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March 5, 2026

Company name: LIFEDRINK COMPANY, INC.
Stock exchange listing: Prime Market, Tokyo Stock Exchange
Code number: 2585
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Notice Regarding Succession of Vending Machine Business via Absorption-type Split and Commencement of Discussions on Business Alliance with POKKA SAPPORO FOOD & BEVERAGE LTD.

LIFEDRINK COMPANY, INC. (the "Company") hereby announces that its Board of Directors, at a meeting held on March 5, 2026 (the "Board Meeting"), resolved to succeed to the vending machine business (the "Business") operated by POKKA SAPPORO FOOD & BEVERAGE LTD. ("Pokka Sapporo") through a company split (Absorption-type split) (the "Absorption-type Split"), with a newly established subsidiary of the Company as the successor company and Pokka Sapporo as the splitting company.

In addition, the Company has entered into an Absorption-type split agreement with Pokka Sapporo.

Furthermore, the Company and Pokka Sapporo have commenced discussions regarding a business alliance (the "Business Alliance") for the purpose of ensuring the smooth succession of the Business and fostering future collaboration.

1. Purpose and Summary of the Absorption-type Split

Under the corporate philosophy of "Center of Deliciousness, Foremost Reassurance" the Company is primarily engaged in the Drink and Leaf Business, leveraging its strengths in "high quality, low price, and stable supply."

As part of its management policy, the Company has advocated the "Evolution and Deepening of Max Production and Max Sales." To date, we have focused primarily on the "Evolution and Deepening of Max Production," specifically expanding our production system through initiatives such as upgrading and improving facilities at our Group's beverage factories, constructing new factories, and pursuing M&A opportunities.

Meanwhile, the Company has also been exploring initiatives toward the "Evolution of Max Sales." The succession of the vending machine business through the Absorption-Type Split is directly linked to the "Evolution of Max Sales," and we believe that the acquisition of a new direct sales channel will contribute to further strengthening our business foundation.

2. Summary of the Absorption-type Split

(1) Schedule of the Absorption-type Split

① Date of Board of Directors resolution for approval of the Absorption-type split agreement (Splitting Company)	March 5, 2026
② Date of Board of Directors resolution for the establishment of a subsidiary and approval of the Absorption-type split agreement (The Company / Successor Company)	March 5, 2026
③ Establishment of the Company's subsidiary	March 31, 2026 (Planned)
④ Execution of the Absorption-type split agreement between the Company's subsidiary and Pokka Sapporo	Between April and September 2026 (Planned)
⑤ Effective date of the Absorption-type split	October 1, 2026

Note: Since the Company will execute this company split as a simplified Absorption-type split pursuant to Article 784, Paragraph 2 of the Companies Act, the Company will not hold a general meeting of shareholders to approve the company split agreement.

(2) Method of the Absorption-type Split

The Company plans to execute an Absorption-type split with a newly established subsidiary of the Company as the successor company and Pokka Sapporo as the splitting company.

(3) Details of Allotment Related to the Absorption-type Split

This information is not disclosed at the request of the counterparty.

(4) Treatment of Share Acquisition Rights and Bonds with Share Acquisition Rights Associated with the Absorption-type Split

Not applicable.

(5) Increase or Decrease in Capital due to the Absorption-type Split

Not applicable.

(6) Rights and Obligations to be Succeeded by the Successor Company

The successor company shall succeed to a portion of the assets, liabilities, contracts, and other rights and obligations related to the Business, to the extent specified in the Absorption-type split agreement.

(7) Outlook for Fulfillment of Obligations

The Company has determined that there are no concerns regarding the prospects for the fulfillment of obligations to be borne by the successor company after the effective date of the Absorption-type split.

3. Basis and Reasons for the Details of Allotment Related to the Absorption-type Split

The details were agreed upon after discussions between both companies, taking into comprehensive consideration factors such as the operating results, assets, and liabilities of the Business.

4. Overview of the Parties to the Absorption-type Split

	Successor Company (To be established)	Splitting Company								
(1) Name	TBD	POKKA SAPPORO FOOD & BEVERAGE LTD.								
(2) Location	TBD	3-27-1 Sakae, Naka-ku, Nagoya-shi, Aichi								
(3) Representative	Kuniaki Okano, President and Representative Director	Masashi Sato, President and Representative Director								
(4) Business	Sale of beverages and food products through vending machines and incidental operations	Sale and manufacture of beverages and food products								
(5) Capital	10 million yen	5,431 million yen								
(6) Date of Establishment	March 31, 2026 (Planned)	March 30, 2012								
(7) Number of Shares Issued	—	202 shares								
(8) Fiscal Year End	March 31	December 31								
(9) Number of Employees	—	889 (Non-consolidated)								
(10) Major Shareholders and Shareholding Ratios	The Company or its subsidiary 100%	Sapporo Holdings Ltd. 100%								
(11) Relationship between the Parties	<table border="1"> <tr> <td>Capital Relationship</td> <td>None</td> </tr> <tr> <td>Personnel Relationship</td> <td>None</td> </tr> <tr> <td>Business Relationship</td> <td>None</td> </tr> <tr> <td>Status as a Related Party</td> <td>None</td> </tr> </table>		Capital Relationship	None	Personnel Relationship	None	Business Relationship	None	Status as a Related Party	None
Capital Relationship	None									
Personnel Relationship	None									
Business Relationship	None									
Status as a Related Party	None									
(12) Operating Results and Financial Position for the Past Three Years (In millions of yen, unless otherwise specified)										
Fiscal Year	-	-	-	FY December 2023	FY December 2024	FY December 2025				
Net Assets	(Note) Since the Successor Company is a newly established entity, there are no operating results or financial positions for the past years.			8,167	16,003	16,767				
Total Assets				51,400	46,465	43,624				
Net Assets per Share (Yen)				40,432,892.56	79,223,463.58	83,005,962.29				
Net Sales				69,211	65,037	58,516				
Operating Profit				632	790	944				
Ordinary Profit				588	747	1,242				
Net Income				1,089	7,859	583				
Net Income per Share (Yen)				5,393,237.97	38,906,475.52	2,888,051.54				
Dividends per Share (Yen)				—	—	—				

5. Overview of the Business Unit to be Succeeded

(1) Content of the business to be succeeded

Vending machine business

(2) Operating results of the department to be succeeded

The net sales of the three subsidiaries operating the vending machine business for the fiscal year ended December 2025 were 9,639 million yen. As of December 2025, the number of active vending machines is approximately 40,000 units.

(3) Items and book values of assets and liabilities to be succeeded

Vending machine-related assets and liabilities owned by the splitting company, and shares of the three subsidiaries operating the vending machine business.

Amount (as of late December 2025)

Assets 3,349 million yen

Liabilities 866 million yen

Note: The actual amounts of assets and liabilities to be succeeded will be determined after adjusting the above figures for any increases or decreases occurring up to the effective date of this Absorption-type split.

6. Overview of Accounting Treatment

This Absorption-type split is expected to be classified as an "acquisition" under the Accounting Standard for Business Combinations. The allocation of acquisition costs and the amount of goodwill resulting from this treatment are currently under close examination.

7. Status After the Absorption-Type Split

The successor company's trade name, head office location, and fiscal year-end shall remain as described in section "4. Overview of the Parties to the Absorption-Type Split" above. No changes are currently planned following the split.

8. Details of the Business Alliance

The Company and POKKA SAPPORO FOOD & BEVERAGE LTD. have commenced discussions regarding a business alliance aimed at the smooth succession of this business and future collaboration. Specifically, we plan for Pokka Sapporo to supply products to the Company for a certain period and to continue sales through vending machines bearing their trademarks. We also plan to discuss and consider other matters. Details will be disclosed as soon as they are determined.

9. Others

At the Board of Directors meeting held today, the Company resolved to establish a new company to supervise the vending machine business. Please refer to the "Notice Concerning the Establishment of a New Subsidiary" released today.

10. Future Outlook

The impact on the Company's consolidated financial results for the fiscal year ending March 2026 is expected to be immaterial. However, if any matters requiring disclosure arise in the future, we will disclose them promptly.

(Reference) Consolidated Earnings Forecast for the Current Fiscal Year (Announced February 12, 2026) and Consolidated Financial Results for the Previous Fiscal Year

(Millions of yen)

	Net Sales	Operating Profit	Ordinary Profit	Net Income Attributable to Owners of Parent
Consolidated Earnings Forecast (FY ending March 2026)	52,200	5,220	5,100	3,470
Consolidated Financial Results for the Previous Year (FY ended March 2025)	44,537	4,742	4,712	3,392

End