

FACT BOOK

Updated in June 2024

Sapporo Holdings Ltd.

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Online Graph

<https://www.sapporoholdings.jp/en/ir/financial/graph/>

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For more information regarding financial and non-financial matters, please visit the Company website.

- Investor Relations Website
<https://www.sapporoholdings.jp/en/ir/>
- IR Library
<https://www.sapporoholdings.jp/en/ir/library/>
- Sustainability Website
<https://www.sapporoholdings.jp/en/sustainability/>
- Sustainability Book (Japanese only)
https://www.sapporoholdings.jp/sustainability/sustainability_book/

～Materials～

Sapporo Group Overview

Management Philosophy

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

Fundamental Management Policy

**The Sapporo Group strives to maintain integrity in corporate
conduct that reinforces stakeholder trust and aims to
achieve continuous growth in corporate value.**

Since we began brewing beer with the establishment of the Kaitakushi Brewery in 1876, the Sapporo Group has been committed to providing products and services that satisfy our customers through a sincere commitment to craftsmanship that focuses on raw materials.

We have pursued innovation and quality improvement based on "communication" with customers through the products and services we offer, expanding our scope to include the beer business, general alcoholic beverages, food&soft drinks, restaurants, and real estate. Brand is our important asset which we have been established with our customers.

By responding to change and taking on new challenges, we will further let this brand shine domestically and internationally, and aim for solid growth as a "brand company with individuality."

In addition, we recognize that the promotion of sustainability management, which tackles various issues in the global environment and society facing the entire world, is a role that a company should naturally play.

We believe that "contributing to Well-being of People and Local Communities" will lead to the realization of our management philosophy of "As an intrinsic part of people's lives, Sapporo will contribute to the evolution of creative, enriching and rewarding lifestyles" and the creation of "economic and social value."

Head Office

20-1 , Ebisu 4-chome, Shibuya-ku, Tokyo
150-8522, Japan

Date of Establishment

September 1, 1949

Founded

1876



Company Representative

Masaki Oga President and Representative Director

Business Description

Holding Company

(Formulation and management of the group's business strategy)

Capital

¥53,887 million

Inquiries

Sapporo Holdings Limited

Finance Department Investor Relations Section

Tel. +81-3-6859-2304 Fax.+81-3-5423-2061



Sapporo Group Overview

Security Code
2501

Number of Shares Issued (As of Dec 31, 2023)
78,794,298

Ratings(As of Dec 31, 2023)
Japan Credit Rating Agency, Ltd. (JCR) A-

Trading Unit
100

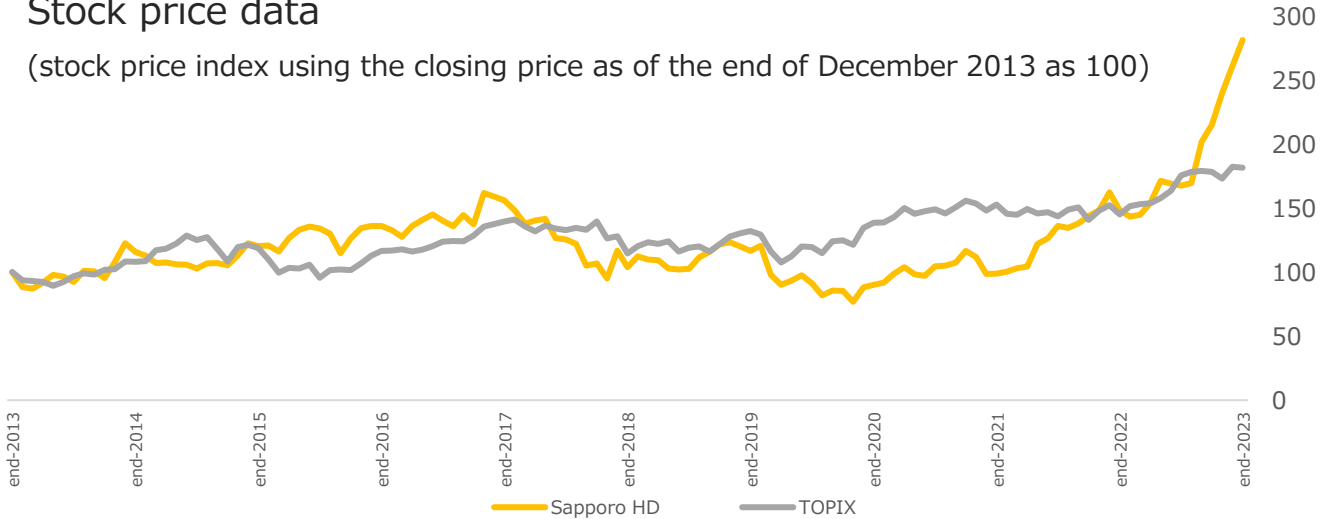
Major Shareholders (As of Dec 31, 2023)

*Shareholding ratios are calculated after deduction of treasury stock.

Shareholders Name	Number of Shares (thousands)	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	10,677	13.68
STATE STREET BANK AND TRUST COMPANY 505018	5,600	7.18
Custody Bank of Japan, Ltd. (Trust Account)	2,964	3.8
NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB)	2,809	3.6
Custody Bank of Japan, Ltd.,as trustee for Mizuho Bank Ltd. Retirement Benefit Trust Account re-entrusted by Mizuho Trust and banking Co., Ltd.	2,442	3.13
3D OPPORTUNITY MASTER FUND	2,400	3.08
Nippon Life Insurance Company	2,237	2.87
Meiji Yasuda Life Insurance Company	2,236	2.87
The Norinchukin Bank	1,875	2.4
Marubeni Corporation	1,649	2.11

Stock price data

(stock price index using the closing price as of the end of December 2013 as 100)



Sapporo Group Overview

We have developed three business areas: “Alcoholic Beverages”, “Food and Soft Drinks” and “Real Estate”.

◆ Alcoholic Beverages

In Japan, we are developing the Alcoholic Beverages business with a focus on our Black Label, Yebisu, and other beers.

Outside Japan, we are promoting the sale of Sapporo Premium Beer with a focus on North America. In the restaurants business, we provide comfortable spaces such as GINZA LION and YEBISU BAR which serve high quality draft beer.

◆ Food & Soft drinks

In Japan, we manufacture and sell a variety of products , such as soft drinks , with a focus on lemons and soups.

Outside Japan, our POKKA brand products are sold in more than 60 countries around the world from our base in Singapore, where we hold the No.1 share of the tea drinks market.

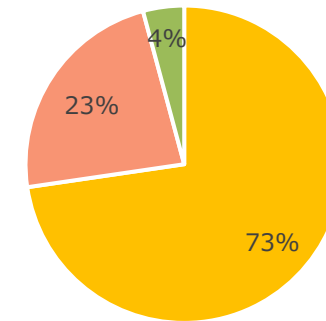
◆ Real Estate

We are involved in real estate management, operation, and development businesses primarily in two locations with historic ties to the Group: Ebisu and Sapporo.

We are promoting property value enhancement and community building.

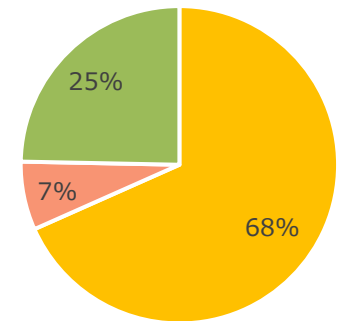
	Main financial figures in 2023				
	Consolidated total	Alcoholic Beverages	Food & Soft Drinks	Real Estate	Others
(Billion of yen)					
Revenue	518.6	376.9	119.9	21.7	0.1
Core Operating profit	15.6	16.0	1.6	5.8	(7.8)
Core Operating profit margin	3.0%	4.2%	1.4%	26.7%	-
EBITDA	36.0	26.6	4.4	11.3	(6.3)

Revenue
composition



Alcoholic Beverages Food & Soft Drinks Real Estate

Core operating profit
composition

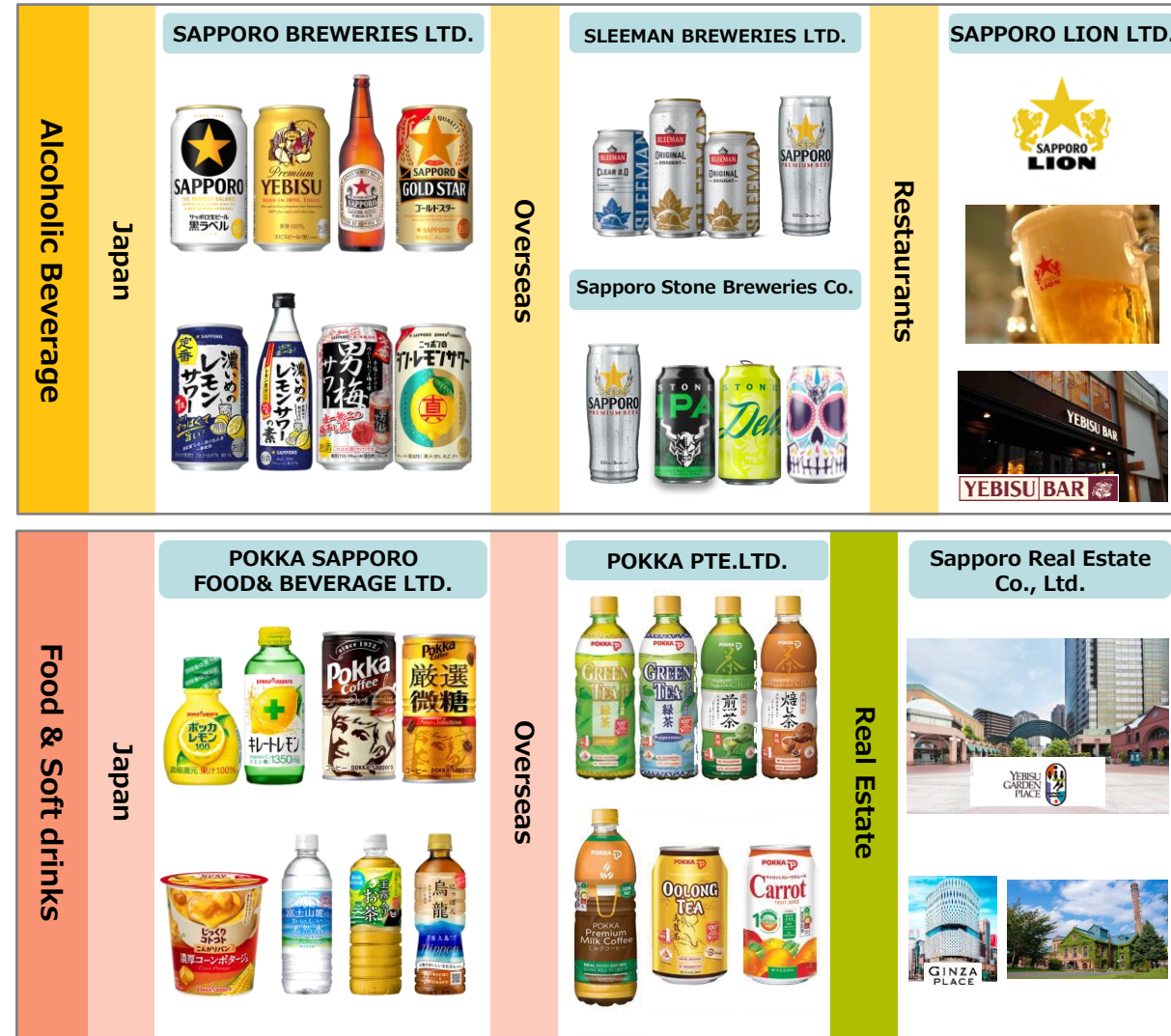
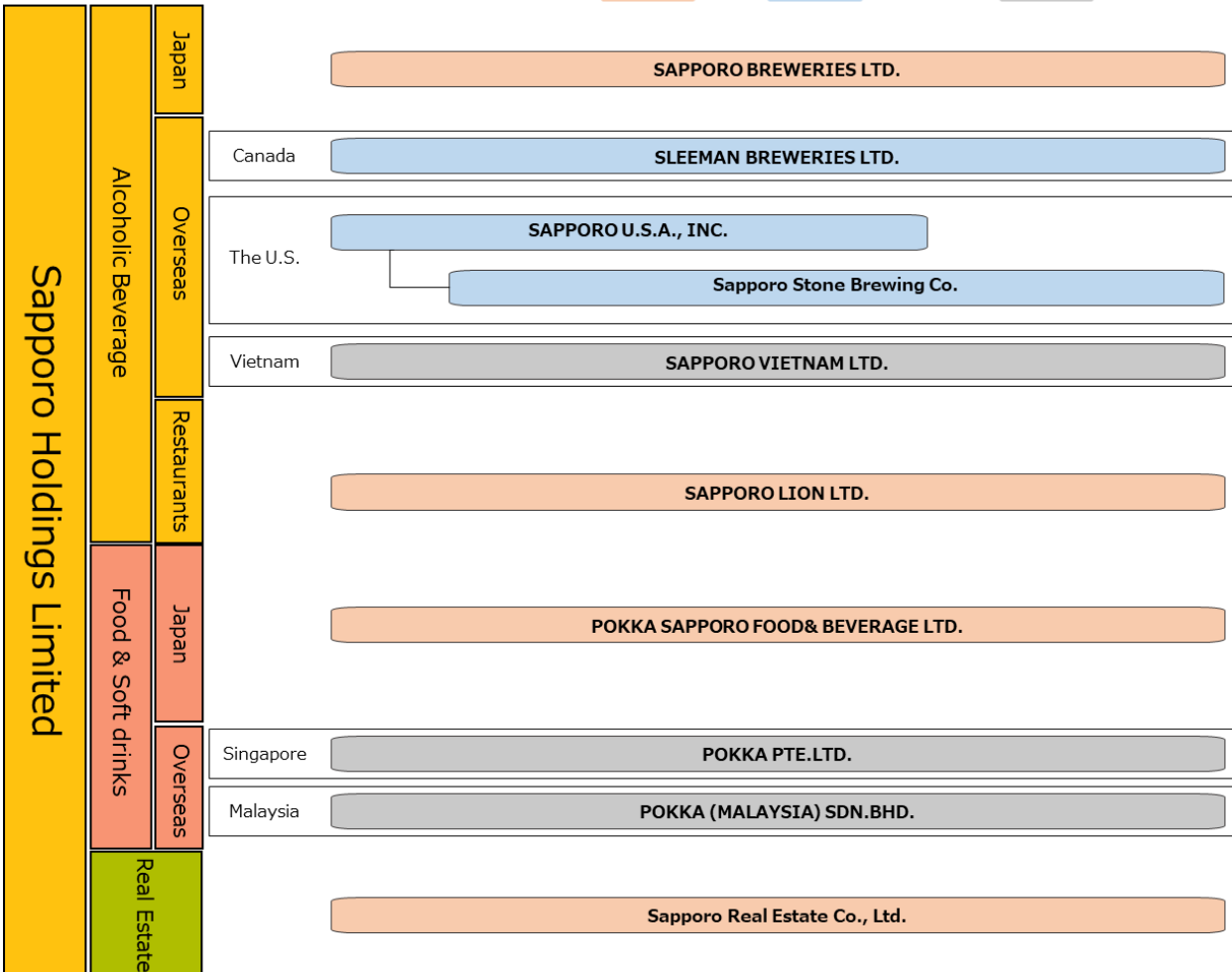


Alcoholic Beverages Food & Soft Drinks Real Estate

Sapporo Group Main Companies & Main Products

As of the end of December 2023

Japan North America South East Asia



Sapporo Group History



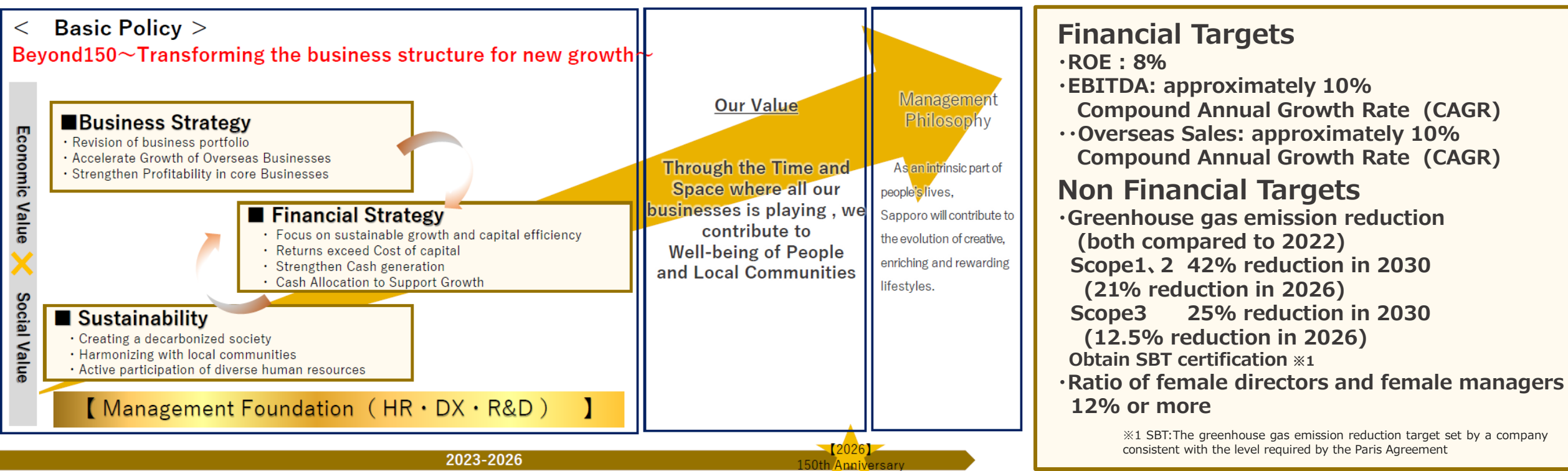
year	business	main topic
1876	Alcoholic Beverage	[Japan] Established the Kaitakushi (the national government Hokkaido development commission) Brewery, later Sapporo Beer Company
1877	Alcoholic Beverage	[Japan] Launched Sapporo Lager Beer
1887	Alcoholic Beverage	[Japan] Established Japan Beer Brewery Company
1890	Alcoholic Beverage	[Japan] Launched Yebisu Beer
1899	Alcoholic Beverage	[Japan] "First in Japan" Yebisu beer hall in Ginza opened for business.
1957	Food & Soft drinks	[Japan] Launched bottled lemon (later renamed POKKA Lemon)
1964	Alcoholic Beverage	[The U.S.] Began exporting beer to the United States.
1977	Alcoholic Beverage	[Japan] Launched Sapporo Bin-Nama (unpasteurized bottled beer, now known as Sapporo Black Label)
1977	Food & Soft drinks	[Singapore] Established POKKA Corporation (Singapore) Pte. Ltd.
1984	Alcoholic Beverage	[The U.S.] Established Sapporo U.S.A., Inc.
1993	Real Estate	[Japan] Completed Sapporo Factory (Commercial complex, the former site of Sapporo Brewery)
1994	Real Estate	[Japan] Completed Yebisu Garden Place (the former site of Yebisu Brewery)
2003	Others	Started operation under a holding company framework, with Sapporo Holdings Limited as a pure holding company
2006	Alcoholic Beverage	[Canada] Acquired SLEEMAN BREWERIES LTD. of Canada
2011	Alcoholic Beverage	[Vietnam] Completed brewery
2011	Food & Soft drinks	[Japan] Started Pokka Sapporo Food & Beverage business
2014	Food & Soft drinks	[MALAYSIA] Pokka Malaysia factory completed
2016	Real Estate	[Japan] Opened Ginza Place
2019	Others	Supported the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
2019	Others	Formulated Sapporo Group Sustainability Policy
2020	Others	Transitioned to the corporate structure of a company with an Audit and Supervisory Committee
2021	Others	Formulated Sapporo Group global slogan to alcohol-related problems, "Promote Responsible Drinking".
2022	Alcoholic Beverage	[The U.S.] Acquired membership interest in Stone Brewing Co., LLC



【Basic Policy】Beyond150 ~Transforming the business structure for new growth~

Since our establishment in 1876, we have constantly innovated and delivered products and services that have enriched customers' lives. In 2026, we will mark our 150th anniversary. In order to continue to demonstrate our unique purpose after over 150 years, we have developed a new Medium-Term Management Plan for the four years of 2023 to 2026.

The key points of this plan are a revision of our business portfolio, realizing group management aligned with the positioning of each of our businesses, and increasing our corporate value through higher capital efficiency. We look to reliably meet the expectations of stakeholders during these four years. In order for our Group to demonstrate its unique value and continue growing, we will complete the transition of our business structure and build a foundation for sustainable growth under this plan, which is organized into three strategic pillars: business strategy, financial strategy, and sustainability.



For details, please see the power point materials posted on the website.

[Medium-Term Management Plan](#)

Business strategy

Restructure business portfolio to increase profits with both structural reforms and strengthening/growth

We analyzed and assessed each business from six perspectives, and classified them into four categories: “Restructuring” and “Divestment,” which require structural reforms, “Growth,” which should be targeted for preferential investment as core businesses, and “Strengthen Profitability”

Structural Reforms

Decisive action based on portfolio management

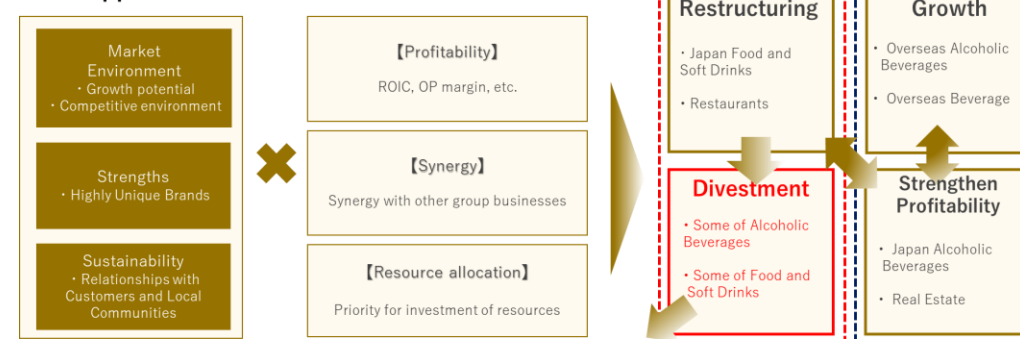
- Businesses positioned as “Restructuring” and “Divestment” are drastically managed by 2024

Strengthen and Grow

Realize growth in overseas and core businesses

- Accelerate North American Alcoholic Beverage and Overseas Soft Drinks
- Focus on domestic beer and cultivate RTD brands
- Diversification of the profit structure of the Real estate business

Approach to Portfolio Consolidation



Aim to improve the core operating profit margin with a focus on each business and key actions.

Alcoholic Beverage Japan

Reinforcement & Growth

Core operating profit margin 3.5% (FY2022Results) ⇒ 5.7% (FY2026Plan)

Strengthen beer and RTD in anticipation of the consolidation of liquor taxes

Alcoholic Beverage Overseas

Reinforcement & Growth

Core operating profit margin (0.4)% (FY2022Results) ⇒ 6.2% (FY2026Plan)

We will aim for further growth of SAPPORO PREMIUM BEER (SPB), in the United States, a growth driver, by creating synergy with Stone at an early stage.

Restaurants

Structural reform

Core operating profit margin (3.3)% (FY2022Results) ⇒ 5.0% (FY2026Plan)

Opening of locations with high investment efficiency, Closing of unprofitable locations
Strengthening coordination with Japan Alcoholic Beverages business as a hub for brand communication

Food & Soft drinks Japan

Structural reform

Core operating profit margin 0.9% (FY2022Results) ⇒ 3.8% (FY2026Plan)

Rebuilding the earnings base by implementing structural reforms
Concentrated investment of resources in the lemon business

Overseas soft drinks

Reinforcement & Growth

Core operating profit margin 3.6% (FY2022Results) ⇒ 5.0% (FY2026Plan)

Expand sales in countries and regions with growth potential, such as Malaysia and the Middle East, starting from Singapore

Real Estate

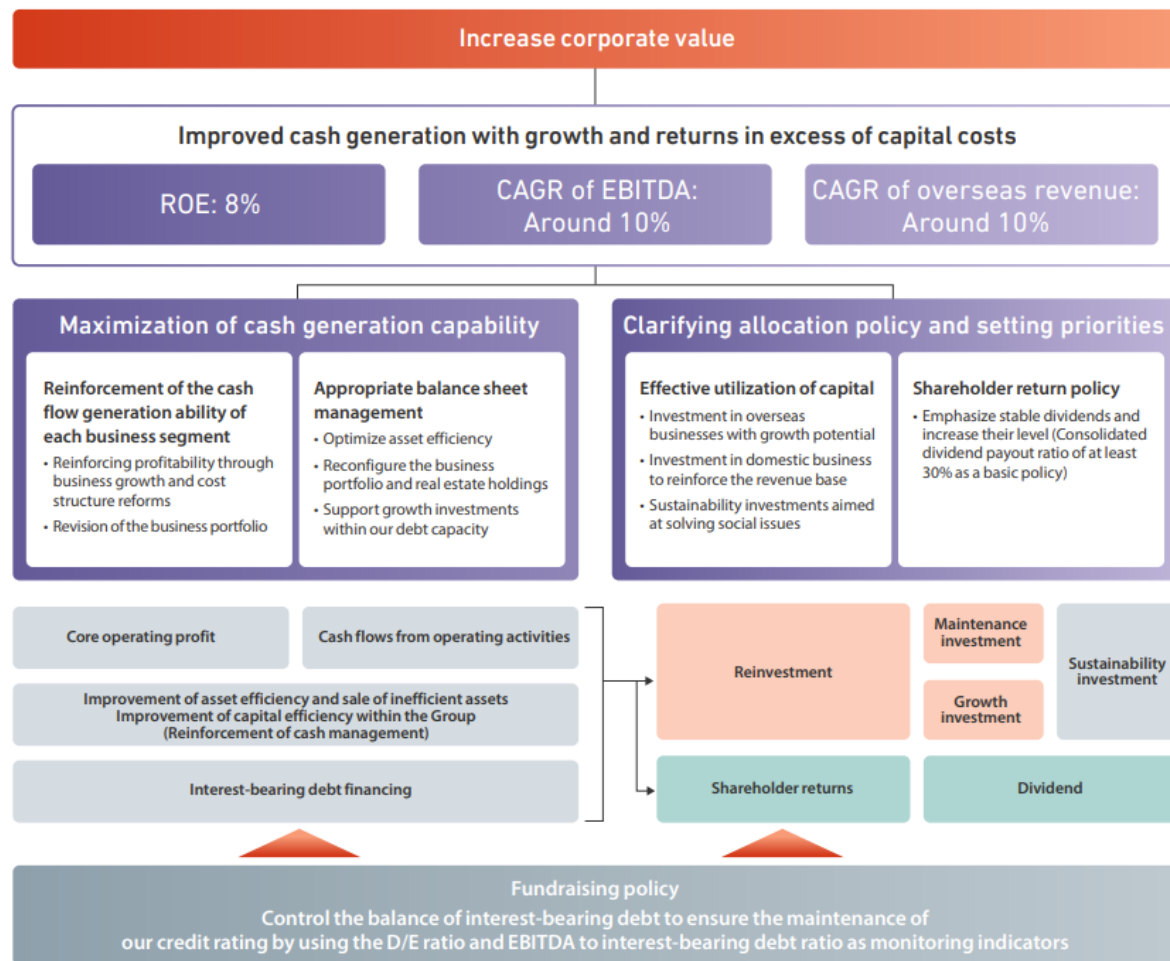
Reinforcement & Growth

ROA(EBITDA basis) 4.9% (FY2022Results) ⇒ 5.7% (FY2026Plan)

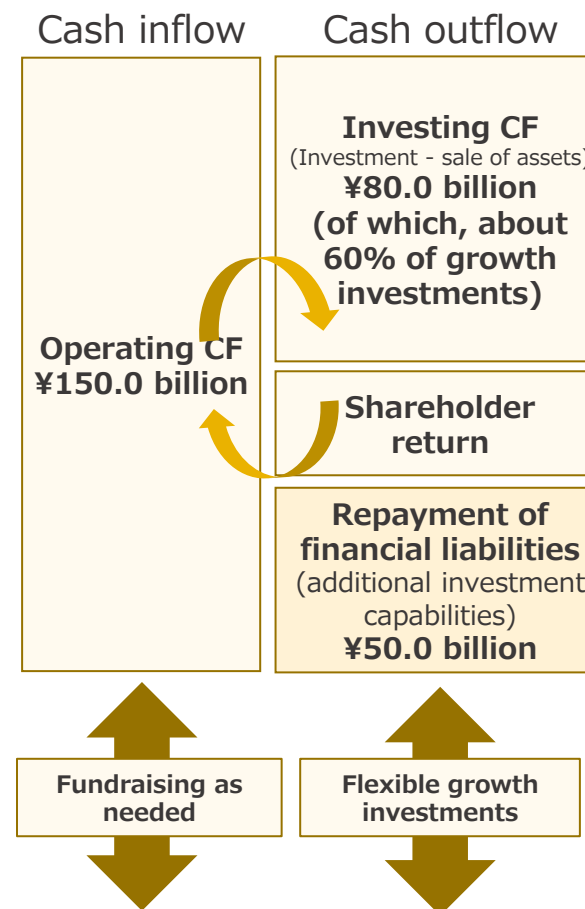
Our property value enhancement and community building

Financial Strategies

Ensure increased corporate value by advancing a financial strategy which emphasizes sustainable growth and capital efficiency.
Improve cash generation and pursue returns in excess of capital costs with the target of 8% ROE.



4-year cash allocation (planned for 2023-2026)

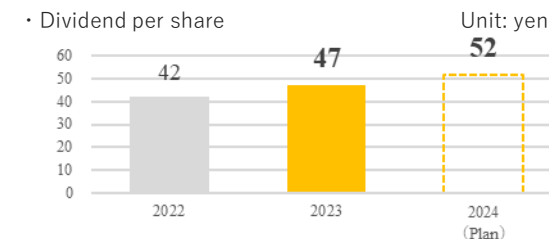


Reduction of cross-shareholdings

- ◆Target until 2024: less than 20% of capital
- ◆Target until 2026: less than 10% of capital

Dividends

For 2023, an increase in dividends has been decided in line with profit growth.
For 2024, an increase in dividends is planned for the second consecutive fiscal year.



Securement of financial flexibility

- Strengthening of financial security through reduction of financial liabilities
- Flexible response to profitable growth investment opportunities by leveraging additional investment capabilities

Use of leverage to the extent possible to ensure maintenance of credit ratings

Sustainability

We have identified nine key challenges by assessing “impact of businesses on society and the environment” and “impact of society and the environment on our finances” based on the risks and opportunities that these present.

Among the identified challenges, we positioned “realization of a decarbonized society,” “Mutual Prosperity with Local Communities” and “Active participation of diverse human resources” as focus issues. We will monitor progress on these issues as we promote efforts to achieve them.

Identifying Material Issues

STEP1: Identifying challenges

STEP2: Setting priorities

STEP3: Advice from outside experts

STEP4: Approval of priority issues



Material Issues

Contributing to the well-being of people and communities
in the time and space provided by all of our businesses



Governance

★: Most important issues

Strengthening of management foundation

In order to steadily implement the three basic strategies and achieve our management targets, we will work to strengthen management foundations including human assets, DX, and R&D.

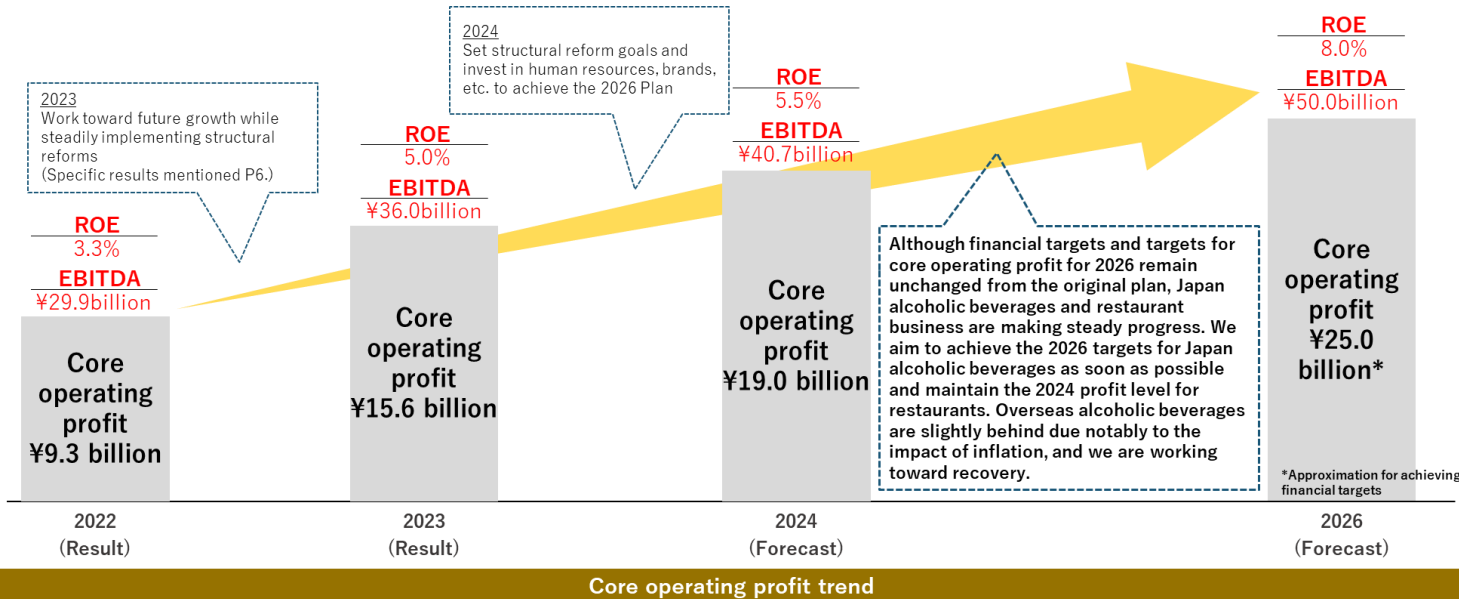
Important measures		Specific initiatives (up to 2026) <small>Scope: Sapporo Holdings and its main operating companies</small>
Human resources	(1) Aggressive investment for speedy growth (2) Promoting diversity (3) Increasing engagement and promoting health (4) Development of management talent	(1) Active investment in development/securing of and strategic allocation of human resources based on a global human resource development system (2) Creating an environment conducive to promoting D&I, achieving a female executive/management ratio of at least 12% (3) Improving work engagement by reinforcing supportive management skills and supporting mental toughness (4) Growth support and placement based on Group-wide Succession Plan
DX	(1) Building a system for the promotion of DX/IT strategies (2) Improvement of organizational and human resource management (3) Success of developed human resources, development/operation of environment	(1) Creation of multifaceted operational synergies through the organizational and functional integration of DX and IT (2) Increasing the level of human resources of the entire Group through systematic development, hiring, and utilization (3) Facilitation of a new environment for creating business process reform and the development of new business realms

Goal image		Important measures	
R&D	<ul style="list-style-type: none"> Converting our strengths into value that the world demands and providing it on an ongoing basis Creation of new categories and markets 	Alcoholic Beverages	Developing technologies for sustainable raw material procurement --- Climate change-ready barley and hops Pursuit of the taste and function of alcoholic beverages --- Scientific clarification and business application of "Intoxication and Health" Pursuit of new drinking experiences --- Fostering empathy through the use of the digital, providing entertainment, etc.
		Food & Soft Drinks	Research on the health functions and improving the quality of lemons --- Expanding the uses for lemon juice Creating new value from untapped resources --- Utilization of whole lemons as ingredients

Progress of the Medium-Term Management Plan -Achieving the Plan by 2026-

Steady start to achieve ROE of 8% by 2026

To transform the business structure and achieve new growth, 2024 is the year to set structural reform goals and solidify the foundation



Progressing well toward financial and core operating profit targets

The core operating profit margins for restaurants and food & soft drinks, which are undergoing structural reforms, and Japan alcoholic beverages, for which we are strengthening profitability, have improved significantly compared to 2022.

【Financial Targets】				
	2022 Result	2023 Result	2024 Plan	2026 Target
ROE	3.3%	5.0%	5.5%	8.0%
(Approximation) Core operating profit ※	9.3billion yen	15.6billion yen	19.0billion yen	25.0billion yen
EBITDA		20.6%	16.7%	About 10%
(Approximation) EBITDA ※	29.9billion yen	36.0billion yen	40.7billion yen	50.0billion yen
Overseas revenue		17.0%	10.3%	About 10%
(Approximation) Overseas revenue ※	102.2billion yen	119.6billion yen	124.4billion yen	140.0billion yen

※Approximation for achieving financial targets

【Target for core operating profit】				
	2022 Result	2023 Result	2024 Plan	2026 Target
Alcoholic beverages in Japan	3.5%	5.3%	5.7%	5.7%
Alcoholic beverages in Overseas	(0.4)%	(0.3)%	1.1%	6.2%
Restaurants	(3.3)%	10.5%	8.8%	5.0% (Aim to maintain 2024 profit level)
Food & Soft Drinks in Japan	0.9%	2.3%	2.4%	3.8%
Food & Soft Drinks in Overseas	3.6%	(2.2)%	4.6%	5.0%
Real Estate ※	4.9%	4.7%	4.7%	5.7%

※ EBITDA-based ROA

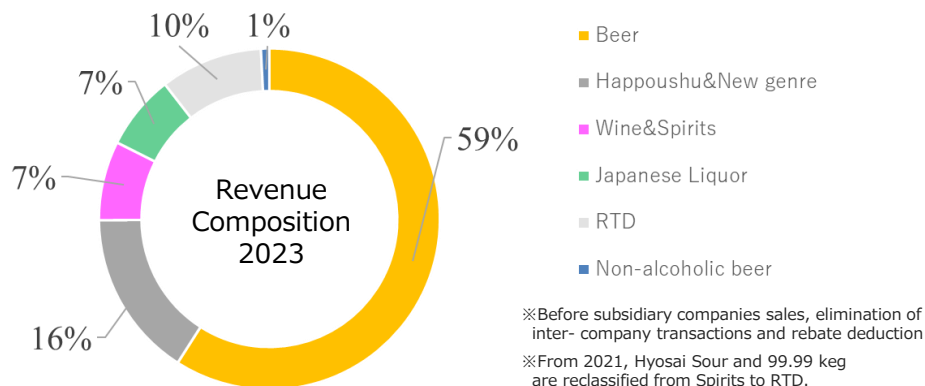
SAPPORO BREWERIES LTD.

Basic Information

Founded in 1876, Sapporo Breweries, Ltd. has always been committed to manufacturing, and have developed two brands, "Black Label" and "Yebisu Beer," together with our customers. On the other hand, We are also contributing to the development of Japanese beer culture through "The Sapporo Beer Museum", the only beer museum in Japan, "YEBISU BREWERY TOKYO", a real experience facility for Yebisu Beer, which is the origin of the name of Ebisu, and Japan Beer Test, which was launched in 2012 with the aim of promoting the healthy development of Japanese beer culture. We will continue to refine all of our products and services, and aim to become an alcoholic beverage brand company that creates the future of alcoholic beverages and people.

Business

Production and sales of beer-type beverages, RTD, wine Japanese liquor, etc.



Main Products



History

- Sep. 1876 Established the Kaitakushi Brewery
- Sep. 1949 Established Nippon Breweries, Ltd.
(Jan. 1964 Nippon Breweries, Ltd., renamed Sapporo Breweries Ltd.)
- Jul. 2003 Started operation under a holding company framework,
with Sapporo Holdings Limited as a pure holding company
Newly established Sapporo Breweries Ltd.

Production base・Museum

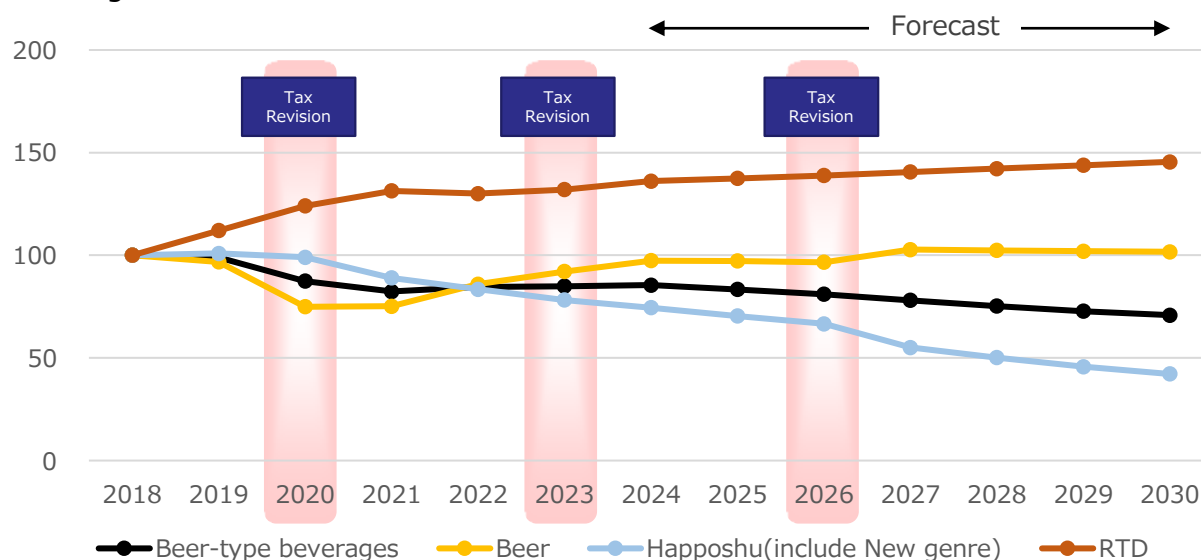
Breweries		Museums	
Hokkaido Brewery	Hokkaido	Sapporo Beer Museum	Hokkaido
Chiba Brewery	Chiba	YEBISU BREWERY TOKYO	Tokyo
Shizuoka Brewery ※1	Shizuoka	Winery	
Nasu Brewery ※2	Tochigi	Grande Polaire Katsunuma Winery	Yamanashi
Kyushu Hita Brewery	Oita	Okayama Winery	Okayama
RTD Plant			
Sendai Brewery ※3	Miyagi		

※1 Including RTD production.
 ※2 Scheduled to cease operations at the end of March 2025.
 ※3 Start manufacturing of RTD from around Oct. 2023.

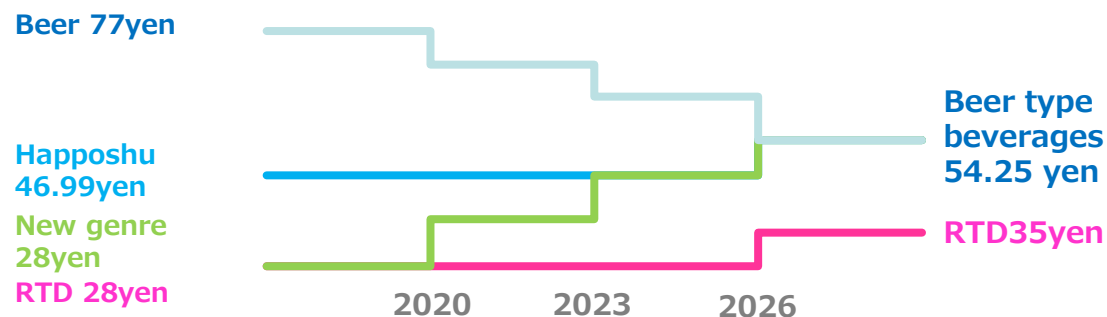
Japan Alcoholic Beverages: Market Trends

The market for beer-type beverages is expected to continue on the downward trend, but beer is forecast to be flat, while an increase is expected for RTD. We expect that beer will increase in terms of its share among beer-type beverages.

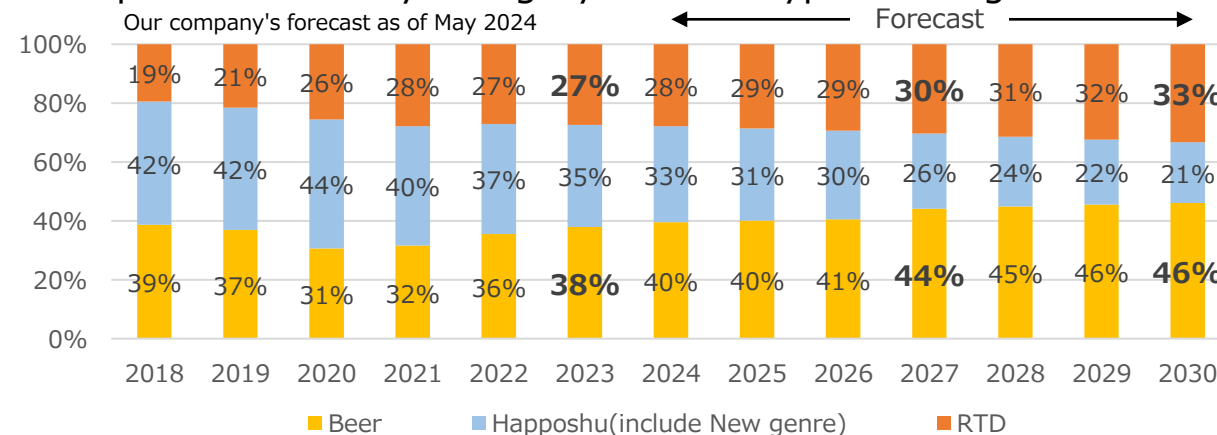
Forecast of Total Demand for Beer-type beverages and RTD
(the growth rate when standardized as 100 for 2018) Our company's forecast as of May 2024



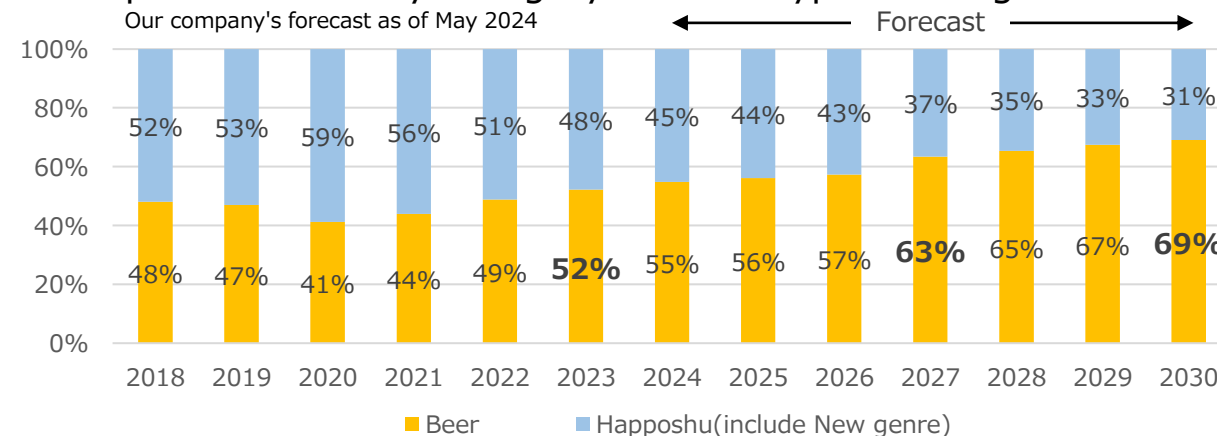
Changes in the amount of liquor tax per 350 ml



Composition Ratio by Category for Beer type beverages and RTD



Composition Ratio by Category for Beer type beverages

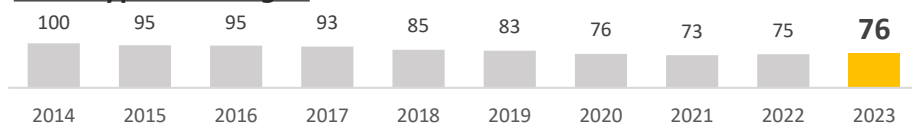


Japan Alcoholic Beverages: Our Company's Performance

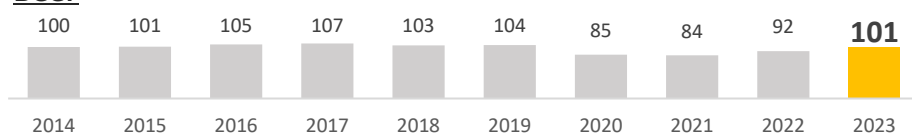
Our ratio of beer products is high compared to the rest of the market, showing Sapporo's strength in the beer sector. Canned beer is up 39% over the last ten years, and canned Black Label is up 74%, showing steady growth in our focus area.

Trend in sales volume (the growth rate when standardized as 100 for 2014)

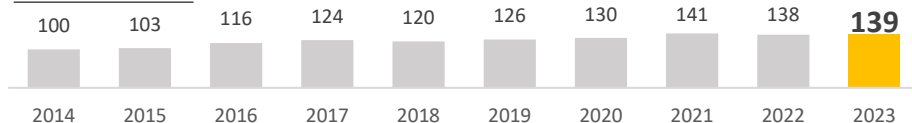
Beer-type beverages



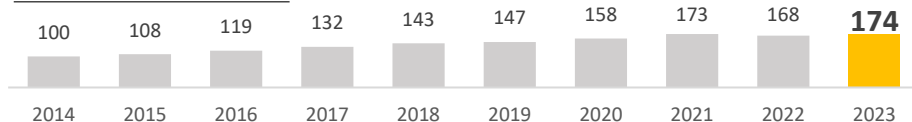
Beer



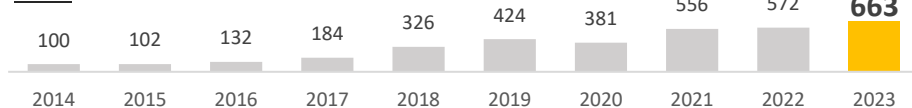
Canned Beer



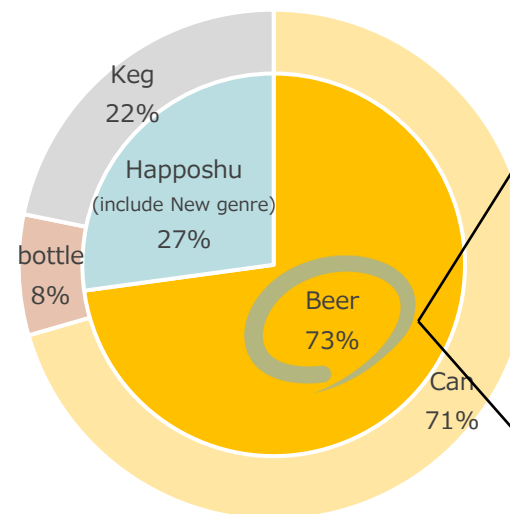
Canned Black Label



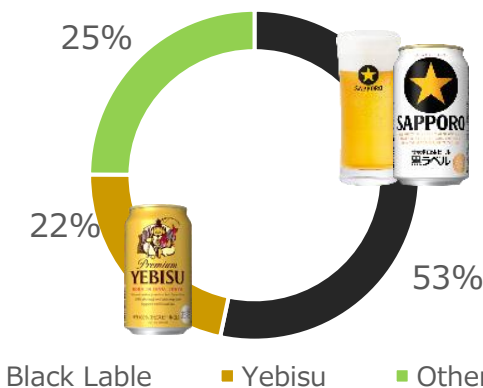
RTD



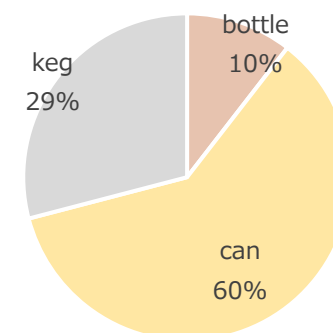
Beer-type beverages Composition of sales volume by product category/container type (2023)



Beer Composition of sales volume by Brands(2023)



Beer Composition of sales volume by container type(2023)



Result of medium- to long-term initiatives in the Black Label brand

Successfully increased the number of purchasers of Black Label through marketing that cultivates individuality and strengthens customer contact

Approx 1.9x vs. 2014



4,296

2014

8,039

2023

Source: Intage SCI,
Number of purchasers
of Black Label
Cumulative total for
January to December
of each year

Canada : SLEEMAN BREWERIES LTD.

The U.S. : SAPPORO U.S.A.,INC./Sapporo Stone Brewing Co.

Vietnam : SAPPORO VIETNAM LTD.

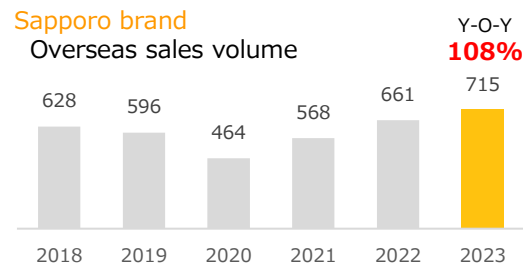
Basic Information

We began exporting beer to the United States in 1964, and we now operate in about 45 countries, primarily the United States, Canada, and Vietnam. Revenue has approximately doubled over the last 10 years, and we have positioned this area as a growth driver for the Group.

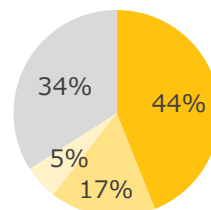
Business

Production, import, and sale of beer

(based on 2023 volume/cases)

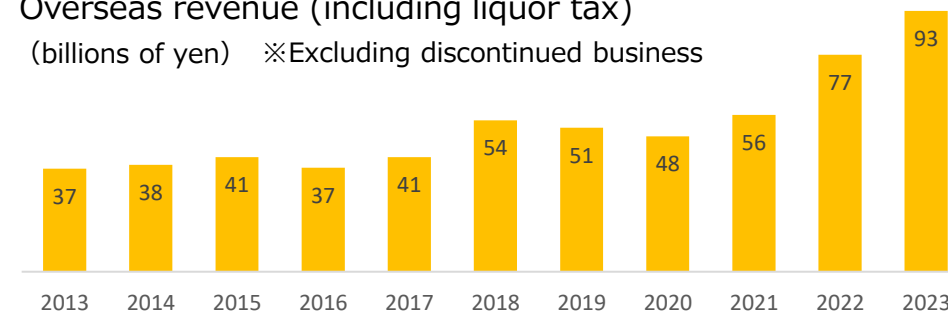


Sapporo brand Composition of sales volume by area

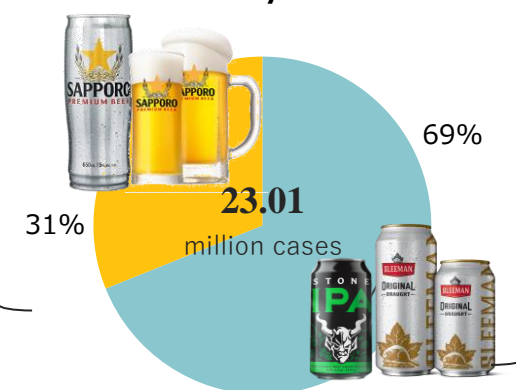


■ The U.S. ■ Canada ■ Vietnam ■ Export

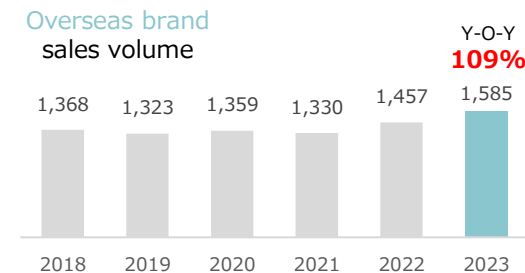
Overseas revenue (including liquor tax)
(billions of yen) ※Excluding discontinued business



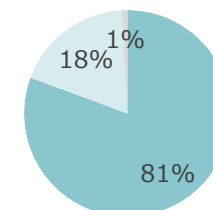
Overseas Composition of sales volume by Brands



■ Overseas brand ■ Sapporo brand



Overseas brand Composition of sales volume by Brands



■ Sleeman ■ Stone ■ Others

CANADA : SLEEMAN BREWERIES LTD.

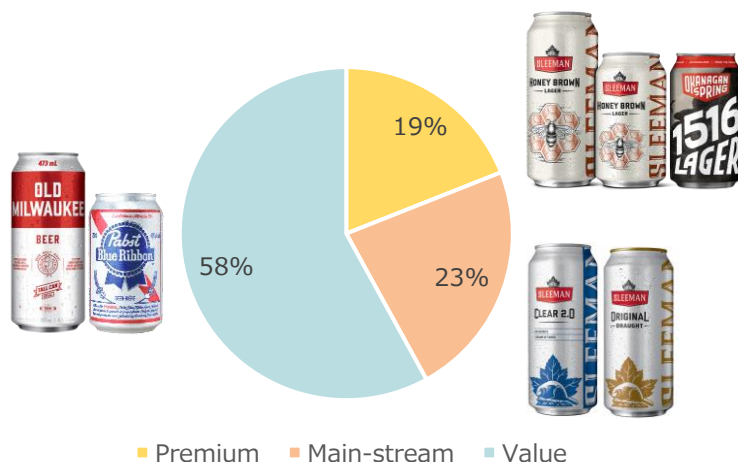
Overview

- The third-largest beer manufacturer in Canada
- Since the acquisition, SLEEMAN has increased about 2.5 times of revenue.

History

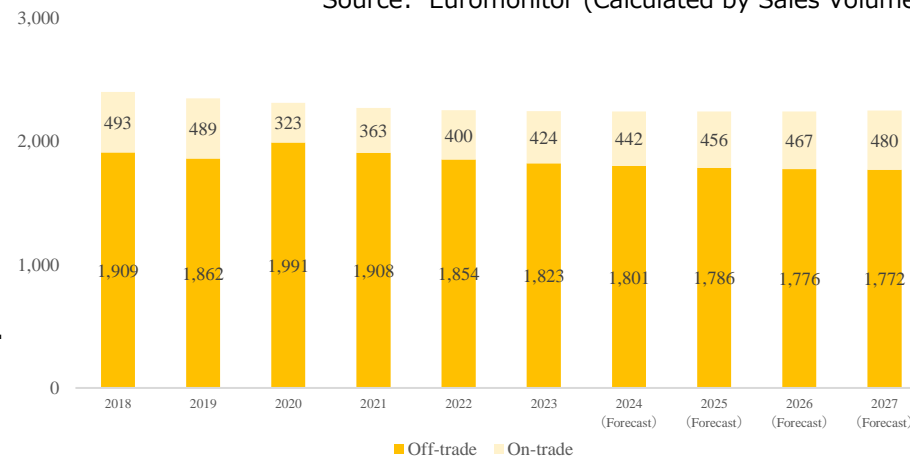
- 1834 Founding
- 1988 Establishment of SLEEMAN BREWERIES LTD.
- 2006 The Sapporo Group acquires SLEEMAN

Main Products



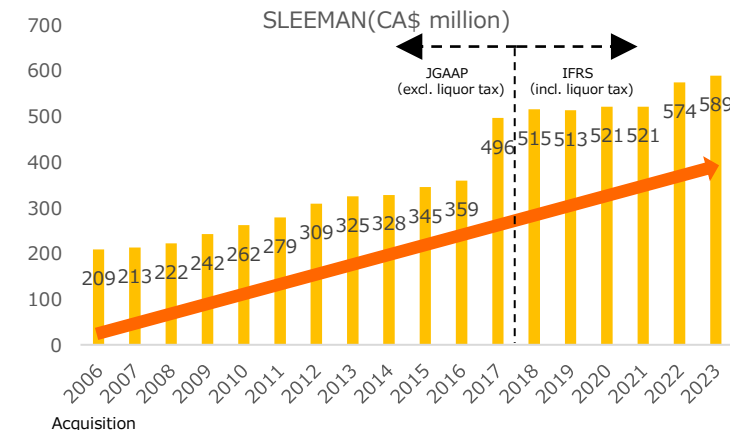
Canada- Beer Market sizes (million litres)

Source: Euromonitor (Calculated by Sales Volume)



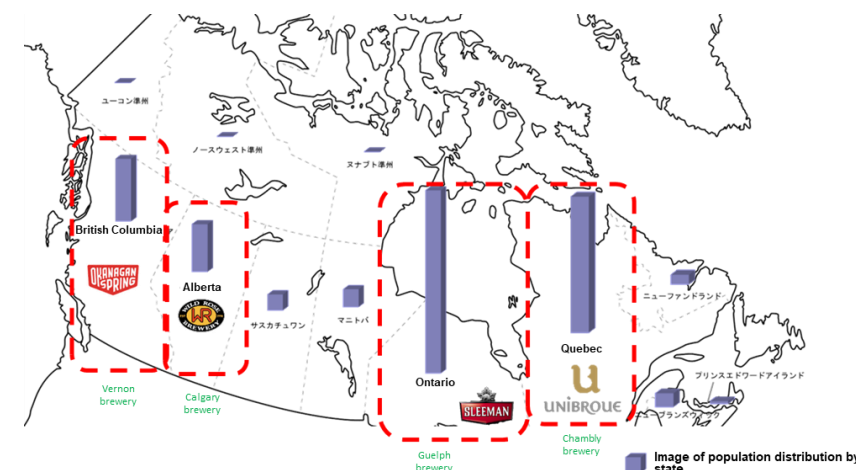
SLEEMAN Revenue (before elimination of inter-company transactions) in local currency

Steady growth since 2006



Production base

Production base 4places
(Guelph, Vernon, Chambly and Calgary)
Capacity 230,000KL
(Guelph 127,000KL・Vernon 75,000KL
・Chambly 23,000KL・Calgary3,000KL)





The.U.S. : SAPPORO U.S.A.,INC./Sapporo Stone Brewing Co.

Overview

- Began exporting beer to the US from 1964.
- Since then, expanded sales channels and continued to grow.
- The growing Sapporo brand is manufactured at the two plants of Stone Brewing, which was acquired in 2022, accelerating growth.

History

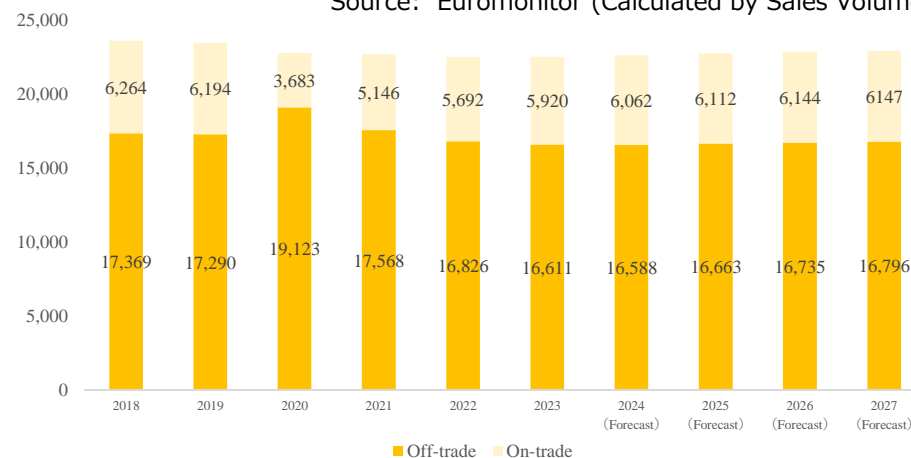
- 1964 Began exports to US
- 1984 Established SAPPORO U.S.A.,INC
- 2016 Established STONE BREWING CO., LLC (founded in 1996)
- 2022 Sapporo Group acquired all equity interests of Stone Brewing
- 2023 Established Sapporo Stone Brewing Co.

Main Products



The.U.S. - Beer Market sizes (million litres)

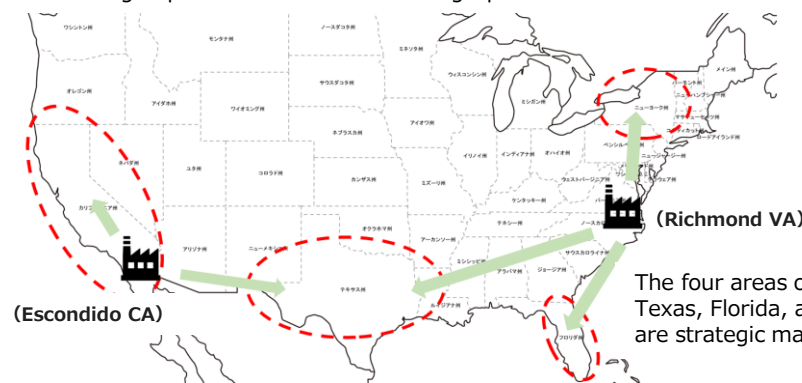
Source: Euromonitor (Calculated by Sales Volume)



Production base

Escondido CA, Richmond VA

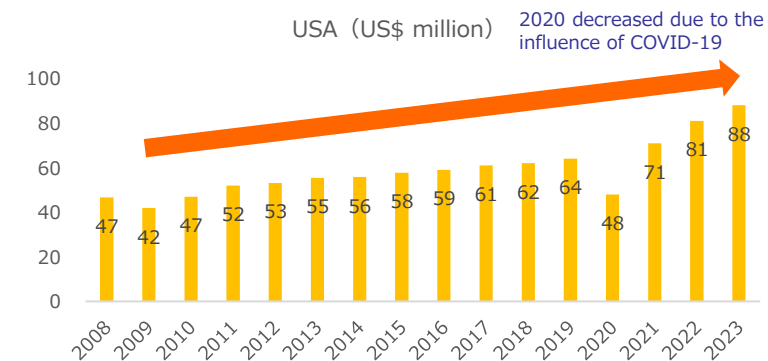
Previously products were imported from Canada and Vietnam, but from 2024 we have begun production in Stone Brewing's plants in the Eastern and Western US.



The four areas of California, Texas, Florida, and New York are strategic markets.

Sapporo U.S.A. Revenue

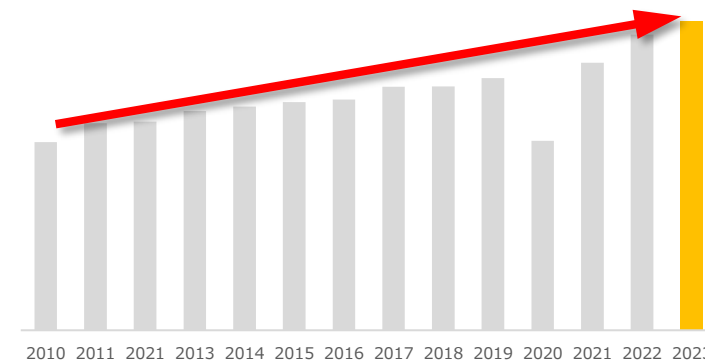
(before elimination of inter-company transactions)
in local currency *Sapporo brand only



Growth of SPB* in the U.S.

(sales volume)

vs2010
1.6× growth



VIETNAM : SAPPORO VIETNAM LTD.

Overview

- Became the first Japanese beer maker to build a beer plant in Vietnam and enter the market.
- A bridgehead for expanding sales of the Sapporo brand in Southeast Asia.

History

- 2010 Establishment of SAPPORO VIETNAM LTD.
- 2011 Completed construction of Sapporo Long An Brewery

Main Products

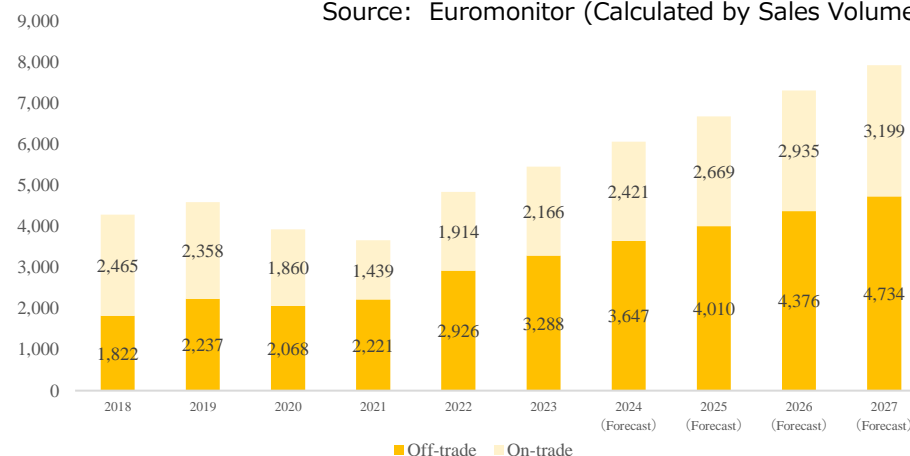


Production base

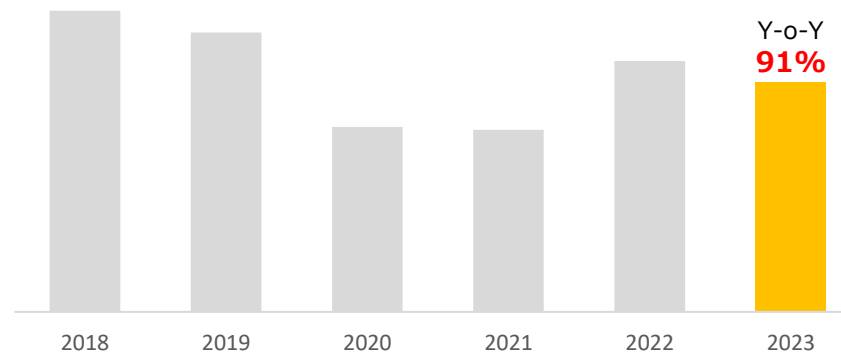
Capacity 60,000KL

Vietnam- Beer Market sizes (million litres)

Source: Euromonitor (Calculated by Sales Volume)



Sapporo Vietnam Y-o-Y change in domestic sales volume



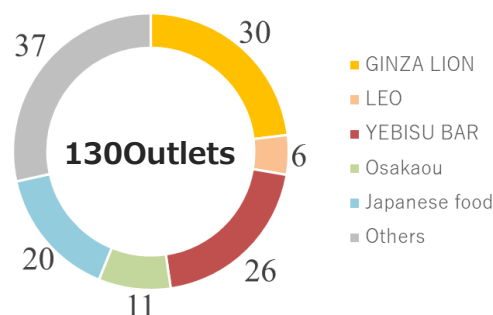
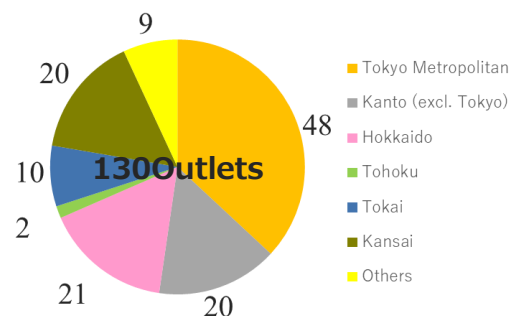
Sapporo Lion Ltd.

Basic Information

Since opening Japan's first beer hall in 1899 in Tokyo's Ginza district, Sapporo has been a pioneer in the restaurant industry with a range of innovative drinking venues. In addition to great-tasting draft beer, we continue to develop menus based on "safety, security and authenticity." Aiming to strengthen coordination with Japan Alcoholic Beverages business as a hub for brand communication.

Business

Operating beer hall, drinking outlets and restaurants,
mainly GINZA LION and YEBISU BAR

Composition of
Restaurants by FormatComposition of
Restaurants by Region

※As of Dec. 31, 2023

History

Aug. 1899

Opened YEBISU BEER HALL in Ginza, Tokyo as Japan's first beer hall

Sep. 1949

Established Nippon Kyoei Ltd., later Sapporo Lion Ltd.

Main Products

★ Beer Hall Lion Ginza 7-Chome



Opened in 1934. Oldest existing beer hall in Japan
This beer hall has remained unchanged since its opening.
The "Ginza Lion Building" where this beer hall is located
was registered as a national tangible cultural property
(building) in 2022.

★ Yebisu bar



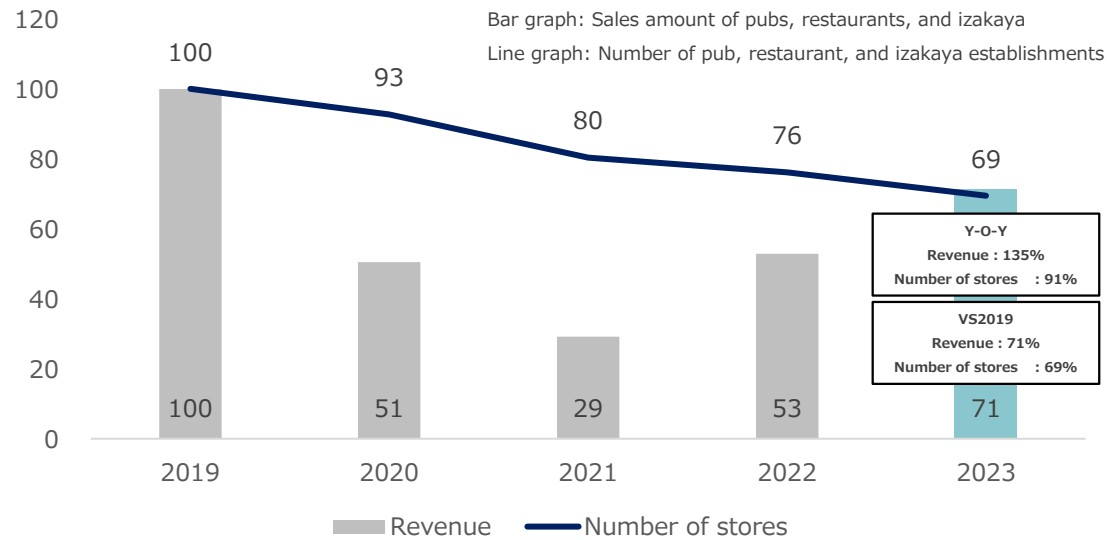
Specializing in Yebisu beer under the concept "ALL FOR YEBISU".

Restaurants_Market Trends

Trends in Restaurants Industry

(the growth rate when standardized as 100 for 2019)

Source : Japan Food Service association

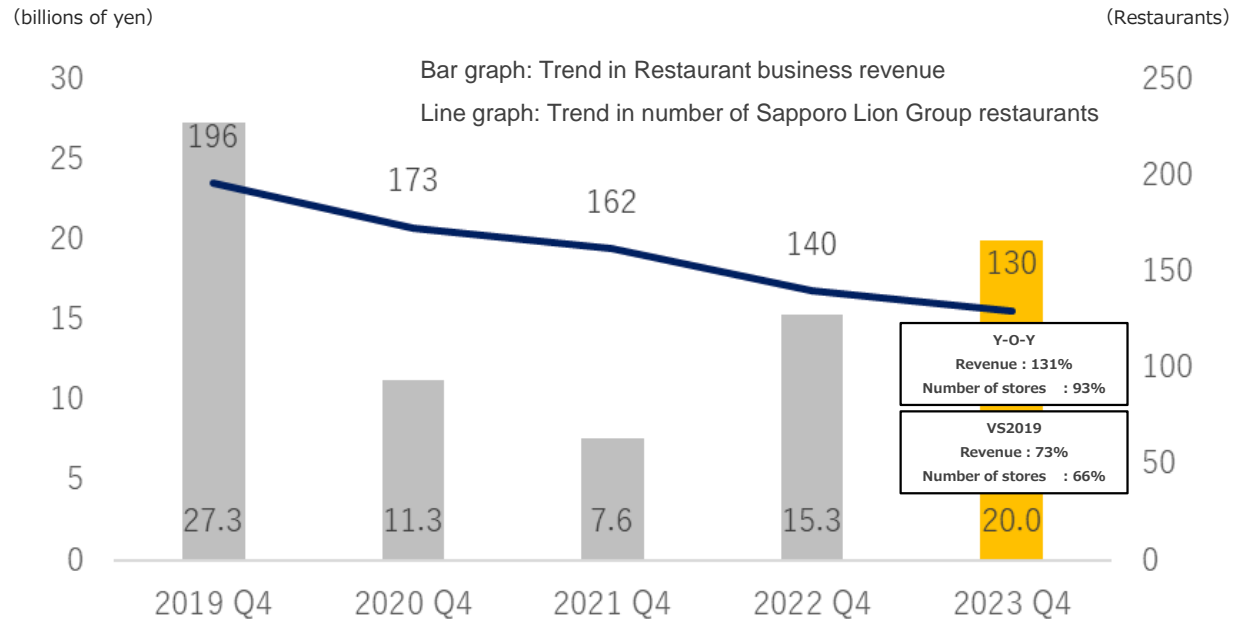


Sales performance of all pubs, restaurants, and izakaya (year-on-year)

(Y-o-Y)	Jan.2023	Feb.2023	Mar.2023	Apr.2023	May.2023	June.2023	July.2023	Aug.2023	Sep.2023	Oct.2023	Nov.2023	Dec.2023
Revenue	159%	284%	189%	132%	123%	115%	130%	150%	130%	112%	111%	118%
number of customer	142%	227%	166%	120%	113%	107%	120%	135%	119%	107%	105%	110%
sales per customer	112%	125%	114%	110%	108%	108%	108%	111%	109%	105%	106%	107%

Restaurants_Our Company's Performance

Trend in Revenue and Number of Restaurants



Sales results for existing SLN stores (Y-o-Y)

(Y-o-Y)	Jan.2023	Feb.2023	Mar.2023	Apr.2023	May.2023	June.2023	July.2023	Aug.2023	Sep.2023	Oct.2023	Nov.2023	Dec.2023
Revenue	178%	250%	188%	147%	134%	125%	146%	165%	142%	121%	121%	122%
number of customer	155%	205%	161%	132%	121%	116%	134%	146%	130%	114%	115%	115%
sales per customer	115%	122%	117%	111%	111%	108%	109%	113%	109%	106%	105%	106%

Highlighted cells indicate figures exceeding the sales performance of all pubs, restaurants, and izakaya.

POKKA SAPPORO FOOD & BEVERAGE LTD.

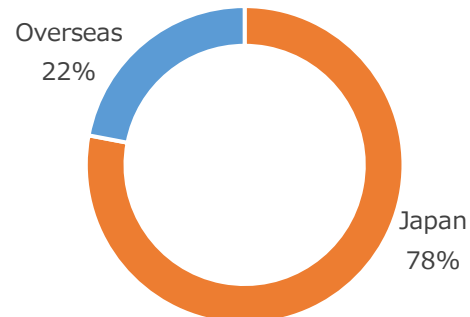
Basic Information

POKKA SAPPORO Food & Beverage is responsible for the food and soft drink businesses of Sapporo Group, and is developing the food and soft drink businesses on a broad scale both inside and outside Japan. In Japan, POKKA SAPPORO Food & Beverage develops unique products, such as soft drinks, and soups, using various ingredients with a focus on lemons.

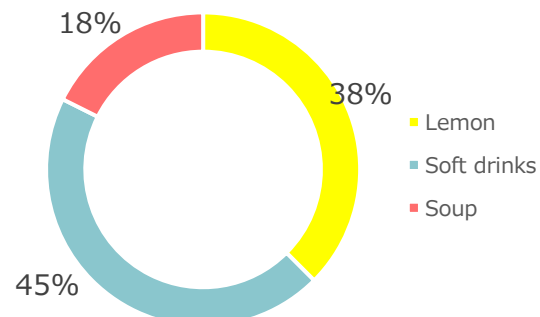
Business

Manufacture and sales of food& soft drinks and others

★ Pokka Sapporo
Revenue composition in 2023



★ Pokka Sapporo
Revenue composition for main 3 categories



History

- 1957 Jan. Japan Beer Brewery Ltd. established Kokusai Beverage Co., Ltd.
- 1957 Feb. Established Nikka Lemon Co., Ltd.
for the production and distribution of lemon beverages.
- 2013 Jan. Business commenced as Pokka Sapporo Food & Beverage Ltd.

Main Products



Production base

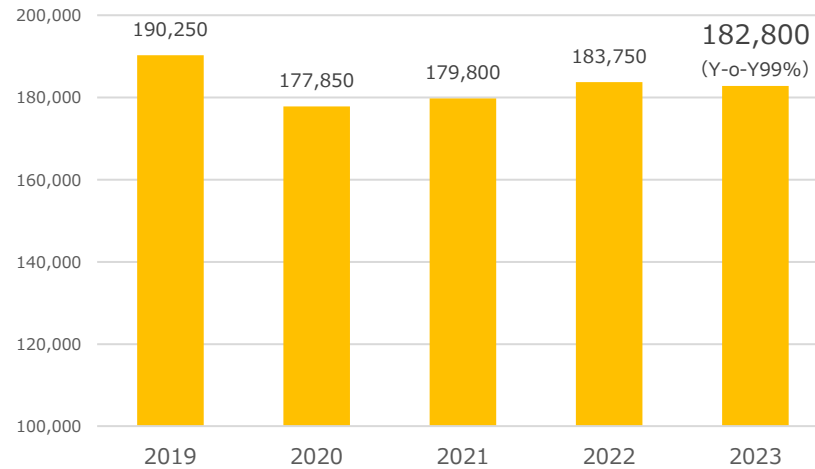
Foods & Soft drinks plant(Nagoya, Gunma,sendai)
Food Manufacturing Related Company (Iwata)



Soft drinks_Market Trends

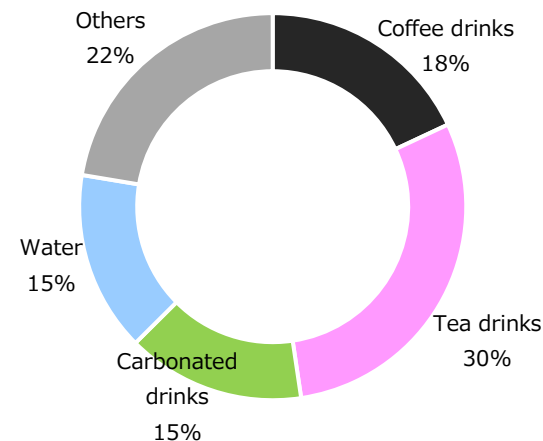
★Japan Soft drinks market scale (Unit: 10,000 cases) 2023

Source: Inryoshoken- Soft drinks market data (Calculated by Sales Volume)

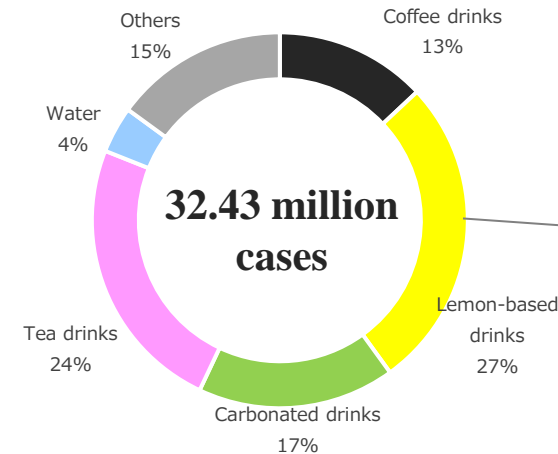


★Japan Composition of Soft Drinks Market by category (2023)

Source: Inryoshoken- Soft drinks market data (Calculated by Sales Volume)

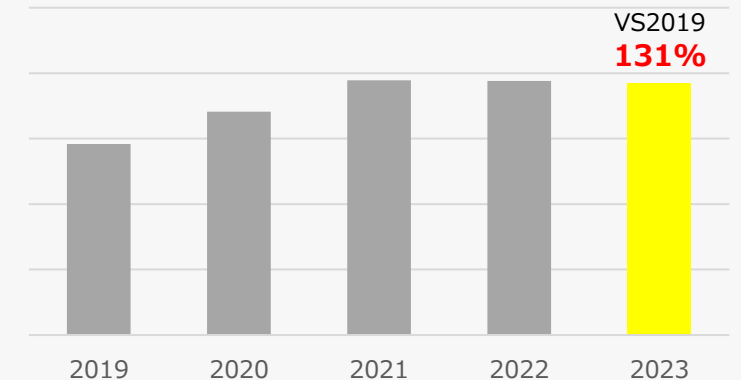


★Pokka Sapporo- Japan Sales Volume Composition by Category (2023)



★Lemon Beverage Sales Trends

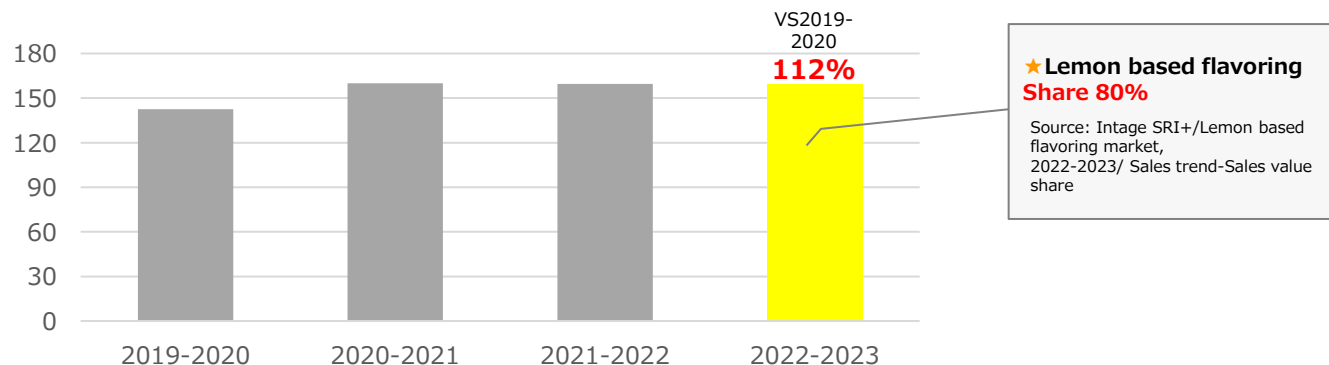
※the growth rate when standardized as 100 for 2019



Lemon Foods_ Market Trends

★Lemon based flavoring market scale (billions of yen) 2023

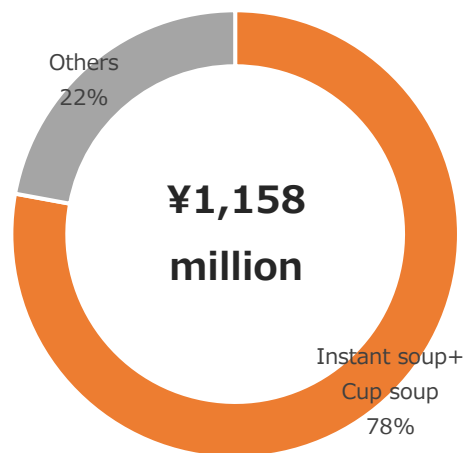
In addition to deliciousness, we expect the lemon-based product market to continue expanding due to the functionality of these products.



Soup_ Market Trends

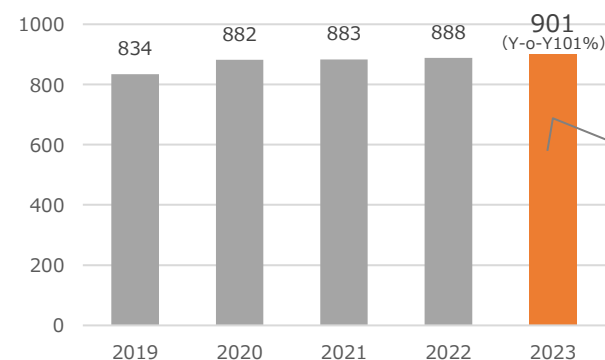
★Japan- Sales breakdown by category of Soup market in 2023

Source : Intage SRI+/Soup market 2023/Revenue



★Japan- Instant soup+ Cup soup market sizes (million of yen)

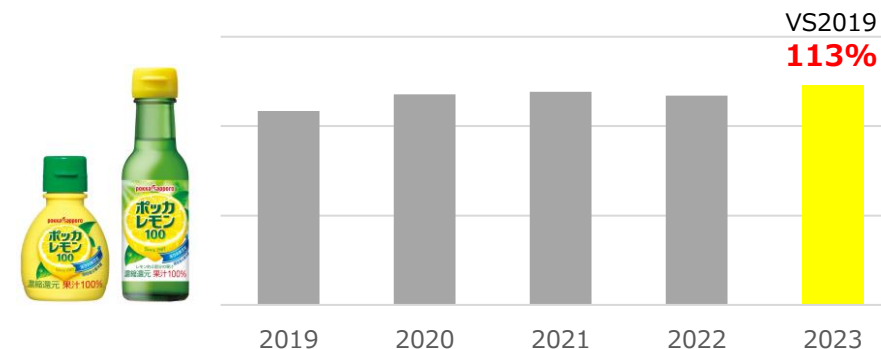
Source : Intage SRI+/Instant Soup market 2019-2023/Sales Value



Lemon Foods_ Our Company's Performance

★Lemon Foods Sales Trends ※the growth rate when standardized as 100 for 2019

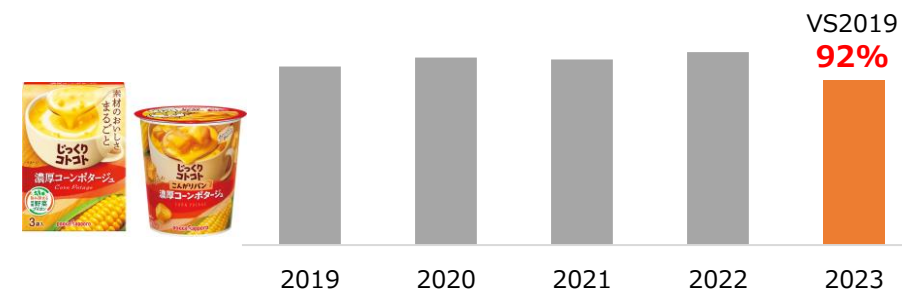
We are focused on expanding the demand for lemon-based products as the No.1 lemon maker



Soup_ Our Company's Performance

★Soup Sales Trends ※the growth rate when standardized as 100 for 2019

Develop products tailored to the diversifying dietary habits and needs of customers



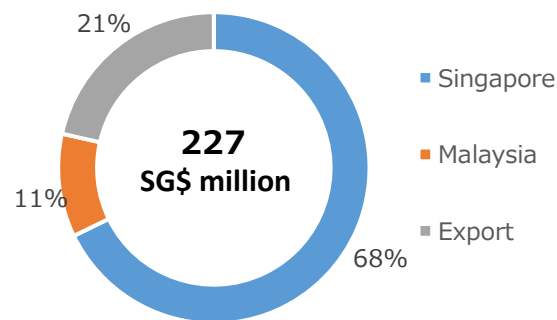
POKKA PTE. LTD. POKKA (MALAYSIA) Sdn. Bhd. 

Basic Information

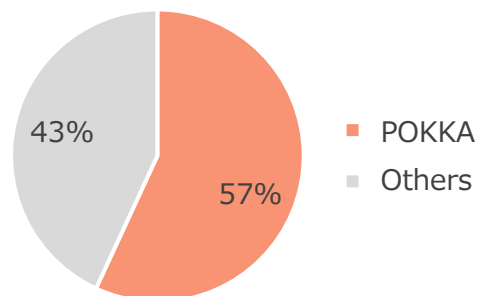
In 1977, we established Pokka Corporation (Singapore) Pte. Ltd. to become the first Japanese beverage manufacturer to found a base overseas. In Singapore, lead by our JASMINE GREEN TEA products, we boast an overwhelming share of the tea beverages market. We are also increasing the presence of the POKKA brand through fruit juice beverages and coffee beverages. In addition, we export POKKA brand beverages from Singapore to more than 60 countries around the world, including Southeast Asia and the Middle East, and aim for further growth.

Business

Production and sales of Soft Drinks



RTD tea market share (Singapore)



*Market share is the Company's estimate based on data reported by NielsenIQ (Copyright © 2023, NielsenIQ)

History

Jan.1977 Establishment of POKKA PTE. LTD.
Aug.2014 Establishment of POKKA (MALAYSIA) Sdn. Bhd.



Main Products



Sapporo Real Estate Co., Ltd.

Basic Information

We are involved in real estate business, primarily with regard to Yebisu Garden Place and Sapporo Factory. Since the establishment in 1988, we have developed this business primarily in two locations with historic ties to the Group: Ebisu and Sapporo. Going forward, we will work to implement attractive urban development and make the most of the know-how we have accumulated thus far to promote the increased value of our properties.

Business

Real estate leasing, administration, operation and development services

(億円)	Core operating profit			EBITDA		
	2022	2023	Change	2022	2023	Change
Yebisu Garden Place, etc.	4.9	4.7	(0.2)	8.2	8.5	0.3
Other area & other operations	2.0	2.0	(0.0)	2.7	2.7	(0.1)
Hokkaido	0.7	0.5	(0.2)	1.3	1.0	(0.3)
Equity investment, etc	(1.1)	(1.3)	(0.2)	(0.7)	(0.9)	(0.1)
Total	6.5	5.8	(0.7)	11.5	11.3	(0.2)

History

1988 Establishment
 1993 Opened SAPPORO FACTORY
 1994 Opened Yebisu Garden Place
 2005 Opened Sapporo Garden Park
 2016 Opened GINZA PLACE

Major Real Estate Owned by the Sapporo Group

YEBISU GARDEN PLACE (The former site of Sapporo Breweries' Ebisu Brewery)



Address 20, Ebisu 4-chome, Shibuya-ku, Tokyo
 Site area Approx.83,000㎡ (25,200 tsubo)
 *Sapporo owns 56,943㎡
 Building area Approx.32,000㎡ (9,700 tsubo)
 Floor area Approx.478,000㎡ (144,600 tsubo)
 *Sapporo owns 298,007㎡
 No. of floors 40 floors above ground, 5 below
 Opened Oct. 1994

Sapporo Garden Park (The former site of Sapporo Breweries' Sapporo Brewery(No.2 Brewery))



Address Kita 7-jo Higashi 9-chome, Higashi-Ku, Sapporo-Shi, Hokkaido
 Commercial area Approx.123,121㎡
 Floor area Approx.119,731㎡
 Opened 2005

SAPPORO FACTORY (The former site of Sapporo Breweries' Sapporo Brewery(No.1 Brewery))



Address Kita 2 Jo Higashi 4-chome, Chuo-ku, Sapporo-shi, Hokkaido
 Site area Approx. 47,000㎡ (14,300 tsubo)
 Building area Approx. 32,400㎡ (9,800 tsubo)
 Floor area Approx. 160,000㎡(48,400 tsubo)
 Opened Apr. 1993

GINZA PLACE (Redevelopment of the Home of Ginza Lion)

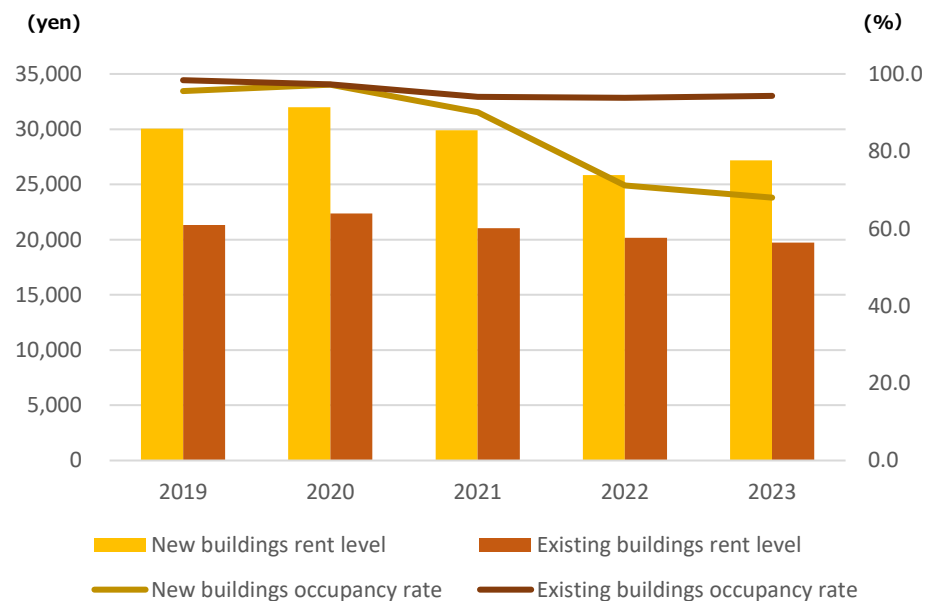


Address 8-1, Ginza 5-chome, Chuo-ku, Tokyo
 Site area Approx.645㎡
 Floor area Approx.7,350㎡
 No. of floors 11 floors above ground, 2 below
 Opened Sep. 2016

Real Estate: Market Trends

Japan- The Greater Tokyo Area Office Leasing Market Annual average of occupancy rates & rent level

(Source: Miki Shoji Co., Ltd.)



	2019	2020	2021	2022	2023
Rent level average (yen/tsubo)	21,585	22,613	21,150	20,261	19,849
New buildings rent level	30,039	31,985	29,909	25,841	27,172
Existing buildings rent level	21,341	22,381	21,031	20,168	19,727
Occupancy rate average (%)	98.3	97.4	94.1	93.6	94
New buildings occupancy rate	95.6	97.3	90.2	71.2	68
Existing buildings occupancy rate	98.4	97.4	94.1	93.8	94

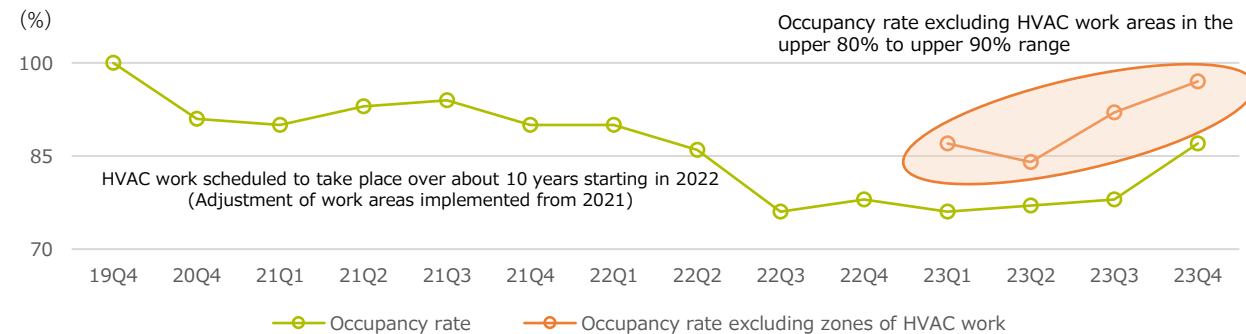
Real Estate: Our Company's Performance

Sapporo Real Estate

Major rental properties & annual average of occupancy rates

	2019	2020	2021	2022	2023
Yebisu Garden Place (%)	99	98	92	83	79
GINZA PLACE (%)	99	99	94	97	93
Strata Ginza (%)	100	100	100	100	100

YGP office space occupancy rate



Sapporo Real Estate Investment property (millions of yen)

	2019	2020	2021	2022	2023
Carrying value on the consolidated statement of financing position at the fiscal year end date	219,589	218,574	203,224	209,628	211,164
Fair value at the fiscal year end date	402,111	408,141	382,928	385,682	382,970

~Data : Financial Data~

Profit and loss statement/Balance sheet



Profit and loss statement

	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12
Revenue(millions of yen)	493,908	491,896	434,723	437,159	478,422	518,632
Revenue(Excluding Liquor Tax)(millions of yen)	370,796	371,100	328,583	331,191	364,240	400,770
Cost of sales(millions of yen)	335,631	336,682	302,593	303,380	339,180	361,793
Selling, general and administrative expenses(millions of yen)	143,118	143,490	127,869	125,637	129,931	141,206
Core Operating Profit(millions of yen)	15,159	11,723	4,261	8,142	9,312	15,633
Operating Profit(millions of yen)	11,588	12,208	▲15,938	22,029	10,106	11,820
EBITDA*1(millions of yen)	39,751	35,971	27,351	28,639	29,879	36,029
Profit attributable to owners of parent(millions of yen)	8,521	4,356	▲16,071	12,331	5,450	8,724
Overseas sales ratio(Excluding tax)(%)	15.0	14.5	15.1	17.0	21.4	23.1
Cost of sales to revenue(%)	32.0	31.6	30.4	30.6	29.1	30.2
Selling, general and administrative expenses ratio (%)	29.0	29.2	29.4	28.7	27.2	27.2
Core Operating profit margin(%)	3.1	2.4	1.0	1.9	1.9	3.0

Balance sheet

	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12
Total assets(millions of yen)	639,692	638,722	616,349	594,551	639,118	663,573
Total equity(millions of yen)	164,735	174,524	149,551	163,327	167,201	183,248
Total current assets(millions of yen)	153,544	155,765	160,829	167,806	179,431	176,353
Total non-current assets(millions of yen)	486,148	482,957	455,520	426,745	459,687	487,220
Total current liabilities(millions of yen)	214,591	210,472	216,243	210,535	219,515	191,204
Total non-current liabilities(millions of yen)	260,367	253,725	250,555	220,688	252,402	289,121
Balance of debt :Net(millions of yen)	218,358	212,126	221,534	180,730	226,513	205,399
Ratio of equity attributable to owners of parent to total assets(%)	25.2	27.3	24.3	27.3	26.0	27.5
EBITDA interest-bearing debt ratio(times)	5.5	5.9	8.1	6.3	7.6	5.7
D/E ratio(times)	1.4	1.2	1.5	1.1	1.4	1.1

Segment Information

	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12
Revenue-Alcoholic beverages(Including tax)(millions of yen)	330,009	330,178	285,427	289,678	334,644	376,862
Revenue-Japanese (millions of yen)	252,108	254,656	227,943	228,621	245,387	268,302
Revenue-Overseas(millions of yen)	50,332	48,257	46,203	53,439	73,950	88,593
Revenue-Restaurants(millions of yen)	27,569	27,265	11,281	7,617	15,307	19,967
Revenue-Food&Soft drinks(millions of yen)	133,384	136,876	125,861	125,453	122,914	119,922
Revenue-Japanese (millions of yen)	-	-	-	-	98,330	93,484
Revenue-Overseas(millions of yen)	-	-	-	-	24,584	26,437
Revenue-Real estate(millions of yen)	24,483	24,690	23,262	21,863	20,724	21,702
Revenue-Others(millions of yen)	6,033	152	172	166	140	146
Core Operating profit-Alcoholic beverages(millions of yen)	8,952	8,520	2,368	5,441	7,730	16,016
Core Operating profit-Japanese(millions of yen)	7,166	8,003	6,660	7,916	8,471	14,185
Core Operating profit-Overseas(millions of yen)	1,473	199	467	1,727	▲261	▲301
Core Operating profit-Restaurants (millions of yen)	381	388	▲5,022	▲4,238	▲513	2,105
Core Operating profit-Food&Soft drinks(millions of yen)	1,409	▲470	▲2,621	712	1,767	1,634
Core Operating profit-Japanese(millions of yen)	-	-	-	-	789	2,164
Core Operating profit-Overseas(millions of yen)	-	-	-	-	882	▲573
Core Operating profit-Real estate(millions of yen)	11,136	10,737	10,853	8,226	6,459	5,784
Core Operating profit-Others(millions of yen)	▲6,338	▲7,064	▲6,339	▲6,237	▲6,644	▲7,801
Core Operating profit margin-Alcoholic beverages(%)	2.7	2.7	0.8	1.9	2.3	4.2
Core Operating profit margin-Japanese(%)	2.8	3.3	3.1	3.5	3.5	5.3
Core Operating profit margin-Overseas(%)	2.9	0.4	0.7	3.2	▲0.4	▲0.3
Core Operating profit margin-Restaurants (%)	1.4	1.4	▲44.5	▲55.6	▲3.3	10.5
Core Operating profit margin-Food&Soft drinks(%)	1.1	▲0.3	▲2.1	0.6	1.4	1.4
Core Operating profit margin-Japanese(%)	-	-	-	-	0.8	2.3
Core Operating profit margin-Overseas(%)	-	-	-	-	3.6	▲2.2
Core Operating profit margin-Real estate(%)	45.5	43.5	46.7	37.6	31.2	26.7
Core Operating profit margin-Others(%)	-	-	-	-	-	-

※Silver Spring Citrus・Country Pure Foods (North America Business) :
 ~12/2017→International business
 2018~12/2019→Food & Soft drinks (12/2019 Sell-off)

※Effective from the fiscal year 2020, the logistics businesses were listed under "Alcoholic Beverages".

※The Vietnam and Europe businesses which were previously listed under "Japan & Asia business", but has been classified under "Overseas business" in 2021.
 With the change of the classification, the name of "Japan & Asia business" changed to "Japanese business".

To enable year-on-year comparisons, figures for the previous fiscal year have been adjusted to reflect the new reportable segments.

(= ~12/2019 →「Japan & Asia」、 「North America」、 2020~ → 「Japanese」、 「Overseas」)

Cash flows

	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12
Operating activities CF(millions of yen)	30,830	36,069	16,466	30,308	7,814	45,446
Investing activities CF(millions of yen)	▲18,727	▲24,930	▲16,000	20,729	▲46,137	▲16,439
Financing activities CF(millions of yen)	▲14,521	▲5,984	4,138	▲53,080	36,465	▲27,140
Free CF(millions of yen)	12,103	11,140	466	51,037	▲38,323	29,007
Cash and cash equivalents at end of year(millions of yen)	9,989	15,215	19,734	17,368	15,380	17,204
Capital expenditures(millions of yen)	23,036	29,912	16,109	21,241	22,326	28,923
Depreciation and amortization(millions of yen)	24,591	24,248	23,089	20,496	20,567	20,395
Goodwill amortization expense/(IFRS:non-disclosure)(millions of yen)	-	-	-	-	-	-

Information of per share

	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12
Basic earnings per share (yen)	109.40	55.92	▲206.31	158.30	69.96	111.99
Cash dividends per share(yen)	42	42	42	42	42	47
Equity per share attributable to owners of parent(yen)	2,073.54	2,234.65	1,922.80	2,086.96	2,134.98	2,340.41
Payout ratio(%)	38.4	75.1	-	26.5	60.0	42.0
Stock price(yen)	2,293	2,579	1,991	2,183	3,280	6,218

Indicators

	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12
Ratio of Core Operating profit to total assets	2.3	1.8	0.7	1.4	1.5	2.4
Ratio of profit to equity attributable to owners of parent	5.1	2.6	▲9.9	7.9	3.3	5.0
Total asset turnover(times)	0.7	0.8	0.7	0.7	0.7	0.8

~Data : Non financial Data~

Classification	Material Issues	Specific Initiatives	Targets Setting Companies	Target Year	Targets	Unit	Performance Trends						Target			
							2018	2019	2020	2021	2022	2023	2026	2030		
Harmony with the Environment	Realization of a decarbonized society	Reduction of greenhouse gas emissions at our own sites and supply chain	Sapporo Group	2030	Scope 1,2 Reduce greenhouse gas emissions by 42% compared to 2022	1,000t	236.1	206.9	180.5	184.1	189.3	175.0	149.5	109.8		
			Sapporo Group (SB,PS,SBL)		Scope 3 Reduce greenhouse gas emissions by 25% compared to 2022	1,000t		1,034	966.0	903.3	1,138.1	1,104.6	995.8	853.6		
					FLAG Scope 1,3 Reduce greenhouse gas emissions by 31% compared to 2022	1,000t	—	—	—	—	71.6	64.7	60.5	49.4		
Activation of Human Resources and Potentials	Active participation of diverse human resources	Promotion of Diversity, Equity & Inclusion (DE&I)	SH,SB,PS,SRE,SLN	2026	Work engagement 54 or higher		—	—	53.3	53.9	53.6	54.0	54 or higher	—		
			SH,SB,PS,SRE,SLN	2026	At least 12% female executives	SH+4 Business Company Director %				8.3	7.9	12	20			
			SH	2030	At least 30% female executives	SH Director %					9.1	—	30			
			SH,SB,PS,SRE,SLN	2026	At least 12% female managers	SH+4 Business Company manager %	3.0	4.0	4.1	4.2	5.4	6.7	12	20		
				2030	At least 20% female managers											
		Investing in human capital for growth and productivity	SH,SB,PS,SRE,SLN	2026	Integrated survey “Challenges for future value creation” 3.0 or higher ※Sapporo Group's own survey index based on stress checks and employee awareness surveys <1.0 to 4.0 digitized>.				—	—	2.5	2.6	2.7	2.7	3.0 or higher	—
			SH,SB,PS,SRE,SLN	2026	Presenteeism loss rate 33.4% or less			%	—	—	36.5	36.3	34.4	33.8	33.4% or less	—

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



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