

July 6, 2026

Company name: Sapporo Breweries Ltd.

Name of representative: Hiroshi Tokimatsu, President and Representative Director  
(Securities code: 2501; Tokyo Stock Exchange (Prime Market); Sapporo Securities Exchange)

Contact: Yosuke Nakamura, Director of the Corporate Planning Department  
(Telephone: + 81-3-5423-7407)

**Announcement of Strategic Partnership with Carlsberg Group through Capital and Business Alliance  
– A Major Strategic Partnership across Southeast Asia, Hong Kong, and the UK –**

Sapporo Breweries Ltd. (“Sapporo”) hereby announces that its Board of Directors, at a meeting held today, resolved to enter into a major strategic partnership with Carlsberg A/S (“Carlsberg”), a leading global brewer, across Southeast Asia and Hong Kong.

The beer market in the region is projected to grow at an annual rate of around 5%, and Carlsberg has a strong market presence across the region. Through this alliance, Sapporo aims to expand sales volume of its “Sapporo Premium Beer” in the target markets to approximately 10 times the 2025 level by 2035.

Building on the successful collaboration for the sale of Sapporo Premium Beer in Malaysia, Hong Kong and Singapore since 2024, Sapporo and Carlsberg will expand the scope of the partnership to additional markets including Laos, Vietnam and Cambodia and, to accelerate business growth under a shared long-term commitment, establish a joint venture to be incorporated in Singapore.

Carlsberg will contribute its businesses in the relevant markets, while Sapporo will invest approximately USD 643 million to acquire a 25% equity stake. The price represents a 2026 EBITDA multiple of 11.8x<sup>1</sup>. Sapporo expects the investment to generate returns exceeding a 12% hurdle rate established for the relevant markets.

Sapporo will also grant a long-term brand license based on the concept of perpetuity to the joint venture for Sapporo Premium Beer. Through this investment, Sapporo expects to benefit from diversified revenue streams, including dividends, brand royalties, and manufacturing-related earnings.

In addition, the two companies have entered into a long-term brand license agreement in the United Kingdom for Sapporo Premium Beer and have agreed to include Myanmar as a market for brand licensing. Going forward, the companies will jointly explore opportunities to introduce the brand in other markets in Asia and Europe.

At its meeting held today, the Board of Directors of Sapporo resolved to enter into a share purchase agreement with Carlsberg to establish the strategic partnership and approved the terms of ancillary agreements to be executed separately, including a joint venture agreement and a license agreement. The joint venture is expected to be established in December this year, subject to the necessary regulatory approvals and closing conditions.

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<sup>1</sup> The EBITDA excludes any potential synergies. The EBITDA multiple (EV/EBITDA) is calculated by dividing Enterprise Value by EBITDA, based on estimated EBITDA for 2026, the agreed equity value and net debt, as well as Carlsberg Malaysia's market capitalization and trading multiples.

This strategic partnership aims to create a robust growth platform by leveraging the complementary strengths of the two companies through the strategic combination of Carlsberg’s strong business foundation and extensive distribution network—positioning Asia as a key growth driver—and Sapporo’s premium brand, which has steadily grown as a “Japan brand” in international markets.

Sapporo is promoting the expansion of its international alcoholic beverages business as part of its long-term growth strategy, and this strategic alliance with Carlsberg represents a core initiative aimed at significantly accelerating the global sales growth of Sapporo Premium Beer.

## 1 . Background and Strategic Rationale of the Strategic Partnership

This strategic partnership is being undertaken as part of Sapporo’s long-term growth strategy for its international alcoholic beverages business. While building proprietary distribution networks in overseas markets requires substantial investment and significant time, it also entails considerable uncertainty associated with market entry, which has posed constraints on rapid business expansion.

In Southeast Asia and Hong Kong, the quality and breadth of distribution networks are critical for competitiveness. Sapporo has therefore conducted extensive evaluations in this regard.

Carlsberg has a strong distribution network and well-established market position in each of these markets. Positioning Asia as a central pillar of its growth strategy, Carlsberg has identified the strengthening of its premium lager category as a key priority.

Through this alliance, Sapporo expects to accelerate market expansion in a more capital-efficient manner compared with building its own distribution network, while also benefiting from diversified revenue streams, including dividends, brand licensing, and manufacturing-related earnings.

Accordingly, Sapporo anticipates that this initiative will contribute to enhancing its medium- to long-term earnings capacity and corporate value.

Furthermore, building on the mutual understanding developed through prior collaboration, Sapporo will establish a balanced business model that combines a minority equity investment—thereby managing risk—with an appropriate level of governance involvement.

## 2 . Objectives and Operating Principles of the Strategic Partnership

### (1) Significant Expansion of Sapporo Premium Beer Sales

Sapporo aims to significantly expand the sales of Sapporo Premium Beer by leveraging Carlsberg’s distribution network and business platform. The license arrangement will include contractually agreed volumes for Sapporo Premium Beer.

### (2) Decision-Making on Sapporo Premium Beer Brand Development

With respect to the sales and marketing of Sapporo Premium Beer, a framework will be established to enable joint decision-making as equal partners on brand management, based on Sapporo’s strategies and guidelines. In addition, Sapporo will second personnel to support local execution of the sales and marketing initiatives.

### (3) Shareholder Rights

While maintaining a minority equity stake, Sapporo will have appropriate shareholder rights through board representation and consent rights over agreed reserved matters.

### (4) Financial Returns from the Investment in Carlsberg's Businesses in Southeast Asia and Hong Kong

Sapporo will benefit from Carlsberg's strong business platform in the attractive markets of Southeast Asia and Hong Kong, as well as the earnings generated from it (including dividends, brand royalties, and manufacturing-related earnings).

### (5) Reorganization of Sapporo's Vietnam Operations

Sales and marketing functions at Sapporo's Vietnam operations will be integrated into the joint venture to enhance sales capabilities. Accordingly, the Vietnam operations will focus on manufacturing functions and expand production capacity to support sales growth.

## 3. Overview of the Joint Venture

( 1 )	Name	Carlsberg Sapporo Alliance (tentative)
( 2 )	Location	Singapore
( 3 )	Representative	To be determined
( 4 )	Business	Manufacture and sale of beer and other alcoholic beverages, as well as soft drinks
( 5 )	Capital	To be determined
( 6 )	Establishment	December, 2026 (tentative)
( 7 )	Equity Stake	Carlsberg 75%, Sapporo 25%

\* Through this alliance, Sapporo aims to expand sales volume of its "Sapporo Premium Beer" in the target markets to approximately 10 times the 2025 level by 2035.

## 4. Overview of Carlsberg A/S

( 1 )	Name	Carlsberg A/S	
( 2 )	Location	1 J.C. Jacobsens Gade, 1799 Copenhagen V, Denmark	
( 3 )	Representative	Jacob Aarup-Andersen, Group CEO	
( 4 )	Business	Manufacturing and sales of beer and other beverages	
( 5 )	Capital	2,653 DKK million (As of Dec. 31, 2025)	
( 6 )	Establishment	1847	
( 7 )	Major Shareholders	Carlsberg Foundation (30.1%)	
( 8 )	Relationship between the Listed Company and the Subject Company	Capital	N/A
		Personnel	N/A
		Business	Distribution agreements and license agreements in Asia and Europe
		Related Party	N/A
( 9 )	Consolidated Operating Results and Financial Position of the Subject Company for the Past Three		

Years			
Financial Year	FY 2023	FY 2024	FY 2025
Net Assets	23,234 DKK million	27,771 DKK million	27,804 DKK million
Total Assets	111,831 DKK million	113,328 DKK million	153,955 DKK million
Net Assets per Share	173.2 DKK	210.3 DKK	210.4 DKK
Net Sales	73,585 DKK million	75,011 DKK million	89,095 DKK million
Operating profit before special item	11,105 DKK million	11,411 DKK million	13,356 DKK million
Net Income Attributable to Owners of the Parent	40,788 DKK million	9,116 DKK million	5,955 DKK million
Net Income per Share	299.7 DKK	68.7 DKK	45.1 DKK
Dividend per Share	27.0 DKK	27.0 DKK	29.0 DKK

#### 5. Schedule

( 1 )	Date of Board Resolution	July 6, 2026
( 2 )	Date of Agreement	July 6, 2026
( 3 )	Commencement of Operations	To be determined

#### 6. Impact on Financial Results

This matter is expected to contribute to Sapporo's financial performance and corporate value over the medium to long term. Should any matters arise that are expected to have a material impact on Sapporo's financial performance, it will promptly disclose such information.



# Supplementary Materials for Strategic Partnership with Carlsberg

**July 6, 2026**

**Sapporo Breweries Ltd. (2501)**

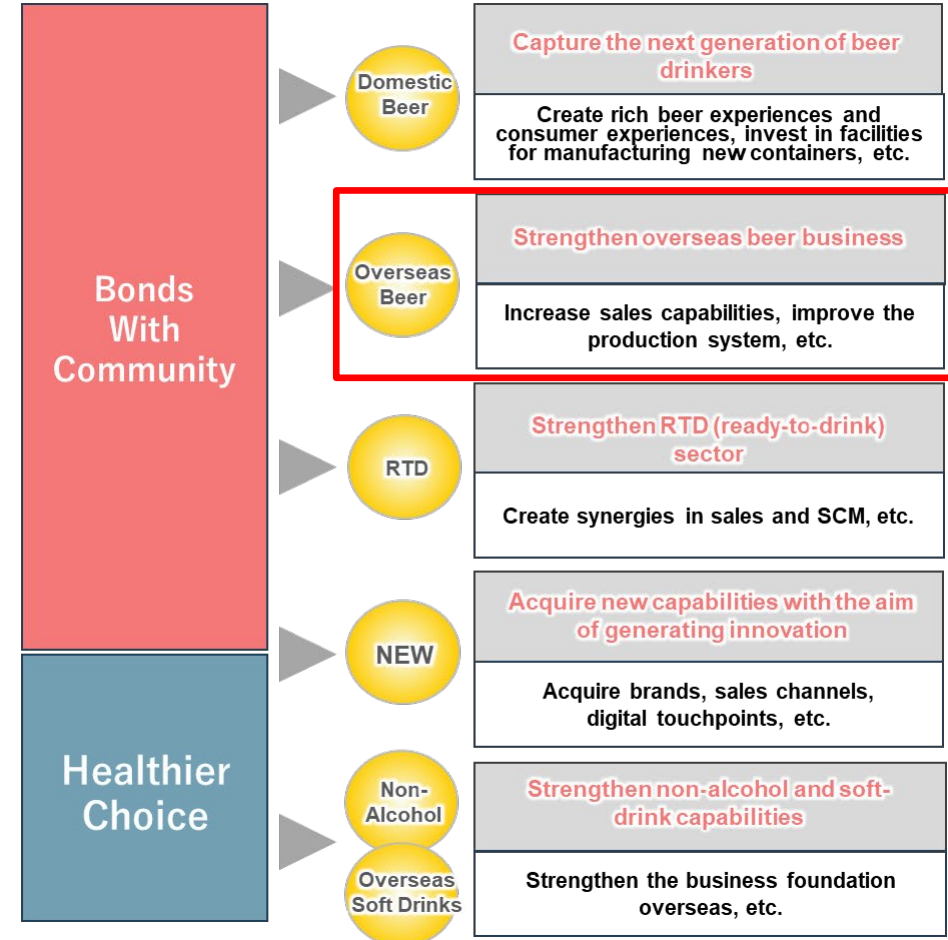
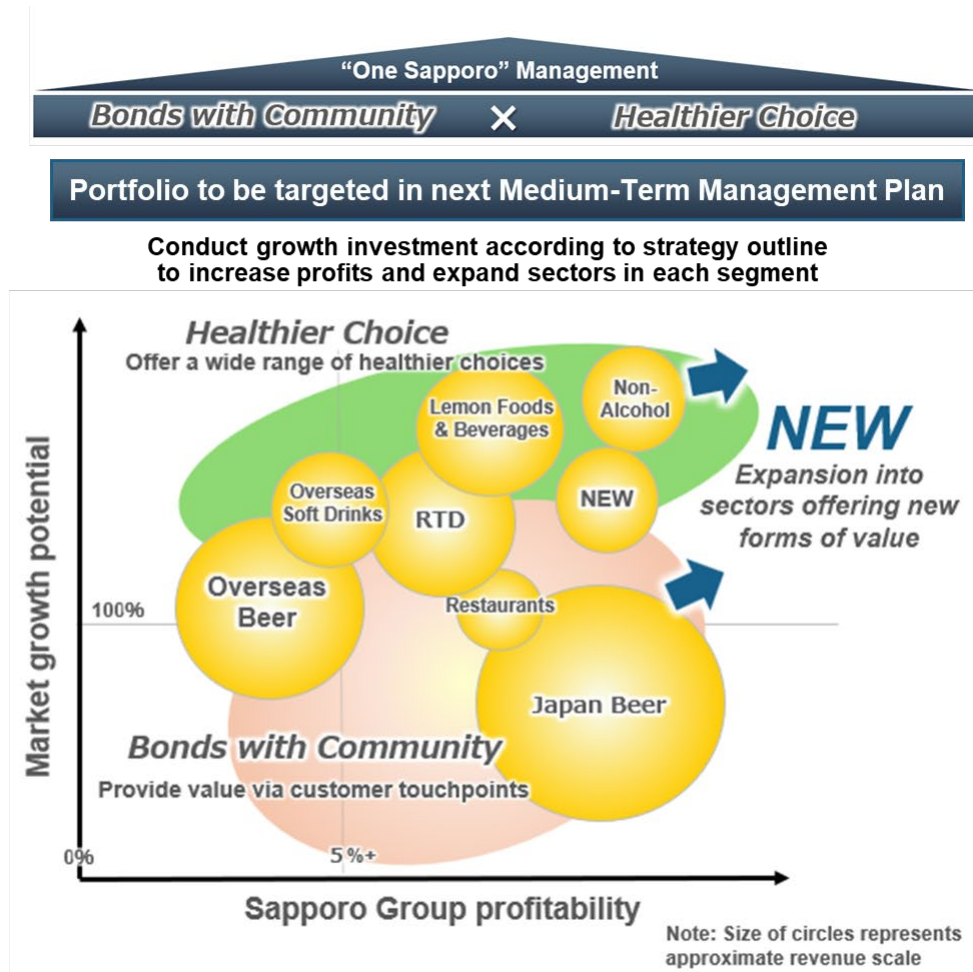
**URL: <https://www.sapporobreweries.com/en/>**

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

SPB: SAPPORO PREMIUM BEER    next Mid-Term Plan: next Medium-Term Management Plan (2027-30)

# Medium- to Long-Term Growth Strategy and Investment Areas

- » Enhancing long-term corporate value through our Bonds with Community and Healthier Choice growth strategies
- » The overseas beer business is positioned as a core pillar of the Bonds with Community strategy



\* [Presentation Material for Timely Disclosure Regarding \(December 24, 2025\)](#)

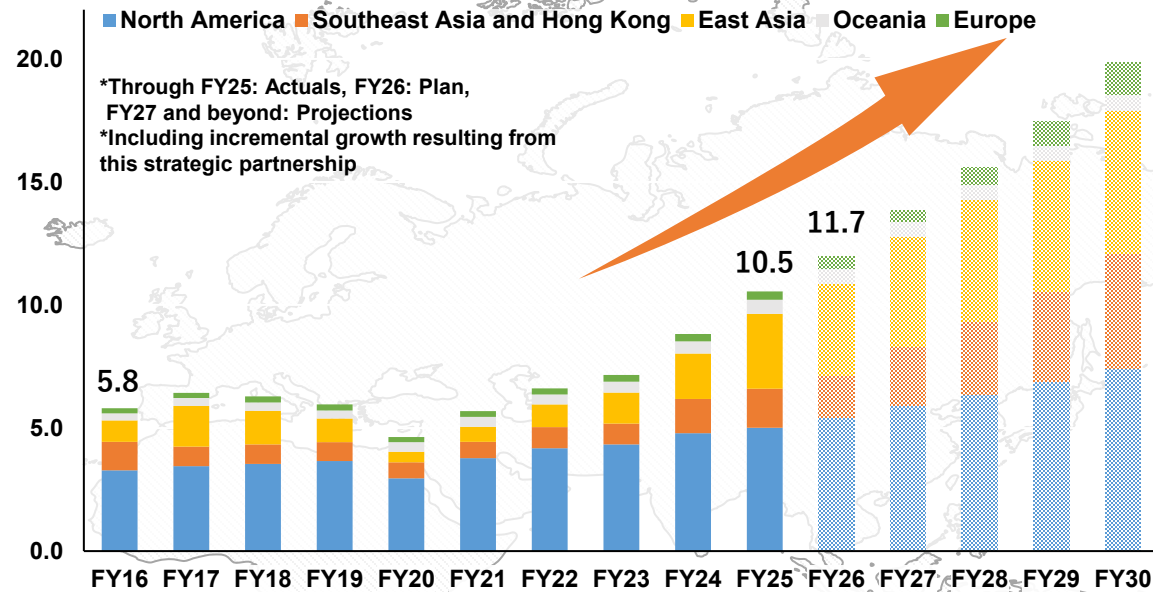
# Global Expansion of the Sapporo Brand (Alcoholic Beverages (Overseas))



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

## Trend of Sapporo Brand Sales Volume

(mn cases)



- Total global sales have approx. **doubled** over 10 years
- In addition to continued growth in North America, we will further accelerate our growth in **Asia and Europe**, where growth has been particularly strong in the past few years.

## SAPPORO PREMIUM BEER (SPB)

### <Features>

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

### < APAC and Europe >

- APAC and Europe performed strongly across each region, with sales up 27% year on year\*<sup>1</sup>, driving the growth of the Sapporo brand.
- Sales have grown approximately three-fold in the APAC Carlsberg alliance area\*<sup>3</sup> compared with pre-alliance levels.\*<sup>2</sup>

### < North America >

- The brand has **maintained sales growth** in a market environment of shrinking total demand for beer.
- In the imported beer category:
  - **SPB recorded a 9% YoY growth rate in the U.S.\*<sup>4</sup>**
  - **In Canada, SPB maintains a strong position in the imported beer category, just behind leading brands such as Corona, Heineken, and Stella Artois.\*<sup>5</sup>**
- In the U.S., SPB has held **the top market share** in the Asian beer category **for 40 years.**



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

\*1: 2026Q1 sales volume (YoY) \*2: FY2025 sales volume (compared to 2023) \*3: Hong Kong, Singapore, Malaysia \*4: Beer Institute (Mar 2026 YTD, depletion basis) \*5: Beer Canada (Mar 2026 YTD)

# Positioning of this Transaction in the Capital Allocation Strategy

- This transaction is a key growth investment to strengthen our international beer business and enhance corporate value.
- Following the thorough assessment with independent directors and external advisors, we are confident that the expected returns will exceed the hurdle rate of 12%.

## Positioning of this Transaction in the Allocation of Real Estate Capital Proceeds\*1

Excerpt from the FY2025 Full-Year Financial Results Presentation Materials (February 13, 2026)

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

### Priority sectors for investment

- ✓ Capture the next generation of beer drinker
- ✓ **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: North America 10%) and make comprehensive decisions before investing.
- If attractive investment opportunities are unlikely before FY2030, the Company will consider additional shareholder returns.

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

- The Company will increase capital efficiency by repaying the debt related 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 Net D/E ratio of 0.5 times or less and Net D/EBITDA ratio of 3.0 times or less)

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

- 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.

- The cash allocation policy is currently under consideration as part of the next Medium-Term Management Plan.
- The Capital and Financial Strategy Working Group\* is currently updating a more concrete and effective plan based on the basic policy of both enhancing corporate value through growth investments and expanding shareholder returns.
- The next Medium-Term Management Plan is scheduled to be announced at the time of the FY2026 Q2 financial results. The Company plans to disclose its priority sectors and allocation policy for growth investments, as well as the specific scale and methods of shareholder returns.

\* Capital and Financial Strategy Working Group for the next Medium-Term Management Plan: Outside Directors with extensive experience in global management and M&A, including Mr. Fujii, Mr. Watanabe, and Mr. Mizutome, participate in this working group.

### Review and Evaluation Process

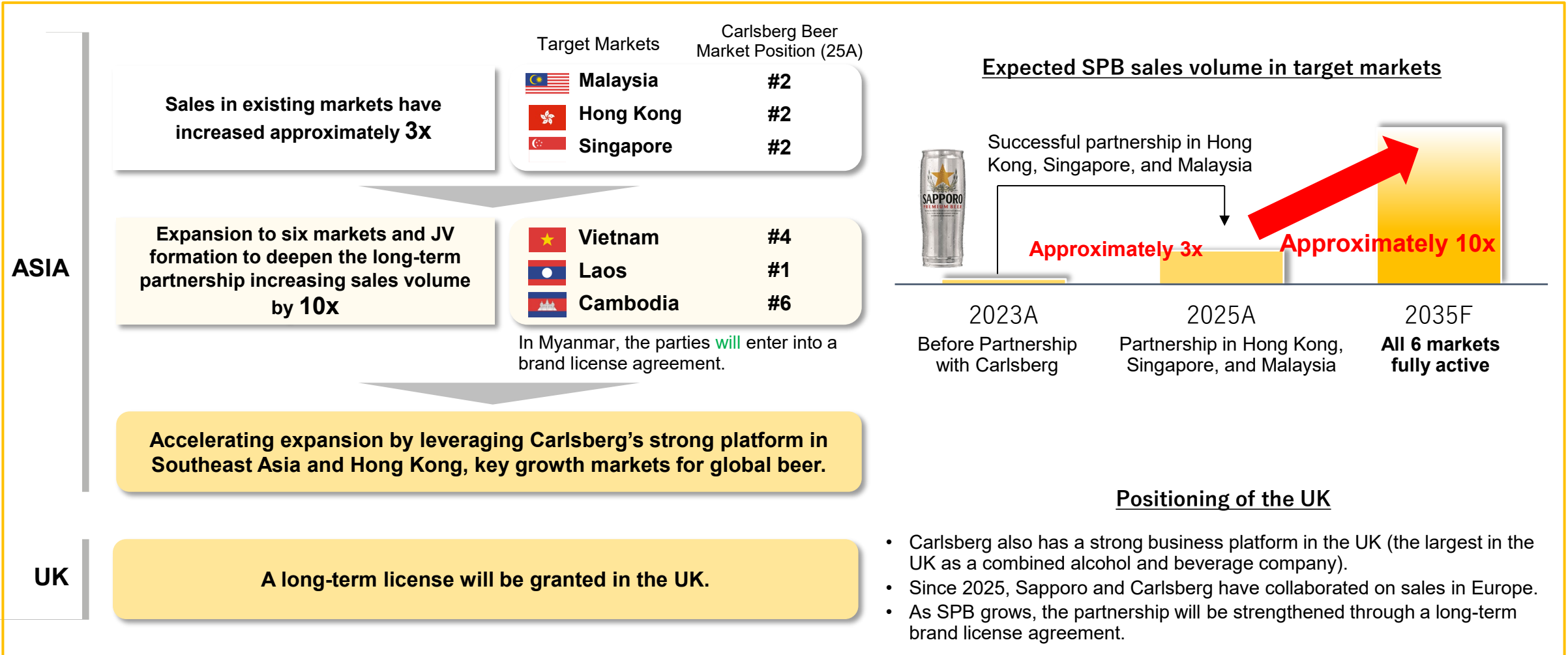
- This transaction was primarily led by the Company's specialized in-house organization dedicated to M&A and alliances.
- In addition to the investment evaluation process at the Board of Directors, including intensive discussions, the transaction was also separately reviewed and discussed by the Capital and Financial Strategy Working Group as part of next medium-term plan discussions.

\*1 [Presentation Material for Timely Disclosure Regarding \(December 24, 2025\)](#), [FY2025 Full-Year Financial Results Presentation Materials \(February 13, 2026\)](#)

# Overview of the Transaction



» Building on the successful collaboration for the sale of Sapporo Premium Beer in Malaysia, Hong Kong and Singapore since 2024, Sapporo and Carlsberg will expand the scope of the partnership to additional markets including Laos, Vietnam and Cambodia.

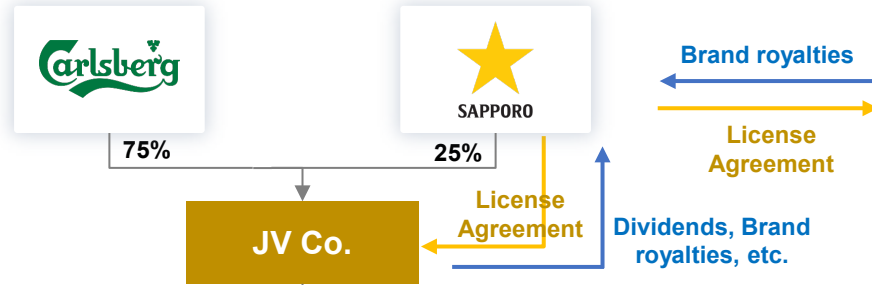


# Structure of Strategic Partnership (Equity and Licensing)



- Sapporo will acquire a 25% equity stake in the newly established JV Co. by Carlsberg. License to be granted upon completion.
- In the United Kingdom and Myanmar, the parties will enter into a brand license agreement.

- Acquiring a 25% stake of the JV for approx. **USD 643 mm**
- The valuation represents a **2026E EV/EBITDA multiple of 11.8x<sup>1</sup>** (EBITDA excluding synergies)



Sapporo will enter into a long-term license agreement in the UK
   
Also agreed to include Myanmar as one of the markets for brand licensing

	Vietnam	Hong Kong	Singapore	Malaysia	Laos	Cambodia
<b>Ownership</b>	100%	100%	51%	51%	61%	100%
<b>Market size <sup>2</sup></b>	4,159 MM L	170 MM L	129 MM L	238 MM L	458 MM L	685 MM L
<b>Market Position</b>	#4	#2	#2	#2	#1	#6
<b>Distribution</b>	 Integrating Sales & Marketing teams		 SPB only			

✓ SPB production for Vietnam, Hong Kong and Singapore will continue at Sapporo Vietnam.  
 ✓ Sales and marketing functions in Vietnam will be transferred to the JV to strengthen commercial capabilities.

\*1 Based on estimated EBITDA for 2026, agreed equity value and net debt, and market capitalization and trading multiple of Carlsberg Malaysia

\*2 Source: Euromonitor, MML: million liters

# Overview of the Southeast Asia and Hong Kong Joint Venture



- » **The joint venture will establish a balanced, risk managed business model with Sapporo acquiring a minority stake and securing sufficient returns and appropriate governance rights.**
- » **Sapporo Vietnam will focus on manufacturing, driving a virtuous cycle of capacity expansion and sales growth.**

## Overview

- Establishing a joint venture between Carlsberg (75%) and Sapporo (25%).
- Carlsberg is restructuring its existing businesses in target markets as a platform to establish the joint venture.
- Sapporo will transfer its sales and marketing functions in Vietnam to the joint venture, retaining manufacturing functions.
- Pokka Singapore is out of scope of this transaction.
- Sapporo's investment amount will be USD 643 mm.
- Expected closing timing: December 2026.
- Board composition will be Carlsberg: 3 directors; Sapporo: 2 directors.
- Obtained appropriate reserved matters both at the shareholder and Board levels as a minority shareholder.
- Mechanism in place to prevent dilution of voting rights even if the joint venture requires future capital raising.

## License

- Long-term license based on the concept of perpetuity for SPB in the Southeast Asia and Hong Kong markets. (target markets: Malaysia, Hong Kong, Singapore, Vietnam, Laos, Cambodia).
- Royalty payments will be made to Sapporo.

## Brand

- With respect to the development of Sapporo's brand (SPB), a framework will be established to enable joint decision-making on brand management as equal partners, based on Sapporo's strategies and guidelines.
- Brand management will be conducted by a 50:50 Brand Committee. Sapporo will second two Brand Managers.

## Manufacturing

- SPB for Vietnam, Singapore, and Hong Kong will continue to be manufactured by Sapporo Vietnam.
- Carlsberg breweries certified by Sapporo as SPB production facilities.

# Evolution to a Strategic Partnership and Enhanced Revenue Model



» **By establishing a three-layered revenue structure consisting of dividends, royalties, and manufacturing-related earnings, Sapporo aims to secure stable and sufficient returns (profit and cash flow) while managing risk.**


	<b>Conventional Partnership (Licensing)</b>	<b>This Transaction (Strategic partnership)</b>
<b>Business Model</b>	<ul style="list-style-type: none"> <li>✓ Licensing and sales outsourcing in selected markets (Malaysia, Singapore, and Hong Kong)</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>Establishment of a joint venture covering six markets: Malaysia, Singapore, Hong Kong, Cambodia, Laos, and Vietnam</b></li> <li>✓ <b>Long-term commitment and strategic alignment through equity partnership</b></li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>✓ Only passive supervisory rights as licensor</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>Director appointments to the joint venture and joint brand decision-making as equal partners through the Brand Committee</b></li> </ul>
<b>Revenue Structure</b>	<ul style="list-style-type: none"> <li>✓ Brand licensing fees only (royalty income)</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>Three-layered structure consisting of dividends, royalties, and manufacturing-related earnings</b></li> </ul>
<b>Accumulation of Know-how</b>	<ul style="list-style-type: none"> <li>✓ Because operations are outsourced externally, local market analysis and operational know-how are difficult to accumulate</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>Through personnel secondment, Sapporo will be directly involved in commercial and marketing operations in emerging markets ensuring knowledge sharing and mutual benefits</b></li> </ul>
<b>Capital Efficiency</b>	<ul style="list-style-type: none"> <li>✓ Required investment is limited, but earnings opportunities are also limited</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>Access to earnings with a higher probability of realization while keeping required investment under control</b></li> </ul>

# Strategic Rationale of the Transaction



» **The Strategic Partnership between Sapporo and Carlsberg will strengthen both companies' businesses and accelerate expansion of Sapporo's brand (SPB) in Southeast Asia, Hong Kong and Europe.**

- 
- **Accelerate global growth leveraging Carlsberg's distribution network to fully scale SPB in Asia and enter the UK market.**
  - **Expand the business more capital-efficiently and profitably than through organic expansion, utilizing external resources to achieve an asset-light and scalable model.**
  - **Balance access to high growth potential and appropriate control while managing risk through a minority investment.**
  - **In Vietnam, enhance sales execution leveraging both parties' strengths and integrating sales and marketing teams.**

- 
- **Expand the brand portfolio in a manner that contributes to strengthening the high-growth premium category.**
  - **Enhance sales capabilities by leveraging Sapporo Premium Beer's brand equity while utilizing the Company's own sales network.**
  - **Ensure stability in brand utilization through a license arrangement accompanied by an equity relationship.**
  - **Improve the earnings base by strengthening its premium portfolio.**

## Pioneering the legacy of tomorrow



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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