products with unique strengths.

Background and process of the decision	<ul style="list-style-type: none"> ◆ The beverage vending machine market has continued to shrink due to competition with the retail channel and consumer frugality. The vending machine channel accounts for a high proportion of sales, and has faced structural challenges such as lower factory utilization rates (and resulting higher costs) due to declining sales volumes, as well as the inherent challenges of vending machine models that require maintaining a full product lineup. ◆ Under these circumstances, the Company has been promoting structural reforms in the beverage business. In addition to implementing measures such as withdrawing unprofitable vending machines and reducing SKUs, the Company has been optimizing the ratio of in-house to external manufacturing through the liquidation of the vending machine subsidiary and transferring assets of the Gunma plant. 
Overview of the decision	<ul style="list-style-type: none"> ◆ Regarding the vending machine business, LIFEDRINK COMPANY, INC. was evaluated as the best owner for the vending machine business and decided to transfer the vending machine business (scheduled for October 2026). In addition, discussions have begun regarding business alliance^{*1} aimed at ensuring a smooth transfer and future collaboration. ◆ As handling of PS products will continue even after the transfer, the impact on sales and core operating profit in the current fiscal year will be limited. In addition, as impairment loss and other costs recorded in Q1 have been factored into the consolidated forecast for the current fiscal year, the impact on the consolidated earnings forecast is immaterial.
Future of beverage business	<ul style="list-style-type: none"> ◆ With no major change to the strategic direction in the beverage business, the Company will continue to focus on the “Healthier Choice” strategy centered on lemon products and the development of beverage products with unique strengths. 

^{*1} Even after the transfer, we plan to continue supply of products from PS to LIFEDRINK COMPANY, INC. for a certain period as well as continuing sales through vending machines using PS trademarks, etc, with discussions currently ongoing as of May 2026.

Copyright, 2026 SAPPORO HOLDINGS LTD. All rights reserved.

5/35

The topics of the first quarter are as follows.

The first point is the structural reform of the beverage business. As part of the ongoing structural reforms in the beverage business, the Company has decided to transfer the vending machine business. The beverage vending machine market is shrinking due to competition from retail channels and consumers’ tendency to cut back on spending. Furthermore, this decision was made in light of the fact that the Company has traditionally had a high proportion of sales through the vending machine channel, and as sales volumes declined, the organization faced structural challenges with a business model based on offering a full product lineup.

The related impairment loss has been factored into the full-year consolidated earnings forecast, and the impact on the forecast is minimal. Going forward, the focus will be on the “Healthier Choice” strategy centered on lemon products and the development of beverage products that leverage unique strengths.



Transfer of Assets and Restructure of Production Structure in the U.S. Business (Alcoholic Beverages (Overseas))(1/3)

- » Despite declining demand in the U.S. beer market, sales of the Sapporo brand (SPB) have continued to grow robustly.
- » The Company decided to facilitate sustained growth and improved profitability in the U.S. business by transferring the intellectual property rights and hospitality business assets related to the Stone brand and concentrating resources on the Sapporo brand.

Current U.S. business	<ul style="list-style-type: none"> ◆ After posting an impairment loss for FY2024, the Company worked to reestablish the business through cost structure reform, and progress has been faster than originally planned. ◆ Due to progress with cost structure reform and growth of the Sapporo brand, the Company expects to achieve its milestone of positive EBITDA in FY2026. ◆ The Company is also considering more in-depth structural reforms to reestablish the business quickly and respond to changes in the external environment.
----------------------------------	--



Background/ circumstances leading to decision	<ul style="list-style-type: none"> ◆ Declining demand in the U.S. beer market had contributed to an increasingly challenging operating environment. ◆ As the Sapporo brand's sales continued to grow robustly, the Company decided that concentrating resources on the Sapporo brand would help accelerate growth. ◆ The Company decided to transfer the Stone brand to Firestone Walker, regarding it as the best prospective owner given its complementary product portfolio and efficient supply system.
--	--

The second point is the transfer of assets and restructure of production structure in the U.S. business.

While demand in the U.S. beer market continues to decline, the Sapporo brand has maintained steady sales growth. Under these circumstances, the Company has decided to transfer the business assets related to the Stone brand and concentrate management resources on the Sapporo brand to achieve sustainable growth and improve profitability in the U.S. operations.



Transfer of Assets and Restructure of Production Structure in the U.S. Business (Alcoholic Beverages (Overseas))(2/3)

- » **The Company expects improved profitability in the U.S. business as a result of its decision. It will maintain a local U.S. production and sales structure at the RVA plant while seeking to optimize its production structure throughout North America including Canada.**

Overview of the Company's decision	
Description	<ul style="list-style-type: none"> Transfer of assets and restructure of production structure in the U.S. business
Assets to Be Transferred	<ul style="list-style-type: none"> Assets related to the Stone brand and hospitality business
Transferees	<ul style="list-style-type: none"> Firestone Walker, Inc. and another consolidated U.S. subsidiary of its parent company, Duvel Moortgat NV
Effective Date of Transfer	<ul style="list-style-type: none"> Late May 2026 (scheduled)
Outlook for the U.S. Business	<ul style="list-style-type: none"> Accelerate growth by concentrating resources on the Sapporo brand. The ESCO plant will cease Sapporo- and Stone-brand beer production, aiming to do so by the end of 2026. Assets including manufacturing equipment in the ESCO plant will be reassessed in light of prospects for future use, etc. Maintain a production and sales structure at the RVA plant while seeking to optimize production structure throughout North America including Canada.
Impact on the Company's Earnings Forecast for FY2026	<ul style="list-style-type: none"> Impact on revenue and core operating profit negligible. Gain on transfer of approx. USD 23 million (approx. JPY 3.6 billion), and impairment losses, etc. of approx. USD 80 million (approx. JPY 12.6 billion), to be posted for Q2. Impact on consolidated earnings forecast for FY2026 negligible, as certain structural reform costs already factored in.

Profit projections for the U.S. business (the Company's estimates)

Core operating profit projections for the U.S. business (unit: USD millions)

Note: FY2025 indicates the actual result, FY2026 indicates the plan, and FY2027 onward indicates projections.



- ✓ Improved profitability in the U.S. business expected due to accelerated growth of the Sapporo brand, enhanced production efficiency following optimization of the production structure, etc.
- ✓ This decision is expected to lead to an improvement in earnings exceeding US\$10 million in fiscal year 2027.

Copyright, 2026 SAPPORO HOLDINGS LTD. All rights reserved.

7/35

As a result of this decision, the Company expects to record a net loss of approximately JPY9 billion in its Q2 financial results, reflecting the net effect of the gain on the sale and the impairment loss. Since this has already been factored into the full-year consolidated earnings forecast, the impact on the forecast is minimal.

Furthermore, the impact on core operating profit for the current fiscal year is expected to be minimal, and the U.S. operations are not expected to return to profitability within the year. However, for fiscal year 2027, an improvement in core operating profit of more than USD10 million and a return to profitability are anticipated.

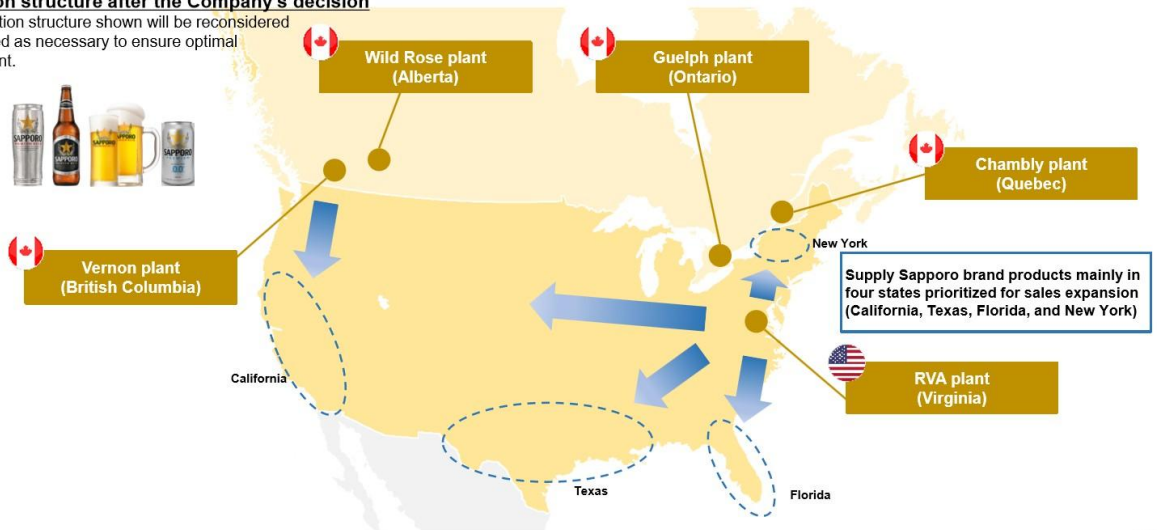


Transfer of Assets and Restructure of Production Structure in the U.S. Business (Alcoholic Beverages (Overseas))(3/3)

- » **Use of the RVA plant in Eastern U.S. with supplement use of four Sleeman Breweries plants in Canada. Optimize production structure throughout North America and supply the Sapporo brand (SPB) to the U.S. market.**

Production structure after the Company's decision

The production structure shown will be reconsidered and changed as necessary to ensure optimal Development.



Copyright, 2026 SAPPORO HOLDINGS LTD. All rights reserved. 8/35

I would like to provide some additional information regarding the future production structure in the U.S.

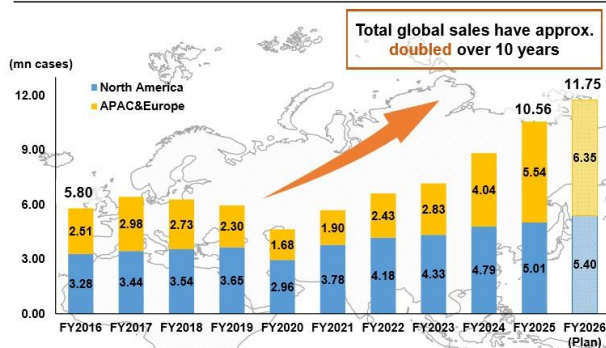
One of the objectives of this project is to optimize the entire North American production system by utilizing Sleeman's plant in Canada as a backup to the existing operations at the RVA plant in the eastern U.S.

Global Expansion of the Sapporo Brand (Alcoholic Beverages (Overseas))



- Expansion of BEER (SPB) to over 60 countries worldwide. In addition to North America (US/Canada), the brand has experienced significant growth, particularly in Asia, in the past few years, with the aim of achieving sustainable growth as a premium beer.

Trend of Sapporo Brand Sales Volume



< North America >

- U.S. expansion began over 60 years ago, and growth has continued steadily since then.

< APAC and Europe >

- Significant growth in recent years, particularly in Asia, through alliances with partners in various areas (Carlsberg from 2024, etc.).

*1: Beer Institute (Mar 2026 YTD, depletion basis)

*2: Beer Canada (Mar 2026 YTD)

*3: Hong Kong, Singapore, Malaysia

*4: FY2025 sales volume (compared to 2023)

BEER (SPB)

<Features>

- Sapporo's core brand in the global market.
- SPB has been developed as a premium beer brand across many regions, supported by the high quality as a Japanese brand and the promotion of consistent brand strategies globally.

< North America >

- The brand has maintained sales growth in a market environment of shrinking total demand for beer.

In the imported beer category:

- SPB recorded a 9% YoY growth rate in the U.S.^{*1}
- In Canada, SPB maintains a strong position in the imported beer category, just behind leading brands such as Corona, Heineken, and Stella Artois.^{*2}

- In the U.S., SPB has held the top market share in the Asian beer category for 40 years.

< APAC and Europe >

- Sales have grown approximately three-fold in the APAC Carlsberg alliance area^{*3} compared with pre-alliance levels.
- Even in South Korea and China, which account for a high composition ratio of our sales, have also grown more than three-fold^{*4} in recent years.

Aim for sustainable growth in focus areas (North America and APAC& Europe) through marketing that balances brand consistency with market adaptability.



Next, the global expansion of the Sapporo brand will be explained.

The Sapporo brand is currently marketed in more than 60 countries, and in recent years, significant growth has been achieved not only in North America but also in Asia. Global sales have roughly doubled over the past decade, and in the U.S., the brand has maintained the No. 1 market share among Asian beer brands for 40 years. In Canada as well, the brand maintains a strong position in the imported beer category.

In the APAC and Europe, which are driving recent growth, sales in the areas covered by the partnership with Carlsberg (Singapore, Malaysia, and Hong Kong) have grown approximately threefold compared to pre-partnership levels. In South Korea and China, which account for a significant portion of our sales, sales have more than tripled in recent years.

The Company will continue to strive for the sustainable growth of the Sapporo brand.

Financial Highlights 2026Q1 (Consolidated)



- » Revenue declined, but profit increased. Core operating profit, which reflects the business's profitability, rose significantly due to the effects of cost structure reforms and other factors, marking the first profit in Q1 since the adoption of IFRS in FY2018. Progress is on track with respect to the plan.

(¥bn)	2025Q1	2026Q1	Change	YoY
Revenue	113.9	109.0	(4.9)	(4.3%)
EBITDA	3.3	4.9	+1.6	+48.7%
Core operating profit (Revenue-Cost of sales-SG&A exp.)	(1.0)	0.6	+1.6	-
(Core operating profit margin)	(0.9%)	0.5%	-	-
Other operating income (exp.)	(1.3)	(2.7)	(1.4)	-
Operating profit	(2.3)	(2.1)	+0.2	-
Financial income (exp.)/ Equity in net income of affiliates	(1.6)	0.0	+1.6	-
Profit before tax	(3.9)	(2.1)	+1.8	-
Profit from continuing operation	(4.1)	(1.2)	+2.9	-
Profit from discontinued operation	(0.1)	0.4	+0.5	-
Profit attributable to owners of parent	(4.2)	(0.9)	+3.3	-

*Results for FY2025, the comparison year, are presented after the classification of the Real Estate Business as a discontinued operation.

Copyright, 2026 SAPPORO HOLDINGS LTD. All rights reserved. 11/35

I will now provide an overview of the financial results.

Revenue was JPY109 billion, a decrease of JPY4.9 billion, or negative 4.3% year on year. The decrease was mainly due to the reactionary decline following the rush in demand ahead of the price revisions implemented in March of the previous year in Alcoholic Beverages (Japan). Revenue was also affected by the transfer of Shinsyu-ichi Miso Co., Ltd. during the previous fiscal year.

Core operating profit was JPY0.6 billion, an improvement of JPY1.6 billion from the previous year. This was driven by the effects of cost structure reforms in each business, resulting in the first Q1 profit.

Profit attributable to owners of parent was negative JPY0.9 billion, a JPY3.3 billion improvement over the previous year.

Other operating expenses included a loss of JPY2.8 billion associated with the transfer of the vending machine business. Meanwhile, losses related to the transfer of Shinsyu-ichi Miso Co., Ltd. were recorded in the first quarter of the previous year, resulting in an improvement year on year.

Financial Highlights 2026Q1 (by Segment)



- » Revenue declined, primarily in the domestic business, due to a decline in demand following the rush demand in March of the previous year ahead of the price revisions, as well as the impact of structural reforms.
- » Core operating profit increased significantly, driven by the effects of cost structure reforms in Food & Beverages(Japan) and Alcoholic Beverages(Overseas) business.

(¥bn)	2025Q1	2026Q1	Change	YoY	2025Q1	2026Q1	Change	YoY
Domestic Business	87.3	80.5	(6.8)	(7.8%)	2.4	3.4	+1.0	+42.4%
Alcoholic Beverages (Japan)	64.2	59.4	(4.8)	(7.4%)	2.9	3.0	+0.1	+2.6%
Restaurants	4.8	5.0	+0.2	+3.4%	0.2	0.1	(0.1)	(42.2%)
Food & Beverages (Japan)	18.3	16.1	(2.2)	(11.9%)	(0.7)	0.4	+1.0	-
Overseas Business	26.6	28.5	+1.9	+7.0%	(1.3)	(0.4)	+0.9	-
Alcoholic Beverages (Overseas)	20.5	22.2	+1.7	+8.3%	(1.5)	(0.4)	+1.1	-
Overseas Beverages	6.1	6.2	+0.2	+2.5%	0.2	0.0	(0.2)	(86.4%)
Other/Other · Adjustment (corporate and elimination)	-	-	-	-	(2.2)	(2.5)	(0.3)	-
Total	113.9	109.0	(4.9)	(4.3%)	(1.0)	0.6	+1.6	-

*Results for FY2025, the comparison year, are presented after the classification of the Real Estate Business as a discontinued operation and after the segment changes.

Copyright, 2026 SAPPORO HOLDINGS LTD. All rights reserved. 12/35

A supplemental explanation on the change in business segment classifications from this fiscal year is as follows. Until the previous year, disclosure was based on three segments: Alcoholic Beverages, Food & Beverages, and Real Estate. However, following the decision to inject external capital into the Real Estate Business and classify it as a discontinued operation, and in light of the planned transition to an operating holding company structure on July 1, the management classification has been revised to a regional structure consisting of Domestic and Overseas businesses, with the aim of enabling faster decision-making. In line with this change, the disclosure segments have also been revised.

Revenue decreased in the Domestic business and increased in the Overseas business.

In the Domestic business, Alcoholic Beverages (Japan) recorded a revenue decrease of JPY4.8 billion, mainly due to the reactionary decline following the rush in demand ahead of the price revisions implemented in March of the previous year. Food & Beverages (Japan) recorded a revenue decrease of JPY2.2 billion, including the impact of the transfer of Shinsyu-ichi Miso Co., Ltd. during the previous fiscal year. As a result, total revenue in the Domestic business decreased by JPY6.8 billion.

In the Overseas business, revenue increased by JPY1.9 billion, driven by sales growth of the Sapporo brand and the positive foreign exchange impact from the weaker yen. Overseas Beverages also recorded a revenue increase of JPY0.2 billion. As a result, total revenue in the Overseas business increased by JPY1.9 billion.

Core operating profit improved in both the Domestic and Overseas businesses.

In the Domestic business, profit improved by JPY1.0 billion, mainly due to the significant effects of structural reforms in Food & Beverages (Japan). In the Overseas business, profit improved by JPY1.1 billion, driven by growth of the Sapporo brand and the effects of cost structure reforms in the U.S., which have been strengthened since the previous year.

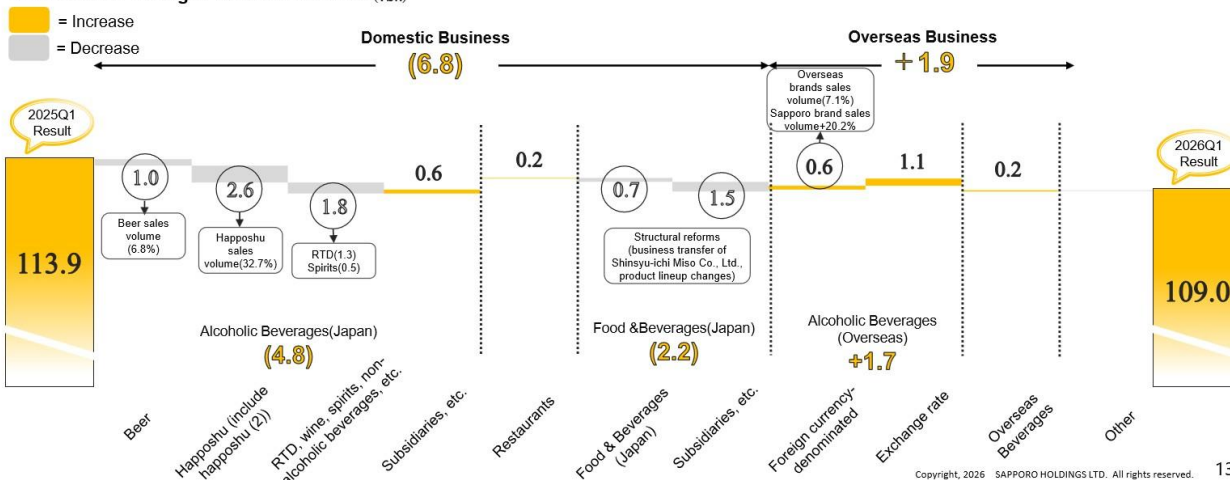
On a consolidated basis, core operating profit turned positive, improving from negative JPY1.0 billion in the previous year to positive JPY0.6 billion, representing a JPY1.6 billion improvement.

Financial Highlights 2026Q1 (Change in Revenue)



- Revenue declined (down ¥4.9 billion), primarily in the domestic business, due to a decline in demand following the rush of purchases ahead of the previous year's price revisions, as well as the impact of structural reforms.
 - Alcoholic Beverages (Japan): Revenue declined, primarily for beer and RTD, due to a decline in demand following the rush to purchase before the previous year's price revisions.
 - Food & Beverages (Japan): Revenue declined due to the impact of structural reforms, among other factors.
 - Alcoholic Beverages(Overseas): Revenue increased despite continued weak market conditions, driven by growth in the Sapporo brand and favorable exchange rates.

<Reasons for changes in sales revenue> (¥bn)



Next, additional details on the change in revenue.

In the Domestic business, revenue decreased by JPY6.8 billion. Of this amount, Alcoholic Beverages (Japan) recorded a revenue decrease of JPY4.8 billion. Due to the reactionary decline following the rush in demand ahead of the price revisions implemented in March of the previous year, beer decreased by JPY1.0 billion, happoshu decreased by JPY2.6 billion, and RTD and spirits decreased by JPY1.8 billion. This reactionary decline was temporary, and in April alone, sales volume of beer-type beverages increased by approximately 40% year on year, showing a steady recovery.

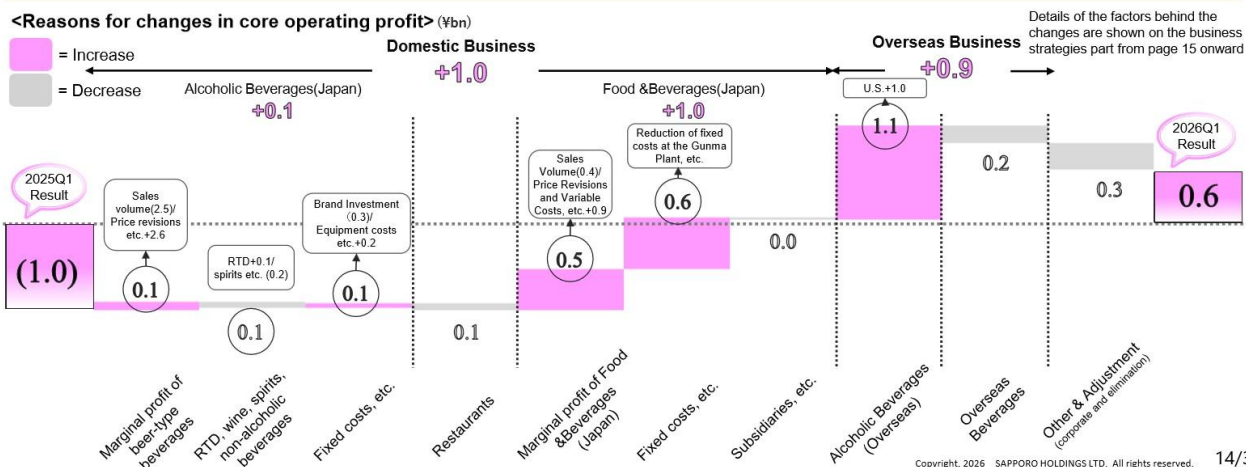
In Food & Beverages (Japan), revenue decreased by JPY0.7 billion due to lower sales of beverages, soups, and other products. Revenue also decreased by JPY1.5 billion due to the impact of the transfer of Shinsyu-ichi Miso Co., Ltd. during the previous fiscal year.

In the Overseas business, revenue increased by JPY1.9 billion. In Alcoholic Beverages (Overseas), revenue on a local currency basis increased by JPY0.6 billion, driven by sales growth of the Sapporo brand despite challenging conditions for overseas brands. Overseas Beverages recorded a revenue increase of JPY0.2 billion. Although exports to the Middle East decreased due to the deterioration of the situation in the Middle East, revenue increased on a yen basis, partly due to the weaker yen.

Financial Highlights 2026Q1 (Change in Core Operating Profit)



- Core operating profit increased significantly (+1.6 billion yen) due to cost structure reforms in Food & Beverages (Japan) and Alcoholic Beverages(Overseas). Achieved positive Q1 core operating profit for the first time since adopting IFRS.
- Alcoholic Beverages (Japan): Core operating profit increased, as the effects of price revisions and cost management offset increased brand investment ahead of the liquor tax revision and the rebound decline from last year's rush in demand prior to price revisions.
- Food & Beverages (Japan): Revenue declined due to the impact of structural reforms such as business transfers, but core operating profits increased due to the effects of price revisions and cost structure reforms.
- Alcoholic Beverages(Overseas): Profit increased due to the growth of the Sapporo brand and the effects of cost structure reforms in the U.S., among other factors.



Next, additional details on the change in core operating profit.

Total core operating profit in the Domestic business increased by JPY1.0 billion. Alcoholic Beverages (Japan) recorded a profit increase of JPY0.1 billion. Although sales volume declined significantly in the first quarter, improvements in product mix and the effects of the price revisions implemented in the previous year contributed to an improvement in marginal profit per unit. As a result, the increase in brand investment was absorbed, and profit was maintained at roughly the same level as the previous year.

Food & Beverages (Japan) recorded a profit improvement of JPY1.0 billion despite lower revenue. This was mainly due to the improvement in marginal profit per unit from price revisions and reductions in variable selling expenses, as well as the significant effects of structural reforms, including fixed cost reductions at the Gunma factory of Pokka Sapporo Food & Beverage Ltd.

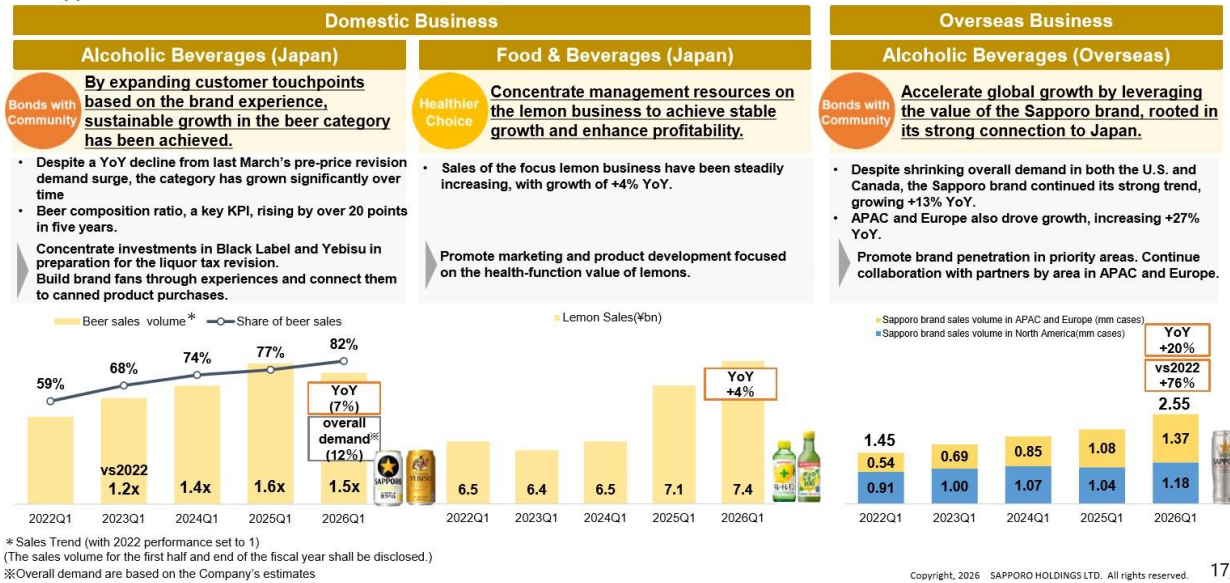
Total core operating profit in the Overseas business increased by JPY0.9 billion. Alcoholic Beverages (Overseas) recorded a profit improvement of JPY1.1 billion, mainly due to the significant improvement in profitability in the U.S. In the U.S., sales growth of the Sapporo brand and the effects of cost structure reforms were the main drivers.

Overseas Beverages recorded a profit decrease of JPY0.2 billion. Although revenue increased on a yen basis, core operating profit declined, partly due to the significant decrease in exports to the Middle East amid the deterioration of the situation in the region.

Business Strategies: Summary



» Based on the “Bonds with Community” and “Healthier Choice” strategies, focusing on Beer & Lemon category in Japan and Sapporo brand in overseas.



Under the strategies of “Bonds with Community” and “Healthier Choice,” the Group is focusing on beer and lemon products in Japan, and the Sapporo brand overseas.

In Alcoholic Beverages (Japan), sustainable growth in the beer category will be pursued by expanding customer touchpoints through brand experiences. Compared with 2022, before the start of the current medium-term management plan, beer sales volume in the first quarter increased by approximately 1.5 times, while the beer composition ratio rose to 82%. Continued growth in beer sales and further improvement in product mix will remain key priorities.

In Food & Beverages (Japan), management resources are being concentrated on lemon products to achieve stable growth and strengthen profitability. Lemon sales increased significantly from JPY6.5 billion in the first quarter of 2022 to JPY7.4 billion in the first quarter of 2026.

In Alcoholic Beverages (Overseas), global growth will be accelerated based on the value of the Sapporo brand. The Sapporo brand has shown remarkable growth not only in North America, but also in APAC, Europe, and other areas. In the first quarter, sales increased by 76% compared with 2022.

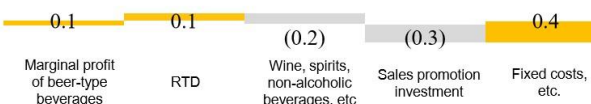
Business Strategies: Domestic Business (Alcoholic Beverages (Japan))



- » Profit increased as the company offset the impact of increased brand investment ahead of the liquor tax reform and a decline in demand following the previous year's rush ahead of price revisions, through the effects of price revisions and cost management. Q1 operating profit was achieved for the third consecutive year.

Financial Information			
(¥bn)	2026Q1	Change	YoY
Revenue	59.4	(4.8)	(7.4%)
Core operating profit	3.0	+0.1	+2.6%
Core operating profit margin	5.0%	-	-

Reasons for changes in core operating profit (¥bn)



Increase beer sales (strengthen core brands) (1-1) ※Details of the initiative are provided on page 19.



◆ Share of beer sales : 82% (YoY + 5pt)

- Overall demand¹ fell below the previous year's level due to a decline following the rush demand that preceded last year's price revision.
- Driven by flagship brands Black Label and Yebisu, the Company outperformed the market in beer and beer-type beverages. Steady progress is being made toward targets.
- Ahead of the liquor tax reform scheduled for October 2026, initiatives to strengthen the beer business will continue.

< Sales Volume (Q1 Period) >

	Beer-type beverages		Beer		Canned beer	
	Overall demand ¹	Our Company	Overall demand ¹	Our Company	Overall demand ¹	Our Company
YoY	(17%)	< (13%)	(12%)	< (7%)	(13%)	< (7%)
vs2024	(7%)	< ±0%	+1%	< +11%	+3%	< +16%

¹ Overall demand are based on the Company's estimates

² volume basis

Increase RTD sales (1-2)



◆ RTD(cans) sales amount : YoY(15%)

- As with beer, overall demand¹ fell below the previous year's level due to a decline following the rush demand ahead of the price revision.
- Price revisions and cost management contributed to an increase in marginal profit.
- Continued promotional initiatives will be implemented toward the peak season, with the Koime brand as the core focus.
- Marketing investment in the Koi-Shibori brand, a non-alcoholic brand, was doubled. Sales grew by 50% YoY², outperforming the market.

Copyright, 2026 SAPPORO HOLDINGS LTD. All rights reserved. 18/35

In the first quarter, total demand for beer declined significantly year on year, partly due to the reactionary decline following the rush in demand in the previous year. Meanwhile, Black Label and Yebisu, the core brands, drove performance, with both beer-type beverages and beer outperforming the market. Initiatives to strengthen beer will continue ahead of the liquor tax revision scheduled for October this year.

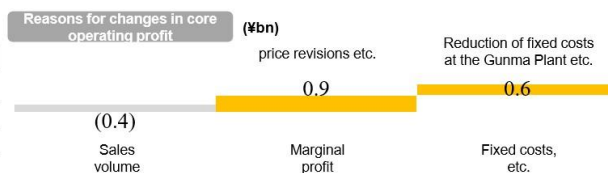
In RTD, total demand also declined year on year, similarly affected by the reactionary decline following the rush in demand in the previous year. Promotional activities centered on the Koime brand will continue ahead of the peak season. In addition, the non-alcoholic Koi-Shibori brand recorded strong growth of 50% year on year. Efforts in RTD and non-alcoholic beverages will also be strengthened to meet increasingly diverse consumer preferences.

Business Strategies: Domestic Business (Food & Beverages (Japan))



» Revenue declined due to the impact of structural reforms, including business transfers, while core operating profit increased due to the effects of price revisions and cost structure reforms.

Financial Information			
(¥bn)	2026Q1	Change	YoY
Revenue	16.1	(2.2)	(11.9%)
Core operating profit	0.4	+1.0	-
Core operating profit margin	2.2%	-	-



Fundamental structural reforms (5-1)

◆ Cost Structure Reforms : YoY + ¥0.3bn

- Cost structure reforms continued to improve profitability. The transfer of fixed assets at the PS Gunma Plant and the suspension of soup production at the Sendai Plant, both decided in the previous year, were completed in Q1. Profit increased by 0.3 billion yen YoY, driven by initiatives including the reorganization of production sites.
- Business restructuring initiatives progressed in line with the policy. In this March, a decision was made on the business succession of the beverage vending machine business. (See page 5 for details)

Growth in Lemon products (5-2)

◆ Lemon sales amount : YoY + 4%



- Sales for Q1 remained steady, with “Kireto Lemon” and “Pokka Lemon 100” leading the way, posting a 4% YoY increase. To achieve the annual target of 9% growth, sales promotion investments are being implemented, with a focus on the peak summer season and beyond.
- Continue to focus management resources on lemon products and strive to further improve profitability.
 - **Lemon Beverages:** Driven by growing demand for the health benefits of lemons, products focused on health and beauty—such as “Kireto Lemon Citric Acid 2700” and “Kireto Lemon MUKUMI”—are performing particularly well. In March, “Kireto Lemon Charge Jelly” was launched as a new year-round product. Promotional efforts will be strengthened, leveraging the 25th anniversary of the “Kireto Lemon” brand.
 - **Lemon Foods:** To expand customer touchpoints for the “Pokka Lemon” brand, “Pokka Lemon Shokusai” dressing was launched in March. Communications will continue to be strengthened to raise awareness of the health benefits of lemons.



Copyright, 2026 SAPPORO HOLDINGS LTD. All rights reserved. 20/35

Regarding structural reforms in Food & Beverages (Japan), initiatives implemented during the current medium-term management plan include the transfer of the plant-based yogurt business, the transfer of Shinsyu-ichi Miso Co., Ltd., and the consolidation of soup manufacturing facilities. In the beverage business, decisions were also made to transfer the Gunma factory of Pokka Sapporo Food & Beverage Ltd. and to transfer the beverage vending machine business through a business succession arrangement.

Despite the challenging market environment, including rising costs, the effects of initiatives to improve the earnings structure are becoming increasingly evident.

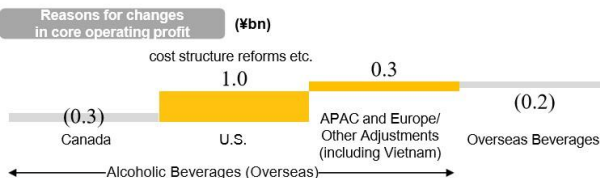
Lemon products, one of the focus areas, have continued to perform steadily in both beverages and food. Further improvement in profitability will continue to be pursued.



Business Strategies: Overseas Business (Alcoholic Beverages (Overseas), Overseas Beverages)

➤ Revenue and core operating profit for Alcoholic Beverages (Overseas) increased due to the growth of the Sapporo brand and the effects of cost structure reforms in the U.S., among other factors. Revenue and core operating profit also increased for the Overseas Business as a whole.

Financial Information			
(¥bn)	2026Q1	Change	YoY
Revenue	28.5	+1.9	+7.0%
Core operating profit	(0.4)	+0.9	-
Core operating profit margin	(1.3%)	-	-



Alcoholic Beverages (Overseas) : Sapporo Brand Growth
 *YoY comparison based on sales volume

- ◆ Sapporo brand volume: 2.55mm cases (YoY +0.43mm cases)
- Amid a decline in overall demand in North America, the Sapporo brand continued its strong performance, posting a 13% YoY increase.
- APAC and Europe performed well across all regions (up 27% YoY), driving growth for the Sapporo brand.

North America	Overall demand*	Our company	Market overview and our position
(Canada)	Beer (total) (4%)	Sapporo Brand +8%	Market: Total demand is shrinking due to inflation and other factors, and the competitive environment remains challenging. Company: While Sleeman is struggling, SPB is performing well. The company is also focusing on Beyond Beer (launched multiple new RTD products in Q1). Due to factors such as rising costs caused by U.S. tariffs, the company is pushing forward with cost reduction initiatives.
(U.S.)	Beer (total) (2%)	Sapporo Brand +15%	Market: Total demand has contracted due to inflation and the impact of U.S. tariffs, among other factors. The craft market continues to show a weak trend. Company: The company will continue to focus its investments on SPB. The company will also launch new SKUs to drive further growth.

*Overall demand are based on the Company's estimates

- APAC and Europe
- Sales of off-trade (canned products) continue to perform strongly in South Korea and China, which account for a high composition ratio of our sales.
 - In APAC, the Carlsberg partnership markets (Hong Kong, Singapore, and Malaysia) grew by over 20% YoY in total, significantly outperforming the initial plan. Continue to accelerate the growth of SPB through collaboration with our partners by area.

- Alcoholic Beverages (Overseas): Fundamental structural reforms (U.S.) (3-4)
- Progress on both cost synergies and cost structure reforms is proceeding smoothly according to plan.
 - Regarding the "additional cost structural reforms in U.S.", we announced the "Transfer of Assets and Restructure of Production Structure in the U.S. Business" in April of this year (see pages 6-8 for details).
- * In light of the above, the company plans to review its KPIs as appropriate starting in Q2.

- Overseas Beverages: Impact of the situation in the Middle East
- Exports account for approximately 20% of total Overseas Beverages sales (FY2025 basis).
 - Exports to the Middle East have been suspended due to the deteriorating situation in the region (export sales down 58% YoY).
 - While exports are expected to resume in October or later, the outlook remains uncertain.

Copyright, 2026 SAPPORO HOLDINGS LTD. All rights reserved. 21/35

Sales volume of the Sapporo brand reached 2.55 million cases, an increase of 0.43 million cases year on year. In North America, despite shrinking overall demand, sales increased by 13% year on year. In the APAC and Europe area, sales increased by 27% year on year.

In Canada, the Sapporo brand continued to perform well, while the Sleeman brand struggled amid shrinking overall demand and intensifying competition. The business environment remains extremely challenging, with the additional impact of cost increases. Accordingly, initiatives to strengthen profitability in Canada will also be advanced.

In the U.S., cost structure reforms implemented since the previous year have been progressing steadily. As additional structural reform, the asset transfer and review of the production structure mentioned earlier will be carried out.

Going forward, improvement of the profit structure in North America will continue, while further sales growth of the Sapporo brand will be pursued in APAC, Europe, and other areas.