



April 21, 2026

Company name	Sapporo Holdings Limited
Representative	Hiroshi Tokimatsu President and Representative Director
Securities code	2501
Listed on	Tokyo Stock Exchange (Prime Market); Sapporo Securities Exchange
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## Notice Concerning Transfer of Assets and Restructure of Production Structure in the U.S. Business, and the Recognition of Related Gains and Impairment Losses

Sapporo Holdings Limited (the “Company”) hereby announces that the Company, at its Board of Directors meeting held today, resolved to transfer intellectual property rights in the Stone brand held by the Company’s consolidated subsidiary Stone Brewing Co., LLC (“Stone Brewing”) and assets, etc. related to Stone Brewing’s hospitality business, and to restructure the production structure in the Company’s U.S. business. Details are described below.

In connection with this matter, we expect to recognize gains on the transfer of assets, while also recording impairment losses and related expenses, and hereby provide notice thereof.

### 1. Reasons for the Asset Transfer and restructure of Production Structure

The Company is intensifying its efforts to expand internationally, having positioned North America as an important growth market within its overseas operations. As disclosed previously, one of the Company’s basic policies is to expand its U.S. business with a focus on further growth of the Sapporo brand. In information disclosed on June 24, 2022, the Company announced that it had resolved to acquire a membership interest in the U.S. craft beer company Stone Brewing, and that it would seek to accelerate the growth of the Sapporo brand in the U.S. market and expand its North American operations by leveraging Stone Brewing’s two production bases, one each in the Eastern and Western U.S.

Thereafter, however, total demand across the entire U.S. beer market trended downward, reflecting developments such as higher prices due to inflation and diversification of consumer preferences. This declining demand was compounded by factors including increasing competition and higher costs, making the operating environment increasingly challenging. Despite these conditions, however, the Sapporo brand’s sales have continued to grow robustly in the U.S. market.

The Company eventually decided that it could facilitate sustained growth and improved profitability in its U.S. business by concentrating resources on this beer business centered on the Sapporo brand to further accelerate the brand’s growth. Since then, the Company has taken steps to restructure the business structure and allocation of resources in its U.S. business.

In line with this policy, the Company has now decided to transfer to third parties the intellectual property rights in the Stone brand held by Stone Brewing and hospitality business assets related to the Stone brand (Bistro, Tap Room, etc.).

Furthermore, in line with its policy of further concentrating resources on the beer business centered on the Sapporo brand, the Company has decided, following discussions regarding optimization of the production structure in its U.S. business, to position the Richmond plant in the Eastern U.S. (the “RVA plant”) as the core production base for Sapporo brand products and consolidate all U.S. production within that plant. In conjunction with this, the Escondido plant (the “ESCO plant”) in the Western U.S. will cease manufacturing beer relating to the Sapporo and Stone brands, aiming to do so by the end of 2026.

By undertaking this consolidation, the Company seeks to enhance production efficiency and reduce fixed manufacturing costs, thereby improving profitability in its U.S. business. Assets relating to the ESCO plant such as manufacturing equipment and building services equipment will be reassessed in light of their prospects for future use and other factors.

The Company has determined that these measures will serve to concentrate its resources and ensure that its U.S. business is run efficiently, contributing to enhanced corporate value over the medium- to long term.

2. Outline of Stone Brewing

(1) Name	Stone Brewing Co., LLC
(2) Location	1999 Citracado Parkway, Escondido, CA 92029 USA
(3) Job title and name of representative	CEO: Zachary Keeling
(4) Business	Manufacture and sale of beer and beer-type beverages, etc.
(5) Capital stock	180,682 thousand U.S. dollars (as of December 31, 2025)

3. Assets to Be Transferred

Category	Asset details	Gain on transfer
Property, plant and equipment	Assets related to hospitality business (Bistro, Tap Room, etc.)	Approx. 23 million U.S. dollars
Intangible assets	Trademark rights, know-how, etc. related to the Stone brand	

Notes:

1. The carrying amount and transfer price are not disclosed for reasons of confidentiality.
2. The gain on transfer is an approximate amount obtained by deducting the carrying amount and estimated amounts of expenses, etc. related to the transfer from the transfer price.

#### 4. Outline of the Transferees

(1) Name	Firestone Walker, Inc. (Representative company) and another consolidated U.S. subsidiary of its parent company, Duvel Moortgat NV	
(2) Location	1400 Ramada Dr., Paso Robles, CA 93446 USA (Representative company)	
(3) Job title and name of representative	CEO: Nick Firestone (Representative company)	
(4) Business	Manufacture and sale of beer and beer-type beverages, etc. (Representative company)	
(5) Relationship between the Company and said company	Capital relationship	Not applicable
	Personnel relationship	Not applicable
	Business relationship	Not applicable
	Applicability of related party	Not applicable

Note:

- The Company's counterparties in the asset transfer agreement are the above Representative company and another consolidated U.S. subsidiary of its parent company, Duvel Moortgat NV.

#### 5. Schedule

(1) Date of Board of Directors' resolution	April 21, 2026
(2) Date of execution of agreement	April 21, 2026
(3) Effective date of asset transfer	May 2026 (scheduled)

#### 6. Future Outlook

In connection with this transfer of assets and restructure of the production structure, the Company expects to recognize a gain on transfer of approximately 23 million U.S. dollars (approximately 3.6 billion yen at an exchange rate of 1 U.S. dollar = 157 yen), and post impairment losses and related expenses of approximately 80 million U.S. dollars (approximately 12.6 billion yen at the aforementioned exchange rate) due mainly to a write-down of the carrying amount of assets relating to the ESCO plant such as manufacturing equipment and building services equipment to their recoverable amount, for the six months ending June 30, 2026.

The impact of this transfer of assets and restructure of production structure on the Company's consolidated earnings forecast for the year ending December 31, 2026 is expected to be negligible, as certain structural reform costs were already factored into the forecast.

Announcements will be made promptly if any matters that need to be disclosed arise in the future.



**SAPPORO**

# **Supplementary Explanatory Material for Timely Disclosure Regarding Transfer of Assets and Restructure of Production Structure in the U.S. Business, and the Recognition of Related Gains and Impairment Losses**

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

ESCO plant: Escondido plant

RVA plant: Richmond plant

Sapporo brand: Flagship product is Sapporo Premium Beer (SPB)

**April 21, 2026**

**Sapporo Holdings Limited (2501)**

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

# Current U.S. Business and Background/Circumstances Leading to the Company's Decision



- » 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

- ◆ 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

- ◆ 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.

# Overview of the Company's Decision and Outlook for the U.S. Business



» 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.

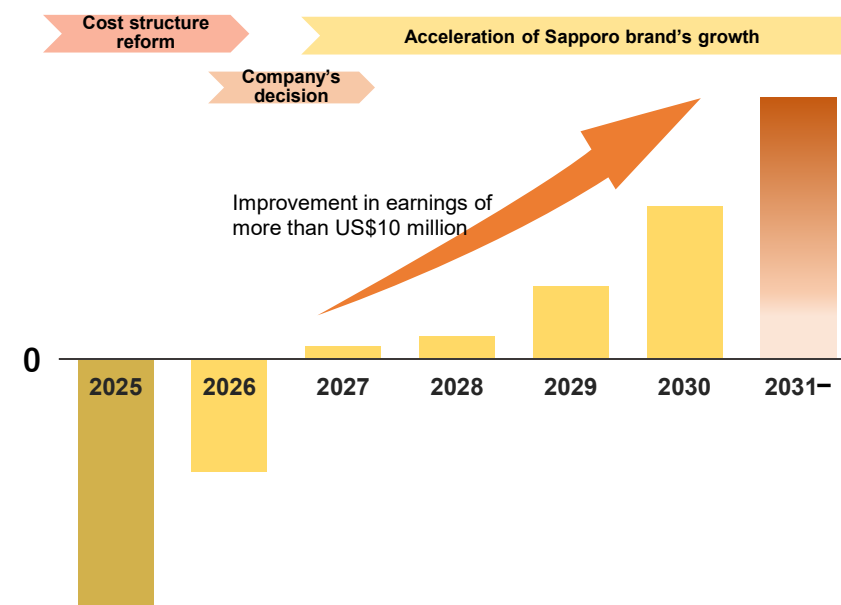
## Overview of the Company's decision

Description	<ul style="list-style-type: none"> <li>Transfer of assets and restructure of production structure in the U.S. business</li> </ul>
Assets to Be Transferred	<ul style="list-style-type: none"> <li>Assets related to the Stone brand and hospitality business</li> </ul>
Transferees	<ul style="list-style-type: none"> <li>Firestone Walker, Inc. and another consolidated U.S. subsidiary of its parent company, Duvel Moortgat NV</li> </ul>
Effective Date of Transfer	<ul style="list-style-type: none"> <li>Late May 2026 (scheduled)</li> </ul>
Outlook for the U.S. Business	<ul style="list-style-type: none"> <li>Accelerate growth by concentrating resources on the Sapporo brand.</li> <li>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.</li> <li>Maintain a production and sales structure at the RVA plant while seeking to optimize production structure throughout North America including Canada.</li> </ul>
Impact on the Company's Earnings Forecast for FY2026	<ul style="list-style-type: none"> <li>Impact on revenue and core operating profit negligible.</li> <li>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.</li> <li>Impact on consolidated earnings forecast for FY2026 negligible, as certain structural reform costs already factored in.</li> </ul>

## 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.

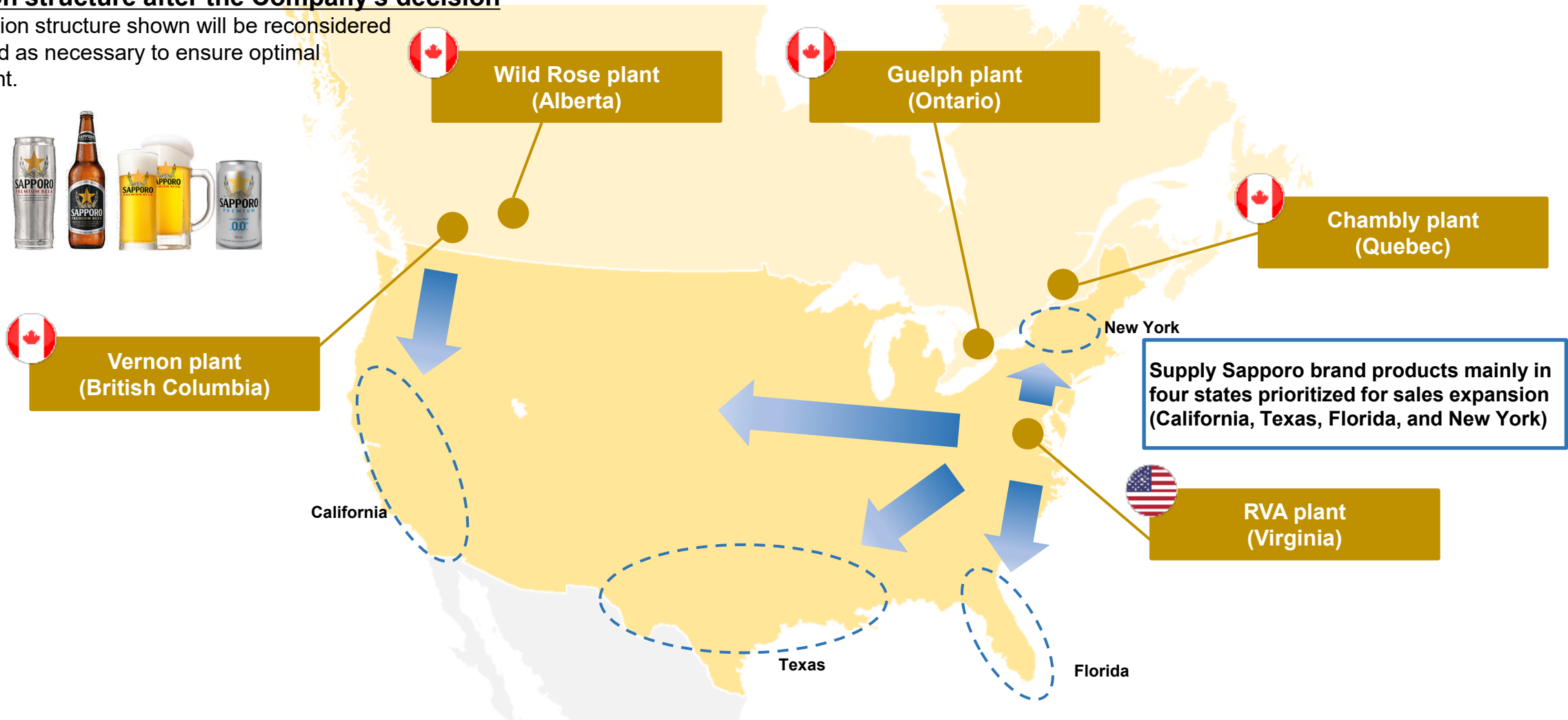
# Reference: Production Structure for the U.S. Business Going Forward



- » 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.



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



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

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

Actual published future results may therefore differ materially from the content of this document.  
The Company shall not in any way be responsible or liable for any losses or damages resulting from the use of the information in this document.