



December 24, 2025

Company Name	Sapporo Holdings Limited
Representative	Hiroshi Tokimatsu President and Representative Director
Stock Code	2501
Listed on	Tokyo Stock Exchange (Prime Market) Sapporo Securities Exchange
Inquiries	Yosuke Nakamura Director of Corporate Planning Department Tel: 81-3-5423-7407

Notice of Change Regarding Consolidated Subsidiary
Following Injection of External Capital into the Real Estate Business

Sapporo Holdings Limited (the “Company”) resolved at its Board of Directors’ meeting held today to enter into a series of transactions (collectively, the “Transactions”) including investment in the Company’s wholly owned subsidiary Sapporo Real Estate Co., Ltd. (“SRE”) by SPARK LLC (“SPARK”), an entity jointly invested in by PAG Investment Management Limited and Kohlberg Kravis Roberts & Co. L.P., or the funds their related parties advise on or operate (collectively, the “Consortium”). The Company also signed an agreement related to the Transactions (the “Agreement”).

The value of the Transactions on an enterprise value basis including SRE’s debt is 477 billion yen. On the first closing date of the Transactions (scheduled for June 1, 2026), SRE will be excluded from the Company’s scope of consolidation.

The Company entered the real estate business in earnest when redeveloping its former brewery sites in Ebisu and Sapporo, the locations where its brands originated. Since then, the Company has used Yebisu Garden Place and Sapporo Factory, which it opened on the former brewery sites, as key locations for contributing to the development of local communities, while at the same time growing its flagship Yebisu and Sapporo brands of beer.

SRE, the subsidiary responsible for the Sapporo Group’s Real Estate business, has made community-building in Ebisu and Sapporo central to the operation of its business, enhancing community value and corporate value in tandem. After execution of the Transactions, SPARK will support SRE in areas including reinforcement of its business foundation, real-estate development, and sales activities, while respecting SRE’s autonomy with regard to the management and operation of its business. Leveraging this support, SRE will continue to maintain and expand its community-building in Ebisu and Sapporo, thereby contributing to the development of the local

communities while also increasing corporate value over the medium to long term and achieving sustained growth.

Likewise, the Company as a whole will continue to maintain its bonds with the local communities in Ebisu and Sapporo as it strengthens its brand experiences and brand communication, pursuing further increases in corporate value over the medium to long term.

1. Purpose of the Transactions

In the Company's news release of February 14, 2024, entitled "Notice of Medium to Long Term Management Policies for Increasing Group-wide Corporate Value," the Company announced that it would seek to increase corporate value over the medium to long term by focusing on the Alcoholic Beverages business, which has competitive advantages, and refining its market-creation capabilities in the alcoholic beverages sector, thereby growing as a company that can create rich beer experiences and consumer experiences on a global scale and further increasing its capital profitability.

To achieve this, the Company plans to move the Real Estate business off its balance sheet in order to concentrate its management resources elsewhere, and to invest the funds to be obtained from this in the growth of the Company as a whole, focusing primarily on the Alcoholic Beverages business. The Company will leverage some of its real estate to enhance the value of the Alcoholic Beverages business through communication of information and other means, by using such real estate as locations that offer brand- and customer touchpoints for this business. In addition, plans call for SRE to use the capital received from the Consortium to increase the value of the properties it owns, thereby pursuing further sustained growth.

2. The Process of Exploring Options for the Transactions, etc.

The Company has compared and explored all conceivable options for utilizing its real estate assets and fundamentally transforming its business portfolio to contribute to enhancement of Group-wide corporate value in future. The options it explored included injecting external capital into SRE, asset sales, and tax-qualified spin-offs.

Then, in September 2024, the Company commenced a process of recruiting potential partners including business corporations and funds in Japan and overseas and inviting proposals and other input from them regarding the injection of external capital into the Real Estate business. During this process, 46 companies expressed an interest in signing non-disclosure agreements, and 24 companies actually signed such agreements and proceeded to consider their proposals in detail.

In December 2024, the Company received concrete proposals regarding the injection of external capital into the Real Estate business from 11 parties including some consortiums. Subsequently, the Company offered several opportunities for these parties to present more detailed proposals including the value of their proposed investment, and narrowed the candidates down.

As a result of this process, the Company rated the Consortium's proposal highest in terms of (1) its comprehensive overall assessment including valuations of SRE's business and equity, the

degree of certainty that the Transactions would be executed, and plans to strengthen SRE's business and increase its corporate value after the Transactions; and (2) comparison with other options such as individual asset sales or spin-offs in terms of time frame and probability of implementation. The Company's Board of Directors judged that the terms and conditions of the Transactions as proposed in the Consortium's proposal were acceptable to the Company and would also contribute to SRE's growth going forward.

Given that the Transactions involve SRE's employees and other stakeholders including the local communities in Ebisu and Sapporo, the Company aims to accomplish them smoothly by spreading the closing over three separate dates to transfer the voting rights in SRE incrementally. The Company plans to use the funds obtained through the Transactions to invest in its own further growth, strengthen its financial position, and improve returns to shareholders.

3. Specific Procedures for Undertaking the Transactions, etc.

On the first closing date (scheduled for June 1, 2026), SPARK will acquire 51.0% of voting rights associated with SRE's stock as a result of transactions including an investment by the Consortium and a share buyback. On the second closing date (scheduled for June 1, 2028), SPARK will acquire an additional 29.0% of voting rights associated with SRE's stock. Then, on the third closing date (scheduled for June 1, 2029), the Company plans to transfer all the remaining voting rights in SRE that it holds at that point to SPARK.

Furthermore, ahead of the Transactions, the Company plans to transfer 30% of SRE's trust beneficiary rights in Yebisu Garden Place, along with Ginza Place, and part of Sapporo Garden Park to Sapporo Breweries Limited, another wholly owned subsidiary. This is in line with the Company's business policy of using the customer touchpoints of the Alcoholic Beverages business to strengthen brand experiences, as well as its strategy targeting value maximization primarily through future gains in the value of these properties.

Ebisu and Sapporo are the locations where Sapporo Breweries' beer brands originated and the aforementioned real estate assets have served as key hubs for brand communication. The Company will continue to enhance the value of the Alcoholic Beverages business by utilizing these assets as locations that offer customer touchpoints and brand experiences.

4. Schedule for the Transactions

Date of Board of Directors' resolution	December 24, 2025
Date of the Agreement	December 24, 2025
Closing dates	First: June 1, 2026 (scheduled) Second: June 1, 2028 (scheduled) Third: June 1, 2029 (scheduled)

5. Summary of the Transactions

(1) Overview of the changing subsidiary

(1) Company name	Sapporo Real Estate Co., Ltd.		
(2) Address	20-3, Ebisu 4-chome, Shibuya-ku, Tokyo		
(3) Name and title of representative	Takanari Miyazawa, President and Representative Director		
(4) Outline of business	Management and operation of real estate assets including Yebisu Garden Place and Sapporo Factory, and management of the Sapporo Group’s Real Estate business		
(5) Capital	2.08 billion yen		
(6) Date of establishment	June 28, 1988		
(7) Major shareholder and ownership ratio	Sapporo Holdings Limited: 100%		
(8) Relationships between the listed company and the subsidiary	Capital relationship	The Company wholly owns SRE.	
	Personnel relationship	The Company’s Group Managing Officer serves as the representative director, one employee as a director, and three employees as company auditors of SRE on a concurrent basis.	
	Business relationship	The two companies have a business relationship relating mainly to Group finance and the use of brands.	
(9) The subsidiary’s operating results and financial position for the last three years (Japanese GAAP)			
Year ended December 31	2022	2023	2024
Net assets	58,727 million yen	51,861 million yen	49,374 million yen
Total assets	211,840 million yen	222,283 million yen	227,998 million yen
Net assets per share	1,411,555.94 yen	1,246,508.94 yen	1,186,751.22 yen
Net sales	23,174 million yen	24,210 million yen	27,167 million yen
Operating profit	5,302 million yen	4,589 million yen	2,333 million yen
Ordinary profit	5,112 million yen	4,162 million yen	1,667 million yen
Net income (loss)	3,742 million yen	4,835 million yen	(116) million yen
Net income (loss) per share	89,952.86 yen	116,232.06 yen	(2,806.35) yen
Dividend per share	282,230 yen	58,100 yen	0 yen

(2) Overview of the counterparty to the Transactions

(1) Name	SPARK LLC	
(2) Address	1-4, Toranomom 5-chome, Minato-ku, Tokyo	
(3) Name and title of representative	Representative member: General Incorporated Association SPARK Person of performance of duty: Takaaki Fukunaga	
(4) Outline of business	Acquisition, holding, management, and disposal of stocks, corporate bonds, and other securities	
(5) Date of establishment	November 6, 2025	
(6) Relationships between the listed company and the counterparty	Capital relationship	Not applicable.
	Personnel relationship	Not applicable.
	Business relationship	Not applicable.
	Applicability of related party	Not applicable.

Note: The counterparty's capital, net assets, total assets, and major shareholders and ownership ratios are not disclosed herein because consent has not been obtained from the counterparty.

(3) Number of shares to be acquired, acquisition value, and shareholding before and after the acquisition

(1) Number of shares held before the change ¹	41,605 shares (Number of voting rights: 41,605) (Ratio of voting rights held: 100%)
(2) Number of shares to be acquired ^{1,2}	41,605 shares (Number of voting rights: 41,605)
(3) Acquisition value ³	The actual value of the Transactions will be determined by applying the price adjustment stipulated in the Agreement to the sum of 374.6 billion yen, which represents SRE's enterprise value of 477.0 billion yen minus 102.4 billion yen in net interest-bearing debt, etc. ⁴ The Company does not plan to receive any dividends from SRE on or after the first closing date. However, as the closing will be spread over three separate dates, the Company's receipt of the value of the Transactions will be incremental, and the

	Company therefore plans to separately receive 13.4 billion yen on the second closing date and 14.3 billion yen on the third closing date as interest corresponding to the Company's cost of capital (at an annual interest rate of 6.0%) for the period since the first closing date.
(4) Number of shares to be held after the change	0 shares

Notes:

1. The Company plans to conduct a stock split of SRE's issued shares before the first closing date, but this is the figure for the number of shares before taking the stock split into consideration.
2. This indicates the total number of shares to be transferred in the Transactions from the first closing date to the third closing date.
3. To ensure the fairness and validity of the value of the Transactions, multiple potential partners were given the opportunity to bid, after which the Company entered into agreements appointing Nomura Securities Co., Ltd. and Mizuho Securities Co., Ltd. as financial advisors and these companies verified the validity of the share value before determining the value of the Transactions.
4. Net interest-bearing debt, etc. includes SRE's debt.

6. Future Outlook

For information regarding the impact of the Transactions on the Company's consolidated financial results for this year, refer to the Notice Concerning Revision of Full-Year Earnings Forecast and Changes to Reportable Segments disclosed today. Although the impact on the Company's consolidated financial results for the next year and beyond is under examination and yet to be determined, the rough estimates of major financial impacts are stated in the attached supplementary material (page.6) for reference purposes.



SAPPORO

Injection of External Capital into the Real Estate Business Supplementary Explanatory Material

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

SRE: Sapporo Real Estate Co., Ltd.

YGP: Yebisu Garden Place

December 24, 2025

Sapporo Holdings Limited (2501)

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

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

Medium- to long-term vision

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

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

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

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

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

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

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

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

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



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

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

<Cash allocation policy>

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

Debt repayment
(repayment of temporary debt)
Approx. 100 billion yen

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

Regarding the Injection of External Capital into the Real Estate Business

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

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

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

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

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

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

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

Overview of assets subject to the Transactions and transaction stages

Examples of SRE assets subject to the Transactions

- 70%¹ of YGP
- Sapporo Factory etc.

Assets currently owned by SRE that are excluded:

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

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

Overview of transaction stages

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

Schedule

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

Main financial impacts

2026

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

Until 2029

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

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

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

Duration

April 2024 – December 2025

Content

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

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

Structure

Outside directors with specialist expertise were involved throughout the entire process

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

Process of selecting share transfer counterparty

Duration

September 2024 – December 2025

Background to selection

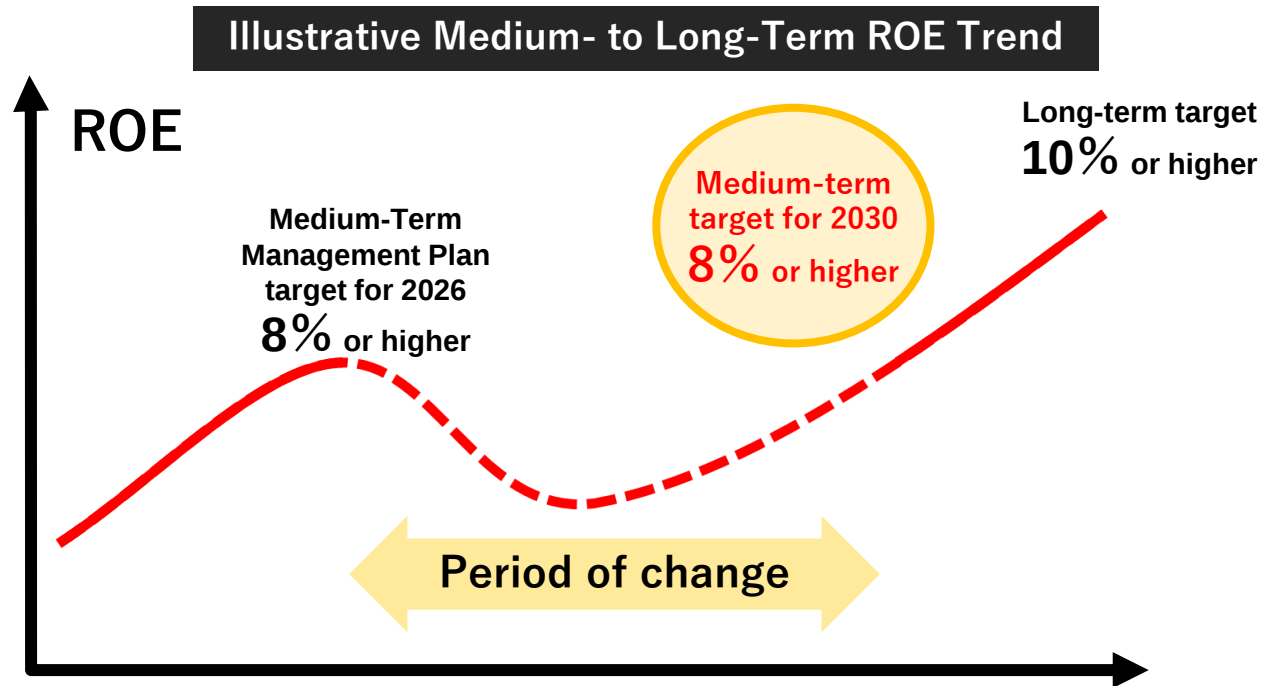
- In September 2024, commenced open invitation of proposals for injection of external capital (46 companies were willing to sign NDAs, 24 companies considered proposals, and 11 companies submitted proposals)
- Proceeded with the selection process in stages, offering several opportunities for candidates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

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

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

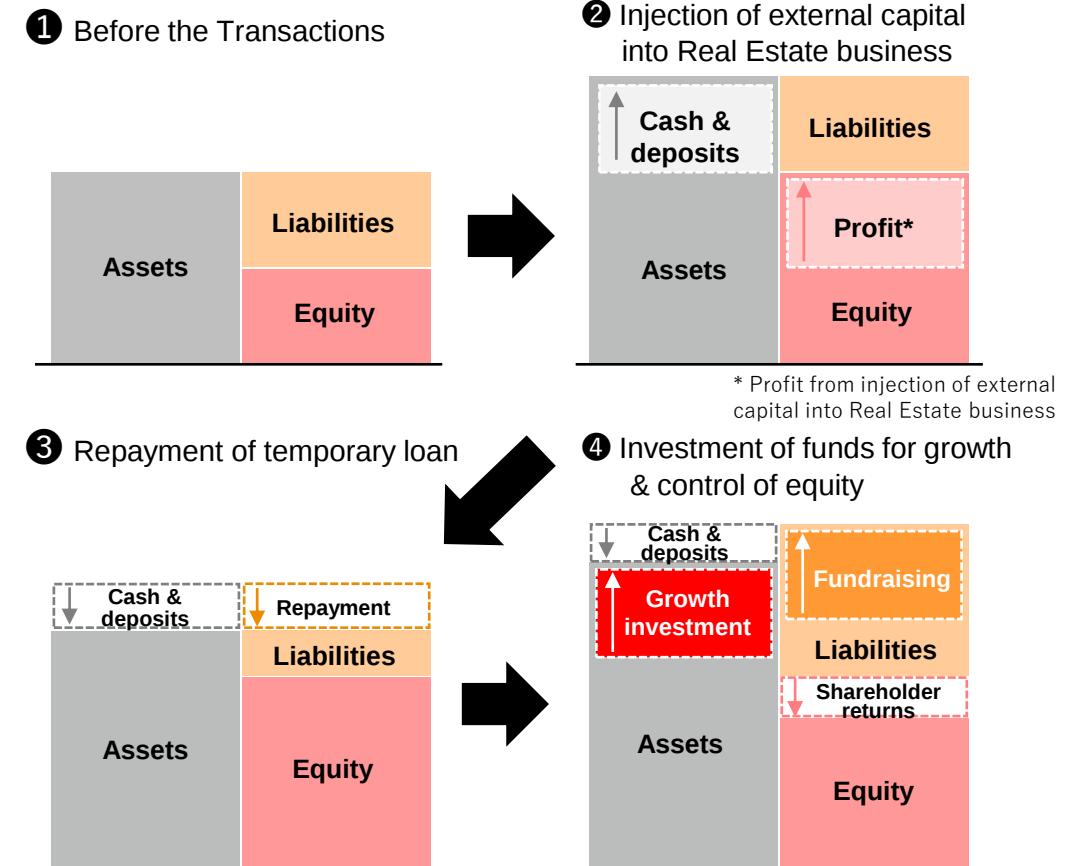
- » To achieve its long-term target of 10% or higher in ROE, the Company will strategically invest the funds raised through injection of external capital into the Real Estate business to boost growth in the Alcoholic Beverages business. In doing so, it will seek to accelerate profit growth and strengthen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

[Financial Targets]



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

[Balance sheet movements during period of change]



Outline of Growth and Investment Areas

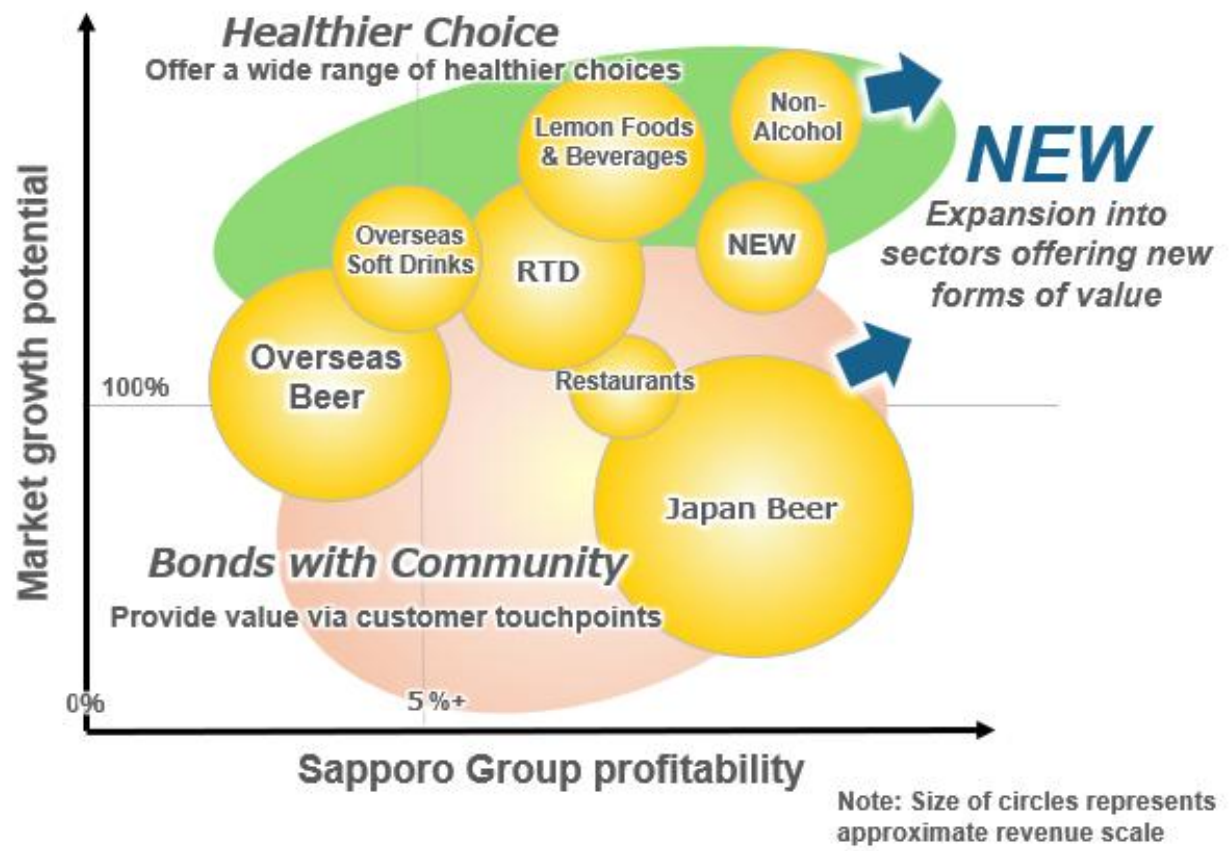


“One Sapporo” Management

Bonds with Community × *Healthier Choice*

Portfolio to be targeted in next Medium-Term Management Plan

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



Bonds With Community

Healthier Choice

Domestic Beer

Overseas Beer

RTD

NEW

Non-Alcohol

Overseas Soft Drinks

Capture the next generation of beer drinkers

Create rich beer experiences and consumer experiences, invest in facilities for manufacturing new containers, etc.

Strengthen overseas beer business

Increase sales capabilities, improve the production system, etc.

Strengthen RTD (ready-to-drink) sector

Create synergies in sales and SCM, etc.

Acquire new capabilities with the aim of generating innovation

Acquire brands, sales channels, digital touchpoints, etc.

Strengthen non-alcohol and soft-drink capabilities

Strengthen the business foundation overseas, etc.

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



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

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

Debt repayment
(repayment of temporary debt)
Approx. **100 billion yen**

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

Priority sectors for investment

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

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

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

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

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.

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