

(TRANSLATION)

[This English translation is an abridged version of the original notice in Japanese. In the event of any discrepancy, the Japanese version prevails.]

(Securities code: 2501)

March 5, 2024

To Our Shareholders

Masaki Oga
President and Representative Director
Sapporo Holdings Limited
20-1, Ebisu 4-chome, Shibuya-ku, Tokyo

Notice of Convocation of the 100th Ordinary General Meeting of Shareholders

Dear Sirs/Madams:

You are cordially invited to attend the 100th Ordinary General Meeting of Shareholders of Sapporo Holdings Limited (the “Company”) to be held as described below.

We would be grateful if you would take the time to exercise your voting rights by one of the methods described on pages 3 and 4.

Description

Date and time of the meeting: Thursday, March 28, 2024 at 10:00 a.m.
(The reception desk is presently scheduled to open at 9:00 a.m.)

Place of the meeting: The Garden Hall (inside Yebisu Garden Place)
13-2, Mita 1-chome, Meguro-ku, Tokyo

Purpose of the meeting:

Matters to be reported:

1. Reports on the business, the consolidated financial statements, and the results of audit of the consolidated financial statements by the accounting auditors and the Audit & Supervisory Committee for the 100th business term (from January 1, 2023 to December 31, 2023).
2. Report on the non-consolidated financial statements for the 100th business term (from January 1, 2023 to December 31, 2023).

Matters to be resolved:

- Proposal No. 1: Dividends from Surplus**
Proposal No. 2: Election of Eight (8) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
Proposal No. 3: Election of Three (3) Directors Who Are Audit & Supervisory Committee Members
Proposal No. 4: Election of One (1) Substitute Director Who Is an Audit & Supervisory Committee Member
Proposal No. 5: Revision of Amount of Remuneration for Directors (Excluding Directors who are Audit & Supervisory Committee Members)

- As for the convocation of this General Meeting of Shareholders, in addition to the delivery of the (written) convocation notice, the Company takes measures to electronically provide the information contained in the reference materials for the General Meeting of Shareholders (matters to be provided electronically) pursuant to laws and regulations and the provisions of Article 15 of the Articles of Incorporation of the Company. The content of the convocation notice has been published on the Company website and the Tokyo Stock Exchange website as the “Notice of Convocation of the 100th Ordinary General Meeting of Shareholders.”
- If any amendments are made to the matters to be provided electronically, they will be posted on the Company website and the Tokyo Stock Exchange website.

Company website:	https://www.sapporoholdings.jp/ir/event/meeting/ (in Japanese)
Tokyo Stock Exchange website (Listed Company Search)	<p>Please access the Tokyo Stock Exchange website below, enter “Sapporo Holdings” in “Issue name (company name)” or “2501” in “Code” and click on [Search]. By selecting “Basic information”>“Documents for public inspection/PR information,” you will be able to find the information in the section “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” under “Filed information available for public inspection.”</p> <p>https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show (in Japanese)</p>
Matters omitted from the written convocation notice to be delivered	<p>We will send the written convocation notice in addition to the document stating the matters to be provided electronically, to the shareholders who request the delivery of such written convocation notice. Please note that the following matters will not be stated in such written convocation notice in accordance with laws and regulations and the provisions of Article 15, paragraph 2 of the Articles of Incorporation of the Company:</p> <ol style="list-style-type: none"> (1) “Principal Business,” “Major Offices, Plants and Facilities,” “Matters Regarding Accounting Auditors,” “Matters Regarding a System to Ensure the Appropriateness of Business Activities and Outline of Operating Status of the System,” and “Basic Policy Regarding Control of the Company” in “Review of Sapporo Group Operations” of the Business Report; (2) “Consolidated Statement of Changes in Equity” and “Notes to Consolidated Financial Statements” in the consolidated financial statements; and (3) “Non-Consolidated Statement of Changes in Equity” and “Notes to Non-Consolidated Financial Statements” in the non-consolidated financial statements. <p>The Business Report, consolidated financial statements and non-consolidated financial statements contained in such written convocation notice are part of the documents audited by the accounting auditors when preparing the accounting audit report and audited by the Audit & Supervisory Committee when preparing the audit report.</p>

Questions before the meeting	<p>We will accept “proposal-related questions” via the Company website before the meeting.</p> <p>For the matters in which the shareholders have a strong interest, we will post the answers on the Company website during or after the conclusion of the General Meeting of Shareholders.</p> <p>https://apply.sapporobeer.jp/webapp/form/23354_goib_194/index.do (in Japanese)</p> <p>Period for acceptance of questions: From 9:00 a.m. on Monday, February 26, 2024, to 5:30 p.m. on Friday, March 15, 2024</p>
------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Guidance Notes on the Exercise of Voting Rights

Voting rights exercised at the General Meeting of Shareholders represent an important right of the shareholders by which the shareholders can participate in business management of the Company. **We cordially request our shareholders to participate in the General Meeting of Shareholders by exercising voting rights using the following methods.**

1. Exercise of Voting Rights via the Internet

Deadline: Please register by no later than 5:30 p.m. on Wednesday, March 27, 2024

If you wish to exercise your voting rights via the internet, access the website for exercising voting rights from terminal devices such as your smartphone or personal computer, etc. and register your approval or disapproval in respect of each proposal by following the directions on the screen.

Exercise of Voting Rights Using Smartphones -----

You may use a smartphone to scan the “QR Code to Log into Website for Exercising Voting Rights by Smartphone” located on the bottom right of the voting rights exercise form. After doing so, please register your approval or disapproval in respect of each proposal by following the directions on the screen.

For details on exercising voting rights using a smartphone, please refer to the leaflet.

* QR Code is a registered trademark of DENSO WAVE INCORPORATED.

Exercise of Voting Rights by Personal Computer, etc. -----<https://soukai.mizuho-tb.co.jp/>

Please directly access the website for exercising voting rights, use the “login ID” and “temporary password” described in the voting rights exercise form and register your approval or disapproval in respect of each proposal by following the directions on the screen.

If you exercise your voting rights both by mail (in writing) and via the internet, we will only accept, as effective, the exercise of your voting rights via the internet. If you exercise your voting rights more than once via the internet, we will only accept, as effective, the last exercise of your voting rights. The cost of internet access (access fees to internet service providers, telecommunications fees, etc.) will be borne by you, the shareholder. Depending on your internet operating environment, you may be unable to use the website for exercising voting rights.

For Inquiries with Respect to the Exercise of Voting Rights via the Internet

Please contact:

Internet Help Dial [Japanese only] Stock Transfer Agency Department Mizuho Trust & Banking Co., Ltd. Telephone: 0120-768-524 (toll-free, domestic calls only) Operating hours: 9:00 a.m. to 9:00 p.m.

To Institutional Investors

In addition to the above-mentioned method for exercising voting rights via the internet, the electronic platform for exercising voting rights, which is operated by Investor Communications Japan Inc. (ICJ, Inc.), is available to those who have applied to use such platform beforehand.

2. Exercise of Voting Rights by Mail

Deadline: Please post to arrive by no later than 5:30 p.m. on Wednesday, March 27, 2024

- * As the enclosed voting rights exercise form is a postage-paid postcard, the processing time inside the post office may take up to a week longer than regular mail. Please mail it early to ensure it is delivered on time.

Please indicate your approval or disapproval in respect of each proposal on the voting rights exercise form and send the form back to us (without affixing a stamp). If you do not indicate your approval or disapproval in respect of each proposal, it shall be deemed that you have voted in favor of the proposal.

3. Exercise of Voting Rights via Attending the Meeting

Date and time of the meeting: Thursday, March 28, 2024 at 10:00 a.m.

(The reception desk is presently scheduled to open at 9:00 a.m.)

Place of the meeting: The Garden Hall (inside Yebisu Garden Place)
13-2, Mita 1-chome, Meguro-ku, Tokyo

Please submit the voting rights exercise form to the receptionist at the place of the meeting on the day of the meeting.

We kindly ask you to bring this Notice of Convocation as reference documents describing the planned proceedings on the day.

Information on the Live Streaming of the General Meeting of Shareholders

Information on the live streaming of the General Meeting of Shareholders

We will live stream the General Meeting of Shareholders of the Company via the Internet as detailed below so that shareholders can view it from places such as their home. Shareholders may not exercise voting rights, ask questions or propose motions through the live stream.

Please exercise your voting rights in advance by mail or via the Internet.

Reference Materials for the General Meeting of Shareholders

Proposal No. 1 – Dividends from Surplus

The Company considers the appropriate return of profits to its shareholders as a fundamental aspect of management policy and has adopted a basic policy to undertake stable dividend payments taking into consideration the Company's performance and financial condition.

After taking into consideration the Company's performance in the current business term, the outlook for the business environment and other factors, the Company intends to provide year-end dividends from surplus of 47 yen (dividend increase of 5 yen) per share for the current term.

1 Category of dividend assets:

Cash

2 Matters relating to the allocation of dividend assets and the total amount of such allocation:

Dividend per share of the Company's common stock: 47 yen

Total amount of dividends: 3,667,168,749 yen

3 Date on which the dividends from surplus will take effect:

March 29, 2024

Proposal No. 2 – Election of Eight (8) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

At the conclusion of this general meeting, the terms of office of all eight (8) Directors (including four (4) Outside Directors) (excluding Directors who are Audit & Supervisory Committee Members. The same applies in this proposal) will expire.

The Company therefore proposes the election of eight (8) Directors (including five (5) Outside Directors).

As for the constitution of the Board of Directors of the Company, if this proposal is approved, seven (7) out of total eleven (11) Directors (including Directors who are Audit & Supervisory Committee Members) will be Independent Outside Directors, and Independent Outside Directors will represent a majority in the Board of Directors.

In regard to this proposal, the Company’s Audit & Supervisory Committee verified and examined the ideal approach to supervision and performance of duties by the Board of Directors, the nomination criteria of candidates for Director and other factors. As a result, it was concluded that the deliberation and decision-making processes related to the nomination of each candidate are appropriate, and that all candidates are well-qualified for their positions.

The candidates for Director are as follows:

Candidate Number	Candidate Attribute	Name	Position and Business Responsibility in the Company	Number of Board of Directors’ Meetings Attended (Attendance Rate)
1	Reelection	Masaki Oga	President and Representative Director	13/13 meetings (100%)
2	Reelection	Yoshitada Matsude	Managing Director	13/13 meetings (100%)
3	Reelection	Rieko Shofu	Director	13/13 meetings (100%)
4	Reelection Outside Independent	Tetsuya Shoji	Outside Director	13/13 meetings (100%)
5	Reelection Outside Independent	Toshihiro Uchiyama	Outside Director	13/13 meetings (100%)
6	Reelection Outside Independent	Makio Tanehashi	Outside Director	10/10 meetings (100%)
7	New candidate Outside Independent	Kotaro Okamura	—	—
8	New candidate Outside Independent	Ryotaro Fujii	—	—

Reelection: Candidate for reelected Director

Outside: Candidate for Outside Director

New candidate: Candidate for newly elected Director

Independent: Candidate for Independent Officer

Notes: 1. Positions at the Company and business responsibilities of the candidates for Director above are as of the beginning of the General Meeting of Shareholders.

2. The number of the Board of Directors’ meetings attended by Mr. Makio Tanehashi represents only the number of the Board of Directors’ meetings held after his appointment on March 30, 2023.

3. The legal name of Ms. Rieko Shofu is “Rieko Fujino;” however, the name she uses for her business is used in this document.

Candidate Number	Name (Date of Birth)	Career Summary, Position and Business Responsibility in the Company (Status of Important Concurrent Occupations or Positions at Other Organizations)
1	 <p data-bbox="327 571 494 604" style="border: 1px solid black; padding: 2px; text-align: center;">Incumbent</p> <p data-bbox="335 638 486 683">Masaki Oga</p> <p data-bbox="311 705 510 772">(December 2, 1958) 65 years old</p> <p data-bbox="319 795 502 907">Number of Shares Held in the Company 27,594 shares</p> <p data-bbox="311 929 510 1075">Number of Board of Directors' meetings attended 13/13 (100%)</p>	<p data-bbox="518 302 1396 336">April 1982 Joined the Company (former Sapporo Breweries Limited)</p> <p data-bbox="518 336 1396 414">October 2006 Director of Tokyo Headquarters Office of Tokyo Metropolitan Area Sales & Marketing Division of Sapporo Breweries Limited (newly established company)</p> <p data-bbox="518 414 1396 481">March 2009 Operating Officer, Director of Hokkaido Sales & Marketing Division of Sapporo Breweries Limited</p> <p data-bbox="518 481 1396 537">March 2010 Director (Member of the Board) and Managing Officer, Director of Marketing Department of Sapporo Breweries Limited</p> <p data-bbox="518 537 1396 627">March 2013 President and Representative Director of Sapporo Breweries Limited Director (Member of the Board) and Group Operating Officer of the Company</p> <p data-bbox="518 627 1396 660">March 2015 Group Operating Officer of the Company</p> <p data-bbox="518 660 1396 694">January 2017 President and Group Operating Officer of the Company</p> <p data-bbox="518 694 1396 728">March 2017 President and Representative Director of the Company (up to the present)</p> <p data-bbox="518 728 1396 761">March 2022 Director of Sapporo Real Estate Co., Ltd. (up to the present)</p> <p data-bbox="518 761 1396 817">Mr. Oga will have served as a Director of the Company for seven (7) years as of the conclusion of this general meeting.</p> <p data-bbox="518 817 1396 851">[Reasons for Presenting Mr. Masaki Oga as a Candidate for Director]</p> <p data-bbox="518 851 1396 1097">After performing as the President and Representative Director of Sapporo Breweries Limited, Mr. Masaki Oga was appointed as the President and Representative Director of the Company in 2017. Since the appointment, he has been steadily conducting group reorganization including corporate governance reform, streamlining of the headquarters organization, M&A and business sell-offs. He has a wealth of experience, a rich track record and great insight as a manager. The Company has determined that he will be the right person to exercise leadership to achieve the Medium-Term Management Plan (2023 to 2026) and to promote the Group's management, and he has thus been presented to the shareholders as a candidate for Director.</p>

Candidate Number	Name (Date of Birth)	Career Summary, Position and Business Responsibility in the Company (Status of Important Concurrent Occupations or Positions at Other Organizations)
2	 <p data-bbox="327 772 486 817" style="border: 1px solid black; padding: 2px; text-align: center;">Incumbent</p> <p data-bbox="343 851 470 918" style="text-align: center;">Yoshitada Matsude</p> <p data-bbox="327 952 494 1019">(January 2, 1966) 58 years old</p> <p data-bbox="319 1041 502 1153">Number of Shares Held in the Company 1,321 shares</p> <p data-bbox="319 1176 502 1310">Number of Board of Directors' meetings attended 13/13 (100%)</p>	<p data-bbox="510 302 1404 336">April 1988 Joined the Company (former Sapporo Breweries Limited)</p> <p data-bbox="510 336 1404 369">September 2010 Director of Accounting & Finance Department of the Company</p> <p data-bbox="510 369 1404 459">March 2011 Director of Accounting & Finance Department of the Company Director (Member of the Board), Director of Group Accounting & Finance Department of Sapporo Group Management Co., Ltd.</p> <p data-bbox="510 459 1404 515">March 2012 Director of Accounting & Finance Department of Sapporo Breweries Limited (newly established company)</p> <p data-bbox="510 515 1404 571">September 2016 Vice President and Representative Director of Miyasaka Brewery Co., Ltd. (currently Shinsyu-ichi Miso Co., Ltd.)</p> <p data-bbox="510 571 1404 604">March 2018 President and Representative Director of Shinsyu-ichi Miso Co., Ltd.</p> <p data-bbox="510 604 1404 694">March 2019 Director of Accounting & Finance Department of the Company Director (Member of the Board), Director of Accounting & Finance Department of Sapporo Group Management Co., Ltd.</p> <p data-bbox="510 694 1404 806">October 2019 Director of Accounting & Finance Department of the Company Director (Member of the Board), Director of Accounting & Finance Department of Sapporo Group Management Co., Ltd. Director and Executive Officer of Sapporo Real Estate Co., Ltd.</p> <p data-bbox="510 806 1404 862">March 2020 Group Operating Officer and Director of Accounting & Finance Department of the Company Director of Accounting & Finance Department of Sapporo Breweries Limited</p> <p data-bbox="510 862 1404 1019">March 2022 Managing Director (Member of the Board) and Director of Accounting & Finance Department of the Company Director (Member of the Board) of Sapporo Breweries Limited</p> <p data-bbox="510 1019 1404 1108">July 2022 Managing Director (Member of the Board) of the Company Director (Member of the Board) of Sapporo Breweries Limited (up to the present)</p> <p data-bbox="510 1108 1404 1176">Mr. Matsude will have served as a Director of the Company for two (2) years as of the conclusion of this general meeting.</p> <p data-bbox="510 1176 1404 1556">[Reasons for Presenting Mr. Yoshitada Matsude as a Candidate for Director] Mr. Yoshitada Matsude has long-standing experience in the accounting & finance department of the Group's alcoholic beverages business, real estate business and headquarters. In addition, as a Director of Sapporo Real Estate Co., Ltd. and President and Representative Director of Shinsyu-ichi Miso Co., Ltd., he has been engaged in initiatives such as planning and management in the real estate business and production and marketing reform in the alcoholic beverages and food product business. Moreover, as an officer in charge of finance of the Company, he has promoted the revision of business portfolio and the establishment of financial strategy by formulating the Medium-Term Management Plan. He has a wealth of experience, a rich track record and great insight regarding accounting & finance and business management. The Company has determined that he will be the right person to exercise leadership to achieve the Medium-Term Management Plan (2023 to 2026) and to promote the Group's management, and he has thus been presented to the shareholders as a candidate for Director.</p>

Candidate Number	Name (Date of Birth)	Career Summary, Position and Business Responsibility in the Company (Status of Important Concurrent Occupations or Positions at Other Organizations)
3	 <p data-bbox="327 790 493 819" style="border: 1px solid black; padding: 2px; text-align: center;">Incumbent</p> <p data-bbox="331 862 488 954">Rieko Shofu [Legal surname: Fujino]</p> <p data-bbox="336 987 483 1043">(July 13, 1967) 56 years old</p> <p data-bbox="320 1077 499 1189">Number of Shares Held in the Company 881 shares</p> <p data-bbox="320 1218 499 1352">Number of Board of Directors' meetings attended 13/13 (100%)</p>	<p data-bbox="515 309 1402 1137"> April 1990 Joined Hakuodo Inc. June 2007 Executive Manager of Corporate Design Department of Hakuodo Inc. August 2011 Corporate Officer and Executive Manager of Hakuodo Consulting Inc. May 2015 President and CEO of Sensing Asia Ltd. (up to the present) April 2016 Deputy Director of Corporate Planning Headquarters and Director of Corporate Planning Department of POKKA SAPPORO Food & Beverage Ltd. March 2017 Director of Corporate Planning Headquarters and Director of Corporate Planning Department of POKKA SAPPORO Food & Beverage Ltd. March 2018 Group CEO of POKKA CORPORATION (SINGAPORE) PTE. LTD. January 2020 Group CEO of POKKA PTE. LTD. July 2020 Director (Member of the Board) and Senior Executive Managing Director of Sapporo Group Foods Ltd. March 2022 Director (Member of the Board) of the Company Director (Member of the Board) of POKKA SAPPORO Food & Beverage Ltd. January 2023 Director (Member of the Board) of the Company Vice President and Representative Director of POKKA SAPPORO Food & Beverage Ltd. President and Representative Director of Sapporo Group Foods Ltd. July 2023 Director (Member of the Board) of the Company Director (Member of the Board) of POKKA SAPPORO Food & Beverage Ltd. President and Representative Director of Sapporo Group Foods Ltd. November 2023 Director (Member of the Board) of the Company Director (Member of the Board) of POKKA SAPPORO Food & Beverage Ltd. (up to the present) </p> <p data-bbox="515 1144 1286 1200"> [Status of Important Concurrent Occupations or Positions at Other Organizations] Outside Director of TORIDOLL Holdings Corporation </p> <p data-bbox="515 1211 1329 1267"> Ms. Shofu will have served as a Director of the Company for two (2) years as of the conclusion of this general meeting. </p> <p data-bbox="515 1279 1402 1599"> [Reasons for Presenting Ms. Rieko Shofu as a Candidate for Director] As a person in charge of the corporate planning department of POKKA SAPPORO Food & Beverage Ltd. and CEO of an overseas subsidiary, Ms. Rieko Shofu has been promoting structure reform and the transformation into growth business especially in the overseas beverage business. She also has abundant experience in marketing and branding strategies outside the Group. In the Company, she has served as an officer in charge of the Corporate Planning Department driving the establishment of the Medium-Term Management Plan (2023 to 2026). She has a wealth of experience, a rich track record and great insight regarding global business management, marketing, and accounting & finance. The Company has determined that she will be the right person to exercise leadership to achieve the Medium-Term Management Plan and to promote the Group's management, and she has thus been presented to the shareholders as a candidate for Director. </p>

Candidate Number	Name (Date of Birth)	Career Summary, Position and Business Responsibility in the Company (Status of Important Concurrent Occupations or Positions at Other Organizations)
4	 <p style="text-align: center;">Incumbent</p> <p>(Candidate for Outside Director/ Independent Officer)</p> <p>Tetsuya Shoji</p> <p>(February 28, 1954) 70 years old</p> <p>Number of Shares Held in the Company 1,318 shares</p> <p>Number of Board of Directors' meetings attended 13/13 (100%)</p>	<p>April 1977 Joined Nippon Telegraph and Telephone Public Corporation</p> <p>June 2006 Senior Vice President, General Manager of the Personnel Department of Nippon Telegraph and Telephone West Corporation</p> <p>June 2009 Senior Vice President Head of General Affairs of Nippon Telegraph and Telephone Corporation</p> <p>June 2012 Senior Executive Vice President Representative Member of the Board of NTT Communications Corporation</p> <p>June 2015 President & CEO Representative Member of the Board of NTT Communications Corporation</p> <p>June 2020 Corporate Advisor of NTT Communications Corporation (up to the present)</p> <p>March 2021 Outside Director (Member of the Board) of the Company (up to the present)</p> <p>[Status of Important Concurrent Occupations or Positions at Other Organizations]</p> <p>Corporate Advisor of NTT Communications Corporation</p> <p>Outside Director of Mitsubishi Logistics Corporation</p> <p>Outside Director of Hitachi Zosen Corporation</p> <p>Outside Director of Japan Tobacco Inc.</p> <p>Mr. Shoji will have served as a Director of the Company for three (3) years as of the conclusion of this general meeting.</p> <p>[Reasons for Presenting Mr. Tetsuya Shoji as a Candidate for Outside Director, and an Outline of Roles He Is Expected to Play]</p> <p>Mr. Tetsuya Shoji has a wealth of experience and a rich track record as a corporate manager. He has extensive insight for planning, human resources and general affairs, global expansion and the promotion of digital transformation (DX) in particular. For the achievement of the Medium-Term Management Plan (2023 to 2026), Mr. Shoji is expected to offer pertinent opinions and advice regarding the important issues of business portfolio streamlining, global expansion and the operational reform through DX from his objective and professional standpoint. The Company has determined that he will be an appropriate person to supervise the management of the Group that is aiming to achieve continuous growth in corporate value, and he has thus been presented to the shareholders as a candidate for Outside Director.</p> <p>[Policy on His Independence]</p> <p>Mr. Tetsuya Shoji was involved in business execution at NTT Communications Corporation until June 2020. Although there currently are transactions between the said company and the subsidiaries of the Company, the amount of such transactions in the most recent business term has been less than 0.2% of either the consolidated revenue of the Company or the consolidated operating revenue of the said company. Accordingly, the Company has determined Mr. Shoji is unlikely to have a conflict of interest with shareholders, in light of the "Standards for Independence of Outside Directors" established by the Company. In addition, the Company has notified each of the Tokyo Stock Exchange and the Sapporo Securities Exchange of his designation as an independent officer, given that he satisfies the applicable criteria of independence as stipulated by the financial instruments exchanges.</p>

Candidate Number	Name (Date of Birth)	Career Summary, Position and Business Responsibility in the Company (Status of Important Concurrent Occupations or Positions at Other Organizations)
5	 <p>Toshihiro Uchiyama (November 28, 1958) 65 years old</p> <p>Incumbent</p> <p>(Candidate for Outside Director/ Independent Officer)</p> <p>Number of Shares Held in the Company 587 shares</p> <p>Number of Board of Directors' meetings attended 13/13 (100%)</p>	<p>April 1981 Joined NSK Ltd.</p> <p>June 2008 Vice President, Deputy Head of Corporate Planning Division HQ of NSK Ltd.</p> <p>June 2009 Vice President, Head of Corporate Planning Division HQ of NSK Ltd.</p> <p>June 2010 Senior Vice President, Responsible for IR & CSR Offices, Head of Corporate Planning Division HQ of NSK Ltd.</p> <p>June 2012 Director, Senior Vice President of NSK Ltd.</p> <p>June 2013 Director, Executive Vice President of NSK Ltd.</p> <p>June 2015 Director, President and CEO of NSK Ltd.</p> <p>June 2017 Director, President and CEO of NSK Ltd. (Position name in Japanese changed with English unchanged)</p> <p>April 2021 Chairman of the Board of Directors of NSK Ltd.</p> <p>March 2022 Outside Director (Member of the Board) of the Company (up to the present)</p> <p>June 2023 Adviser of NSK Ltd. (up to the present)</p> <p>[Status of Important Concurrent Occupations or Positions at Other Organizations] Adviser of NSK Ltd. Outside Director of IHI Corporation</p> <p>Mr. Uchiyama will have served as a Director of the Company for two (2) years as of the conclusion of this general meeting.</p> <p>[Reasons for Presenting Mr. Toshihiro Uchiyama as a Candidate for Outside Director, and an Outline of Roles He Is Expected to Play]</p> <p>Mr. Toshihiro Uchiyama has a wealth of experience and a rich track record as a corporate manager. He has extensive insight for global expansion, compliance and marketing in particular. For the achievement of the Medium-Term Management Plan (2023 to 2026), Mr. Uchiyama is expected to offer pertinent opinions and advice regarding the important issues of global expansion and marketing from his objective and professional standpoint. The Company has determined that he will be an appropriate person to supervise the management of the Group that is aiming to achieve continuous growth in corporate value, and he has thus been presented to the shareholders as a candidate for Outside Director.</p> <p>[Policy on His Independence] Mr. Toshihiro Uchiyama was involved in business execution at NSK Ltd. until March 2021. No transactions have been or are being made between the said company and the Company or the Company's subsidiaries, and the Company has determined Mr. Uchiyama is unlikely to have a conflict of interest with shareholders, in light of the "Standards for Independence of Outside Directors" established by the Company. In addition, the Company has notified each of the Tokyo Stock Exchange and the Sapporo Securities Exchange of his designation as an independent officer, given that he satisfies the applicable criteria of independence as stipulated by the financial instruments exchanges.</p>

Candidate Number	Name (Date of Birth)	Career Summary, Position and Business Responsibility in the Company (Status of Important Concurrent Occupations or Positions at Other Organizations)
6	<div style="text-align: center;">  </div> <div style="text-align: center; border: 1px solid black; padding: 2px; margin: 5px 0;">Incumbent</div> <p>(Candidate for Outside Director/Independent Officer)</p> <p>Makio Tanehashi</p> <p>(March 13, 1957) 67 years old</p> <p>Number of Shares Held in the Company 398 shares</p> <p>Number of Board of Directors' meetings attended 10/10 (100%)</p>	<p>April 1979 Joined The Fuji Bank, Limited</p> <p>June 2011 Deputy President and Executive Officer, Branch Banking Division of Mizuho Bank, Ltd.</p> <p>June 2011 Representative Director, Deputy President and Executive Officer, Branch Banking Division of Mizuho Bank, Ltd.</p> <p>April 2012 Representative Director, Deputy President and Executive Officer, Head of Branch Banking Group of Mizuho Bank, Ltd.</p> <p>March 2013 Representative Director, President & CEO of Tokyo Tatemono Real Estate Sales Co., Ltd.</p> <p>July 2015 Senior Executive Managing Officer and Division Director of Real Estate Solution Service Division of Tokyo Tatemono Co., Ltd.</p> <p>October 2015 Senior Executive Managing Officer, Division Director of Real Estate Solution Service Division, and Division Director of International Business Division of Tokyo Tatemono Co., Ltd.</p> <p>March 2016 Senior Executive Managing Officer, Director and Division Director of Real Estate Solution Service Division, and Division Director of International Business Division of Tokyo Tatemono Co., Ltd.</p> <p>January 2017 Representative Director, Chairman & Executive Officer of Tokyo Tatemono Co., Ltd. Chairman of the Board of Tokyo Tatemono Real Estate Sales Co., Ltd.</p> <p>March 2019 Representative Director, Chairman of the Board of Tokyo Tatemono Co., Ltd. (up to the present)</p> <p>January 2021 Director of Tokyo Tatemono Real Estate Sales Co., Ltd. (up to the present)</p> <p>March 2023 Outside Director (Member of the Board) of the Company (up to the present)</p> <p>[Status of Important Concurrent Occupations or Positions at Other Organizations] Representative Director, Chairman of the Board of Tokyo Tatemono Co., Ltd.</p> <p>Mr. Tanehashi will have served as a Director of the Company for one (1) year as of the conclusion of this general meeting.</p> <p>[Reasons for Presenting Mr. Makio Tanehashi as a Candidate for Outside Director, and an Outline of Roles He Is Expected to Play]</p> <p>Mr. Makio Tanehashi has a wealth of experience and a rich track record as a corporate manager as well as extensive insight for real estate business, finance and compliance. For the achievement of the Medium-Term Management Plan (2023 to 2026), Mr. Tanehashi is expected to offer pertinent opinions and advice regarding the important issues of improvement of asset efficiency in the real estate business based on his abundant management experience in finance and real estate, and from his objective and professional standpoint. The Company has determined that he will be an appropriate person to supervise the management of the Group that is aiming to achieve continuous growth in corporate value, and he has thus been presented to the shareholders as a candidate for Outside Director.</p> <p>[Policy on His Independence]</p> <p>Mr. Makio Tanehashi was involved in business execution at Tokyo Tatemono Co., Ltd. until March 2019. Although there currently are transactions between the said company and the subsidiaries of the Company, the amount of such transactions in the most recent business term has been less than 0.1% of either the consolidated revenue of the Company or the consolidated operating revenue of the said company. Accordingly, the Company has determined Mr. Tanehashi is unlikely to have a conflict of interest with shareholders, in light of the “Standards for Independence of Outside Directors” established by the Company. In addition, the Company has notified each of the Tokyo Stock Exchange and the Sapporo Securities Exchange of his designation as an independent officer, given that he satisfies the applicable criteria of independence as stipulated by the financial instruments exchanges.</p>

Candidate Number	Name (Date of Birth)	Career Summary, Position and Business Responsibility in the Company (Status of Important Concurrent Occupations or Positions at Other Organizations)
7	 <p data-bbox="327 593 494 627">New candidate</p> <p data-bbox="327 660 494 772">(Candidate for Outside Director/Independent Officer)</p> <p data-bbox="351 806 470 873">Kotaro Okamura</p> <p data-bbox="335 907 486 996">(November 11, 1955) 68 years old</p> <p data-bbox="319 1019 502 1131">Number of Shares Held in the Company 0 shares</p>	<p data-bbox="518 302 1396 358">April 1979 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p data-bbox="518 358 1396 414">September 1990 Morgan Trust Bank Ltd. (currently JPMorgan Asset Management (Japan) Limited)</p> <p data-bbox="518 414 1396 448">August 1995 Investment Banking Division of JPMorgan Securities Japan Co., Ltd.</p> <p data-bbox="518 448 1396 504">April 2004 Tokyo Branch Manager and Representative in Japan of JPMorgan Chase Bank, N.A.</p> <p data-bbox="518 504 1396 537">September 2009 Representative Director and President of Thomson Reuters Markets LLC</p> <p data-bbox="518 537 1396 571">September 2012 Adviser of Societe Generale Securities Japan Limited</p> <p data-bbox="518 571 1396 604">July 2019 Senior Advisor of IFM Investors (up to the present)</p> <p data-bbox="518 604 1396 660">[Reasons for Presenting Mr. Kotaro Okamura as a Candidate for Outside Director, and an Outline of Roles He Is Expected to Play]</p> <p data-bbox="518 660 1396 974">Mr. Kotaro Okamura has a wealth of experience and a rich track record in business operations and corporate management through his work at an investment bank and a foreign affiliate. In particular, he has extensive insight in the areas of financial accounting, global expansion, and human resources and human assets. For the achievement of the Medium-Term Management Plan (2023 to 2026), Mr. Okamura is expected to offer pertinent opinions and advice regarding the important issues of capital efficiency improvement, global M&A, and active participation of diverse human assets from his objective and professional standpoint. The Company has determined that he will be an appropriate person to supervise the management of the Group that is aiming to achieve continuous growth in corporate value, and he has thus been presented to the shareholders as a candidate for Outside Director.</p> <p data-bbox="518 974 1396 1008">[Policy on His Independence]</p> <p data-bbox="518 1008 1396 1220">Mr. Kotaro Okamura works as Senior Advisor at IFM Investors. However, no transactions have been or are being made between the said company and the Company or the Company's subsidiaries, and the Company has determined Mr. Okamura is unlikely to have a conflict of interest with shareholders, in light of the "Standards for Independence of Outside Directors" established by the Company. In addition, the Company has notified each of the Tokyo Stock Exchange and the Sapporo Securities Exchange of his designation as an independent officer, given that he satisfies the applicable criteria of independence as stipulated by the financial instruments exchanges.</p>

Candidate Number	Name (Date of Birth)	Career Summary, Position and Business Responsibility in the Company (Status of Important Concurrent Occupations or Positions at Other Organizations)
8	 <p>New candidate</p> <p>(Candidate for Outside Director/ Independent Officer)</p> <p>Ryotaro Fujii (January 30, 1975) 49 years old</p> <p>Number of Shares Held in the Company 0 shares</p>	<p>April 1997 Joined the Ministry of Finance</p> <p>July 2001 Goldman Sachs Japan Co., Ltd.</p> <p>September 2003 Goldman, Sachs & Co. (New York)</p> <p>December 2004 Vice President of Goldman Sachs Japan Co., Ltd.</p> <p>May 2006 Principal of KKR Japan Co., Ltd.</p> <p>January 2008 Director of KKR Capital Markets Co., Ltd.</p> <p>July 2010 Director of Intelligence Co., Ltd. (currently Persol Career Co., Ltd.)</p> <p>January 2011 Director of KKR Japan Co., Ltd.</p> <p>April 2014 Audit and Supervisory Board Member of Panasonic Healthcare Holdings Co., Ltd. (currently PHC Holdings Corporation)</p> <p>July 2015 Representative Director and President of Permira Advisers LLP</p> <p>August 2015 Director of Sushiro Global Holdings Inc. (currently FOOD & LIFE COMPANIES LTD.)</p> <p>June 2016 Director of John Masters Organics Group, Inc.</p> <p>January 2018 Japan Representative Partner of Permira Advisers LLP</p> <p>January 2023 Senior Adviser of Permira Advisers LLP (up to the present)</p> <p>[Reasons for Presenting Mr. Ryotaro Fujii as a Candidate for Outside Director, and an Outline of Roles He Is Expected to Play]</p> <p>Mr. Ryotaro Fujii has a wealth of experience and a rich track record at private equity funds, in addition to extensive insight in the areas of financial accounting, global expansion, and marketing. For the achievement of the Medium-Term Management Plan (2023 to 2026), Mr. Fujii is expected to offer pertinent opinions and advice regarding the formulation of growth strategies for such important issues as the improvement of capital efficiency, structural reform and global M&A from his objective and professional standpoint. The Company has determined that he will be an appropriate person to supervise the management of the Group that is aiming to achieve continuous growth in corporate value, and he has thus been presented to the shareholders as a candidate for Outside Director.</p> <p>[Policy on His Independence]</p> <p>Mr. Ryotaro Fujii works as Senior Adviser of Permira Advisers LLP, but there is no business relationship. Mr. Fujii was contracted by the Company to provide his services as an external expert member of the Company's "Sapporo Group Strategy Review Committee" from September 2023 to January 2024. At the committee, he provided his views and suggestions from a professional standpoint, as well as neutral and objective perspectives, fulfilling the role that was different to that of an internal committee member. As the annual amount of remuneration paid to Mr. Fujii as a member of the aforementioned committee was not more than five million yen, the Company has determined Mr. Fujii is unlikely to have a conflict of interest with shareholders, in light of the "Standards for Independence of Outside Directors" established by the Company. In addition, the Company has notified each of the Tokyo Stock Exchange and the Sapporo Securities Exchange of his designation as an independent officer, given that he satisfies the applicable criteria of independence as stipulated by the financial instruments exchanges.</p>

Notes:

- Each candidate has no special interest in the Company.
- The number of shares held in the Company is the effective number of shares held, including shares held through Sapporo Group's Officer Stock Ownership Plan and Sapporo Group's Employee Stock Ownership Plan.
- The Company has entered into limited liability contracts, as stipulated in Article 427, Paragraph 1 of the Companies Act, with Mr. Tetsuya Shoji, Mr. Toshihiro Uchiyama and Mr. Makio Tanehashi. Should the reelection of the said three (3) persons be approved, the Company intends to continue the said contracts. In addition, should the election of Mr. Kotaro Okamura and Mr. Ryotaro Fujii be approved, the Company also intends to enter into a limited liability contract of a similar kind with them. The amount of limit of liability which is stipulated in these contracts is to be the minimum liability amount which is stipulated in Article 425, Paragraph 1 of the Companies Act.
- The Company has entered into indemnity contracts, as stipulated in Article 430-2, Paragraph 1 of the Companies Act, with Mr. Masaki Oga, Mr. Yoshitada Matsude, Ms. Rieko Shofu, Mr. Tetsuya Shoji, Mr. Toshihiro Uchiyama and Mr. Makio Tanehashi. Should the reelection of the said six (6) persons be approved, the Company intends to continue the said contracts. In addition, should the election of Mr. Kotaro Okamura and Mr. Ryotaro Fujii be approved, the Company also intends to enter into an indemnity contract of a similar kind with them. The outline of the indemnity contracts is that the Company will provide compensation for the expenses set forth in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the losses set forth in Item 2 of the said Paragraph within the range stipulated by laws and regulations.
- The Company has taken out directors and officers liability insurance (D&O insurance), as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with all Directors as the insured. If each candidate is elected and appointed to the position of Director, each candidate will be included as the insured under this insurance policy. The Company intends to renew the said insurance policy on April 1, 2024. The outline of the insurance policy is that the insurance company will cover the liability borne by the insured Directors in the course of

performance of their duties or for their liability arising from claims in pursuit of that liability, and the insurance policy will be renewed every year.
However, the insurance policy does include certain exemption clauses, such as that no compensation will be made for liability attributable to acts in violation of laws or regulations that were carried out with full knowledge of their illegality.

Proposal No. 3 – Election of Three (3) Directors Who Are Audit & Supervisory Committee Members

At the conclusion of this general meeting, the terms of office of all three (3) Directors who are Audit & Supervisory Committee Members (including two (2) Outside Directors) will expire.

The Company therefore proposes the election of three (3) Directors who are Audit & Supervisory Committee Members (including two (2) Outside Directors).

The Company has obtained the approval of the Audit & Supervisory Committee of the Company for submitting this proposal to this general meeting.

The candidates for Director who is an Audit & Supervisory Committee Member are as follows:

Candidate Number	Candidate Attribute	Name	Position and Business Responsibility in the Company	Number of Board of Directors' Meetings Attended (Attendance Rate)	Number of Audit & Supervisory Committee Meetings Attended (Attendance Rate)
1	New candidate	Toru Miyaishi	—	—	—
2	Reelection Outside Independent	Kohtaro Yamamoto	Outside Director who is an Audit & Supervisory Committee Member	13/13 meetings (100%)	17/17 meetings (100%)
3	New candidate Outside Independent	Naoko Tanouchi	—	—	—

Reelection: Candidate for reelection as a Director who is an Audit & Supervisory Committee Member

New candidate: Candidate for new election as a Director who is an Audit & Supervisory Committee Member

Outside: Candidate for Outside Director Independent: Candidate for Independent Officer

Note: The positions and business responsibilities in the Company of the above candidates for Director are as of the beginning of the General Meeting of Shareholders.

Candidate Number	Name (Date of Birth)	Career Summary, Position and Business Responsibility in the Company (Status of Important Concurrent Occupations or Positions at Other Organizations)
1	 <p data-bbox="325 748 501 779">New candidate</p> <p data-bbox="325 815 501 846">Toru Miyaishi</p> <p data-bbox="325 882 501 940">(October 14, 1963) 60 years old</p> <p data-bbox="325 972 501 1075">Number of Shares Held in the Company 5,116 shares</p>	<p data-bbox="517 304 1407 333">April 1986 Joined the Company (former Sapporo Breweries Limited)</p> <p data-bbox="517 338 1407 389">January 2008 Director (Member of the Board) and Executive Officer, Director of Marketing Department of Sapporo Beverage Co., Ltd.</p> <p data-bbox="517 394 1407 448">September 2011 Director (Member of the Board) and Executive Officer, Director of Corporate Planning Department of Sapporo Beverage Co., Ltd.</p> <p data-bbox="517 452 1407 506">March 2012 Director of Human Resources and General Affairs Department of Sapporo Breweries Limited (newly established company)</p> <p data-bbox="517 510 1407 564">March 2013 Director of Corporate Planning Department of Sapporo Breweries Limited</p> <p data-bbox="517 568 1407 622">March 2016 Director (Member of the Board) and Executive Officer, Director of Marketing Department of Sapporo Breweries Limited</p> <p data-bbox="517 627 1407 680">March 2017 Director (Member of the Board) and Managing Officer, Director of Marketing Department of Sapporo Breweries Limited</p> <p data-bbox="517 685 1407 739">March 2019 Director (Member of the Board) and Executive Officer of Sapporo Breweries Limited</p> <p data-bbox="517 743 1407 797">January 2023 Director (Member of the Board) and Managing Executive Officer of POKKA SAPPORO Food & Beverage Ltd.</p> <p data-bbox="517 801 1407 855">Director (Member of the Board) and Senior Executive Managing Director of Sapporo Group Foods Ltd.</p> <p data-bbox="517 860 1407 913">November 2023 Director (Member of the Board) and Managing Executive Officer of POKKA SAPPORO Food & Beverage Ltd.</p> <p data-bbox="517 918 1407 972">President and Representative Director of Sapporo Group Foods Ltd. (up to the present)</p> <p data-bbox="517 976 1407 1030">[Reasons for Presenting Mr. Toru Miyaishi as a Candidate for Director Who Is an Audit & Supervisory Committee Member]</p> <p data-bbox="517 1034 1407 1314">Mr. Toru Miyaishi has long term experience in marketing, human resources and corporate planning, and has been engaged in structural reforms, formulation of the human assets strategy, etc. in the Alcoholic Beverages and Food & Soft Drinks businesses of the Group. He has served consecutively as Director (Member of the Board) at Sapporo Breweries Limited and as Director (Member of the Board) and Managing Executive Officer at POKKA SAPPORO Food & Beverage Ltd., and has a wealth of experience, track records and insight. The Company has determined that he will be able to audit and supervise the performance of duties by Directors of the Company from an objective and fair perspective, and he has thus been presented to the shareholders as a candidate for Director who is an Audit & Supervisory Committee Member.</p>

Candidate Number	Name (Date of Birth)	Career Summary, Position and Business Responsibility in the Company (Status of Important Concurrent Occupations or Positions at Other Organizations)
2	 <p data-bbox="320 568 501 607">Incumbent</p> <p data-bbox="320 636 501 741">(Candidate for Outside Director/Independent Officer)</p> <p data-bbox="320 770 501 846">Kohtaro Yamamoto</p> <p data-bbox="320 875 501 936">(October 19, 1955) 68 years old</p> <p data-bbox="320 965 501 1077">Number of Shares Held in the Company 1,935 shares</p> <p data-bbox="320 1106 501 1240">Number of Board of Directors' meetings attended 13/13 (100%)</p> <p data-bbox="320 1270 501 1458">Number of Audit & Supervisory Committee meetings attended 17/17 (100%)</p>	<p data-bbox="515 306 1406 367">April 1985 Registered as a lawyer (Daiichi Tokyo Bar Association) Joined Yamashita & Oshima Law Offices</p> <p data-bbox="515 367 1406 396">September 1991 Registered as a lawyer in the State of New York</p> <p data-bbox="515 396 1406 456">January 1994 Established YAMAMOTO Law Office (currently YAMAMOTO & SHIBASAKI Law Offices) (up to the present)</p> <p data-bbox="515 456 1406 486">April 2012 Vice-President of Daiichi Tokyo Bar Association</p> <p data-bbox="515 486 1406 546">March 2020 Outside Director (Member of the Board) who is an Audit & Supervisory Committee Member of the Company (up to the present)</p> <p data-bbox="515 546 1406 607">[Status of Important Concurrent Occupations or Positions at Other Organizations] Representative Lawyer of YAMAMOTO & SHIBASAKI Law Offices</p> <p data-bbox="515 607 1406 680">Mr. Yamamoto will have served as a Director of the Company for four (4) years as of the conclusion of this general meeting.</p> <p data-bbox="515 680 1406 763">[Reasons for Presenting Mr. Kohtaro Yamamoto as a Candidate for Outside Director Who Is an Audit & Supervisory Committee Member, and an Outline of Roles He Is Expected to Play]</p> <p data-bbox="515 763 1406 965">Although Mr. Kohtaro Yamamoto has no experience in directly managing a company, he is expected to audit and supervise the performance of duties by Directors of the Company from an objective and fair perspective based on his extensive knowledge and experience as a lawyer with expertise in the field of corporate law specializing in the Companies Act, Antimonopoly Act, international contracts, etc., and he has thus been presented to the shareholders as a candidate for Outside Director who is an Audit & Supervisory Committee Member.</p> <p data-bbox="515 965 1406 994">[Policy on His Independence]</p> <p data-bbox="515 994 1406 1218">Mr. Kohtaro Yamamoto is currently a lawyer of YAMAMOTO & SHIBASAKI Law Offices. No transactions have been or are being made between the said law offices and the Company or the Company's subsidiaries, and the Company has determined Mr. Yamamoto is unlikely to have a conflict of interest with shareholders, in light of the "Standards for Independence of Outside Directors" established by the Company. In addition, the Company has notified each of the Tokyo Stock Exchange and the Sapporo Securities Exchange of his designation as an independent officer, given that he satisfies the applicable criteria of independence as stipulated by financial instruments exchanges.</p>

Candidate Number	Name (Date of Birth)	Career Summary, Position and Business Responsibility in the Company (Status of Important Concurrent Occupations or Positions at Other Organizations)
3	 <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">New candidate</div> <p>(Candidate for Outside Director/ Independent Officer)</p> <p>Naoko Tanouchi</p> <p>(May 19, 1965) 58 years old</p> <p>Number of Shares Held in the Company 0 shares</p>	<p>April 1989 Joined Ajinomoto Co., Inc.</p> <p>September 1999 McKinsey & Company</p> <p>January 2002 Ajinomoto Co., Inc.</p> <p>July 2009 Associate General Manager of AminoScience Business Development Department of Ajinomoto Co., Inc.</p> <p>July 2011 Associate General Manager of Corporate Planning Department of Ajinomoto Co., Inc.</p> <p>July 2016 Associate General Manager of Internal Auditing Department of Ajinomoto Co., Inc.</p> <p>June 2019 Corporate Auditor of Ajinomoto Animal Nutrition Group, Inc.</p> <p>April 2021 Visiting Professor of Kobe University Graduate School (up to the present)</p> <p>January 2022 Outside Director of SHOEI FOODS CORPORATION (up to the present)</p> <p>[Status of Important Concurrent Occupations or Positions at Other Organizations] Outside Director of SHOEI FOODS CORPORATION</p> <p>[Reasons for Presenting Ms. Naoko Tanouchi as a Candidate for Outside Director Who Is an Audit & Supervisory Committee Member, and an Outline of Roles She Is Expected to Play]</p> <p>Ms. Naoko Tanouchi has a wealth of experience, abundant track records and extensive insight, including her involvement in M&A at a leading food manufacture, corporate planning, internal auditing, and her work as a company auditor. She is expected to audit and supervise the performance of duties by Directors of the Company from an objective and fair perspective based on her experience as a company auditor and an outside director as well as her experience in the fields of corporate planning and internal auditing. She has thus been presented to the shareholders as a candidate for Outside Director who is an Audit & Supervisory Committee Member.</p> <p>[Policy on Her Independence]</p> <p>Ms. Naoko Tanouchi serves as an Outside Director of SHOEI FOODS CORPORATION. Although there currently are transactions between the said company and the subsidiaries of the Company, the amount of the transactions in the most recent business term has been less than 0.1% of either the consolidated revenue of the Company or the consolidated operating revenue of the said company. Accordingly, the Company has determined Ms. Tanouchi is unlikely to have a conflict of interest with shareholders, in light of the “Standards for Independence of Outside Directors” established by the Company. In addition, the Company has notified each of the Tokyo Stock Exchange and the Sapporo Securities Exchange of her designation as an independent officer, given that she satisfies the applicable criteria of independence as stipulated by financial instruments exchanges.</p>

Notes:

- Each candidate has no special interest in the Company.
- The number of shares held in the Company is the effective number of shares held, including shares held through Sapporo Group’s Officer Stock Ownership Plan and Sapporo Group’s Employee Stock Ownership Plan.
- The Company has entered into a limited liability contract, as stipulated in Article 427, Paragraph 1 of the Companies Act, with Mr. Kohtaro Yamamoto. Should the reelection of him be approved, the Company intends to continue the said contract. In addition, should the election of Mr. Toru Miyaishi and Ms. Naoko Tanouchi be approved, the Company also intends to enter into limited liability contracts of a similar kind with them. The amount of limit of liability which is stipulated in these contracts is to be the minimum liability amount which is stipulated in Article 425, Paragraph 1 of the Companies Act.
- The Company has entered into an indemnity contract, as stipulated in Article 430-2, Paragraph 1 of the Companies Act, with Mr. Kohtaro Yamamoto. Should the reelection of him be approved, the Company intends to continue the said contract. In addition, should the election of Mr. Toru Miyaishi and Ms. Naoko Tanouchi be approved, the Company also intends to enter into indemnity contracts of a similar kind with them. The outline of the indemnity contracts is that the Company will provide compensation for the expenses set forth in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the losses set forth in Item 2 of the said Paragraph within the range stipulated by laws and regulations.
- The Company has taken out directors and officers liability insurance (D&O insurance), as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with all Directors who are Audit & Supervisory Committee Members as the insured. If each candidate is elected and appointed to the position of Director who is an Audit & Supervisory Committee Member, each candidate will be included as the insured under this insurance policy. The Company intends to renew the said insurance policy on April 1, 2024.
The outline of the insurance policy is that the insurance company will cover the liability borne by the insured Directors in the course of performance of their duties or for their liability arising from claims in pursuit of that liability, and the insurance policy will be renewed every year.
However, the insurance policy does include certain exemption clauses, such as that no compensation will be made for liability attributable to acts in violation of laws or regulations that were carried out with full knowledge of their illegality.

(Reference) Skills Matrix for the Candidates for Director

With the Medium-Term Management Plan (2023 to 2026), the Company defined the basic policy to revise our business portfolio and transform the business structure for new growth. We are aiming to contribute to the well-being of people and local communities through the time and space where all our businesses provide. For the steady promotion of the Medium-Term Management Plan and further strengthening of the supervisory function to achieve our goals, we have classified the knowledge, experience and abilities required for the Board of Directors into eight categories.

Regarding the skills of each candidate for Director, for clearer disclosure of the diversity of the Company's Directors and the efficacy of the Board of Directors, we show those particularly expected by the Company with the maximum number limited to four categories.

Corporate management	For the realization of the Group's management philosophy, we need Directors who have sufficient experience and track records as managers enough order to supervise profitability improvement through business structure transformation, such as the revision of our business portfolio based on the Medium-Term Management Plan.
Financial accounting	For financial policy planning for sustainable growth in corporate value supported by the establishment of a strong financial foundation base, investment for growth with capital control, and the provision of stable shareholder returns, we need Directors who have knowledge and experience in accounting and finance.
Legal compliance Risk management	For the sustainable growth of the Group, we need Directors who have knowledge and experience in laws and corporate governance in order to improve the effectiveness of business execution based on laws, compliance, corporate governance, and risk management.
Human resources Human assets *	For the maximization of the value of human assets, which constitute as an important management base, we need Directors who have knowledge and experience in the management of diverse human assets in order to achieve our human assets strategy that accelerates the promotion of strategies and build an organization to which each employee can contribute while demonstrating their individuality.
Global operation	For the development of overseas business, which is the core of the growth strategy set forth in the Medium-Term Management Plan, we need Directors who have knowledge and experience in overseas business in order to make business decisions based on an understanding of foreign cultures, foreign market trends, country risks, etc.
Marketing	For the promotion and supervision of business utilizing our assets such as our brand, we need Directors who have experience in improving profitability and implementing a growth strategy with brand strategy, market creation, customer value development, etc., and have knowledge and experience in research and development, production engineering and consumer goods market that enables such way of manufacturing.
DX & IT	For "New Growth Through Business Structure Transformation" described in the Medium-Term Management Plan, we need Directors who have knowledge and experience in DX and IT in order to realize "Increase of customer touch points," "Expansion of existing and new businesses," and "Workstyle reforms" as set forth in our DX policy.
Sustainability	For ensuring both the Group's sustainable growth and CSR compliance, we need Directors who have knowledge and experience in sustainability in order to address top priority issues such as the "Realization of a decarbonized society" and "Mutual prosperity with local communities" based on the Sustainability Policy.

* The Group uses the term "human assets" (using the Chinese characters "人財," which mean "human" and "assets") to represent human resources and disseminates our belief that all employees are a company's treasure.

Name	Independence	Knowledge and experience of each director							
		Corporate management	Financial accounting	Legal compliance Risk management	Human resources Human assets	Global operation	Marketing	DX & IT	Sustainability
Masaki Oga		○		○			○		○
Yoshitada Matsude		○	○		○				○
Rieko Shofu		○	○			○	○		
Tetsuya Shoji (Outside)	○	○			○	○		○	
Toshihiro Uchiyama (Outside)	○	○		○		○	○		
Makio Tanehashi (Outside)	○	○	○	○					○
Kotaro Okamura (Outside)	○	○	○		○	○			
Ryotaro Fujii (Outside)	○	○	○			○	○		
Toru Miyaishi		○			○		○	○	
Kohtaro Yamamoto (Outside)	○			○		○			○
Naoko Tanouchi (Outside)	○		○	○		○	○		

Notes:

1. The above information is applicable to the case where all the candidates are elected at this General Meeting of Shareholders.
2. The matrix is intended to clarify the balance of skills of the Board of Directors and focuses on the skills particularly expected by the Company among those possessed by each candidate for Director. It does not represent all the skills (knowledge, experience, and capabilities) possessed by each candidate.
3. Mr. Toru Miyaishi, Mr. Kohtaro Yamamoto and Ms. Naoko Tanouchi are Directors who are concurrently serving as Audit & Supervisory Committee Members.

Proposal No. 4 – Election of One (1) Substitute Director Who Is an Audit & Supervisory Committee Member

The effect of the election of Mr. Takanori Iizuka as a substitute Director who is an Audit & Supervisory Committee Member approved at the 99th Ordinary General Meeting of Shareholders held on March 30, 2023, continues only until the commencement of this general meeting. As a precaution against situations in which the number of Directors who are Audit & Supervisory Committee Members falls short of the number provided for in laws and regulations, the Company, again, proposes the election of one (1) substitute Director who is an Audit & Supervisory Committee Member.

The Company has obtained the approval of the Audit & Supervisory Committee for submitting this proposal to this general meeting.

The candidate for substitute Director who is an Audit & Supervisory Committee Member is as follows:

Name (Date of Birth)	Career Summary, Position, and Status of Important Concurrent Occupations or Positions at Other Organizations
<p>(Candidate for Substitute Outside Director Who Is an Audit & Supervisory Committee Member)</p> <p>Takanori Iizuka</p> <p>(June 1, 1966) 57 years old</p> <p>Number of Shares Held in the Company 0 shares</p>	<p>April 1996 Registered as a lawyer (Daiichi Tokyo Bar Association) Worked for Harada, Ozaki & Hattori Law Office (currently Ozaki Law Office)</p> <p>April 2009 Iizuka & Partners Law Office (up to the present)</p> <p>October 2009 Seconded to Enterprise Turnaround Initiative Corporation of Japan (currently Regional Economy Vitalization Corporation of Japan)</p> <p>January 2020 Outside Audit & Supervisory Board Member of the Company</p> <p>[Status of Important Concurrent Occupations or Positions at Other Organizations] Attorney-at-law of Iizuka & Partners Law Office Outside Director (Audit and Supervisory Committee Member) of SE Holdings and Incubations Co., Ltd. Intermediary Committee Member of Nuclear Damage Compensation Dispute Resolution Center Outside Director of HOSHI IRYO-SANKI CO, LTD.</p> <p>[Reasons for Presenting Mr. Takanori Iizuka as a Candidate for Substitute Outside Director Who Is an Audit & Supervisory Committee Member, and an Outline of Roles He Is Expected to Play] Although Mr. Takanori Iizuka has no experience in directly managing a company, he is expected to audit and supervise the performance of duties by Directors of the Company from an objective and fair perspective based on his wealth of knowledge and experience as a lawyer with expertise in the field of corporate law, having engaged in efforts involving community revitalization and business rehabilitation support during his eight years at the Enterprise Turnaround Initiative Corporation of Japan (currently, Regional Economy Vitalization Corporation of Japan). Accordingly, he has been presented to the shareholders as a candidate for substitute Outside Director who is an Audit & Supervisory Committee Member.</p> <p>[Policy on His Independence] Mr. Takanori Iizuka satisfies the “Standards for Independence of Outside Directors” established by the Company. Should Mr. Iizuka be appointed to the position of Director who is an Audit & Supervisory Committee Member, the Company intends to designate him as an independent officer as provided for by the rules of the Tokyo Stock Exchange and the Sapporo Securities Exchange, and notify the said exchanges of such designation.</p>

Notes:

- The candidate has no special interest in the Company.
- Should Mr. Takanori Iizuka assume the position of Director who is an Audit & Supervisory Committee Member, the Company intends to enter into a limited liability contract, as stipulated in Article 427, Paragraph 1 of the Companies Act, with him. The amount of limit of liability which is stipulated in these contracts is to be the minimum liability amount which is stipulated in Article 425, Paragraph 1 of the Companies Act.
- Should Mr. Takanori Iizuka assume the position of Director who is an Audit & Supervisory Committee Member, the Company intends to enter into an indemnity contract, as stipulated in Article 430-2, Paragraph 1 of the Companies Act, with him. The outline of the

indemnity contracts is that the Company will provide compensation for the expenses set forth in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the losses set forth in Item 2 of the said Paragraph within the range stipulated by laws and regulations.

4. The Company has taken out directors and officers liability insurance (D&O insurance), as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with all Directors who are Audit & Supervisory Committee Members as the insured. Should Mr. Takanori Iizuka assume the position of Director who is an Audit & Supervisory Committee Member, he will be included as the insured under this insurance policy. The Company intends to renew the said insurance policy on April 1, 2024.

The outline of the insurance policy is that the insurance company will cover the liability borne by the insured Directors in the course of performance of their duties or for their liability arising from claims in pursuit of that liability, and the insurance policy will be renewed every year.

However, the insurance policy does include certain exemption clauses, such as that no compensation will be made for liability attributable to acts in violation of laws or regulations that were carried out with full knowledge of their illegality.

Proposal No. 5 – Revision of Amount of Remuneration for Directors (Excluding Directors who are Audit & Supervisory Committee Members)

The amount of annual remuneration for Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members) is “500 million yen or less (this amount includes annual remuneration for Outside Directors capped at 50 million yen, and excludes employee salary of Director-employees, etc.),” which was approved at the 96th Ordinary General Meeting of Shareholders held on March 27, 2020, and has been the same.

With the aim of improving corporate governance, the Company increased the number of Outside Directors by one (1) at the 99th Ordinary General Meeting of Shareholders held on March 30, 2023, and has presented for a resolution regarding the increase of the number of Outside Directors by one (1) in Proposal No. 2 “Election of Eight (8) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)” at this General Meeting of Shareholders. In addition, giving consideration to the recent expansion of roles expected of Outside Directors, the Company proposes the revision of the amount of annual remuneration for Outside Directors to be 100 million yen or less, while the total amount of annual remuneration for Directors remains the current 500 million yen or less. The amount of remuneration for Directors continues not to include employee salary of Director-employees, etc.

This proposal has been approved by the Board of Directors after consultation with the Compensation Committee, which is composed of all Independent Outside Directors (excluding Directors who are Audit & Supervisory Committee Members), all Directors who are Audit & Supervisory Committee Members, and the President and Representative Director, and whose Chairperson is elected from among the Independent Outside Directors, giving comprehensive consideration to the Company’s business scale, the Directors’ remuneration system and remuneration levels, the current number of Directors, prospects for the future situation, etc., and we consider the content of this proposal is appropriate.

The Company’s policy on determination of details of remuneration for each Director, etc., is as specified in “Officers of the Company (5) Remuneration for Directors, etc. (a) Policy on Determination of Details of Remuneration for Officers, etc.” of the Business Report.

The current number of Directors (excluding Directors who are Audit & Supervisory Committee Members) is eight (8) (including four (4) Outside Directors). If Proposal No. 2 “Election of Eight (8) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)” is approved as proposed, the number of Directors (excluding Directors who are Audit & Supervisory Committee Members) will be eight (8) (including five (5) Outside Directors).

Concerning this proposal, the Company’s Audit and Supervisory Committee has expressed its opinion that the remuneration amount for Directors (excluding Directors who are Audit and Supervisory Committee Members) was examined by the Remuneration Committee, which includes Directors who are Audit and Supervisory Committee Members as its members, based on the Company’s “Policy on Determination of Details of Remuneration for Officers, etc.,” at the Remuneration Committee and the calculation method of remuneration, remuneration level, including the total amount, etc. determined by the Remuneration Committee were reasonable.

Reference Judgment on Independence

The Company established the Standards for Independence of Outside Directors in the Basic Policy on Corporate Governance as described below.

Standards for Independence of Outside Directors

1. In order for the Outside Directors of the Company to be Outside Directors who are independent (“Independent Officers”), any such Outside Directors shall satisfy the applicable standards of independence specified by the financial instruments exchanges and, no such Outside Directors may fall under any of the following Items (1) through (3).
 - (1) A person who currently is or during the past ten years was an executive officer (*gyomu shikkou sha*) of the Company or its consolidated subsidiaries (collectively, “Group”) (*1).
 - (2) A person who currently falls under or during the past three years has fallen under any of the following sub-items (i) through (viii).
 - (i) A person having the Group as a major business partner, or its executive officer (*gyomu shikkou sha*) (*2);
 - (ii) A major business partner of the Group or its executive officer (*gyomu shikkou sha*) (*3);
 - (iii) A consultant, accounting professional, or legal professional who has obtained from the Group large sums of money or other property other than officer remuneration, etc. (if a person who has obtained such properties is a corporation, association, or other group, this means a person who belongs to such group) (*4);
 - (iv) A major shareholder of the Group (if such major shareholder is a corporation, an executive officer (*gyomu shikkou sha*) of such corporation) (*5);
 - (v) In the case where the executive officer (*gyomu shikkou sha*) of the Company holds the office of Outside Directors or Outside Audit & Supervisory Board Members of another company, an executive officer (*gyomu shikkou sha*) of such other company;
 - (vi) A person who has received large donations from the Group or a Director or other executive officer (*gyomu shikkou sha*) of a group that received such donations (*6);
 - (vii) A member, partner, or employee of the audit corporation that is the accounting auditor for the Group; and
 - (viii) A major lender of the Group or its executive officer (*gyomu shikkou sha*) (*7)
 - (3) A spouse or a relative in the second degree or closer of any person listed in Item (1) or Item (2) above (excluding any unimportant person).
2. An Independent Officer of the Company must be an Outside Director with respect to whom there is no likelihood of a constant and substantial conflict of interests arising with the entire general shareholders of the Company for any reason other than the reasons considered in Items (1) through (3) of Paragraph 1 above.
3. An Outside Director who falls under any of Items (1) through (3) of Paragraph 1 above may nonetheless be appointed as an Independent Officer of the Company, if the Company considers such Outside Director to be appropriate as an Independent Officer in light of such Outside Director’s personality and insight etc., on the condition that such Outside Director satisfy the applicable standards of independence specified by the financial instruments exchanges and that a public explanation be given of the reasons why we consider such Outside Director to be appropriate as an Independent Officer of the Company.

Notes:

- *1. For any person who was a non-executive Director, an Accounting Advisor (if the Accounting Advisor is a juridical person; a member who is to execute its duties) or an Audit & Supervisory Board Member of the Group at any time over the last ten years, the ten-year period prior to assumption of such office.

“Executive officer (*gyomu shikkou sha*)” means a person stipulated in Article 2, Paragraph 3, Item 6 of the enforcement regulations of the Companies Act.

- *2. “Person having the Group as a major business partner” means a person who has received from the Group payment of an amount equivalent to 2% or more of its annual consolidated sales (annual consolidated revenue) in the most recent fiscal year.
- *3. “Major business partner of the Group” means a person who in the most recent fiscal year made payment to the Group payment of an amount equivalent to 2% or more of the Company’s annual consolidated revenue.
- *4. “Consultant, accounting professional, or legal professional who has obtained from the Group large sums of money or other property other than officer remuneration, etc.” means a person who in the most recent fiscal year obtained, other than officers remuneration, etc., money or property in an amount or value equivalent to 2% of annual consolidated sales (annual consolidated revenue) or ten million yen, whichever is higher, or a member, partner, associate or employee of any law firm, auditing corporation, tax accountant corporation, consulting firm, or other professional advisory firm that received from the Group payment of an amount equivalent to 2% or more of that firm’s annual total sales in the most recent fiscal year.
- *5. “Major shareholder of the Group” means a person or a corporation who directly or indirectly holds 10% or more of the total voting rights of a company within the Group.
- *6. “Large donation” means a donation that is made in the most recent fiscal year, the amount of which is not less than the higher of (i) ten million yen or (ii) 30% of the average annual expenses for the relevant group.
- *7. “Major lender of the Group” means any financial institution or other major creditor that is essential for the Company’s fund-raising, upon which the Company relies to such extent that such lender is not replaceable.

Business Report

(From January 1, 2023 to December 31, 2023)

1. Review of Sapporo Group Operations

(1) Operations and Operating Results

Sapporo Group's perspective, economic activities returned to normal levels in 2023 as a lifestyle that coexists with the coronavirus became prevalent among people both in Japan and overseas and the effects of COVID-19 subsided.

On the other hand, the outlook was still uncertain, with concerns about consumers becoming more cautious with their spending due to the increase of price arising from factors such as the situation in Ukraine, the depreciation of the Japanese yen, and surging prices of raw materials and energy.

In this context, Sapporo Group conducted structural reforms in the first year of the Medium-Term Management Plan (2023 to 2026) and intensified efforts to implement our growth strategy, producing steady results.

The overall consolidated revenue increased year on year because of the steady recovery of the commercial market in the Alcoholic Beverages business, and Stone Brewing Co., LLC ("STONE"), which became our consolidated subsidiary at the end of August 2022 and joined Sapporo Group, made a full-year contribution, etc., despite a decrease in revenue from the Food & Soft Drinks business resulting from the transfer of the Cafe business in April 2022, which was conducted in order to shift the management resources to growth areas, and from the year-long liquidation of a vending machine operating subsidiary in November 2022, etc.

The consolidated operating profits increased year on year due to the effects of increased revenue from the domestic Alcoholic Beverages business, structural reforms in the Restaurant business and the domestic Food & Soft Drinks business, etc.

(2) Issues to be Addressed by the Group

(i) Management philosophy and value provided

Sapporo Group has established its management philosophy of "As an intrinsic part of people's lives, Sapporo will contribute to the evolution of creative, enriching and rewarding lifestyles" and its fundamental management policy of "striving to maintain integrity in corporate conduct that reinforces stakeholder trust and aim to achieve continuous growth in corporate value."

[Our Value]

Through the Time and Space where all our businesses provide, we contribute to Well-being of People and Local Communities

Utilizing the assets of "Highly Unique Brands" and "Engaging with customers and communities," Sapporo Group has created a unique brand experience in 2 domains: "time" and "space."

With the essence of "richness" that changes with the times, we will contribute to the "richness" of nature, society, and the spirit that will lead to tomorrow.

(ii) Medium-Term Management Plan (2023 to 2026)

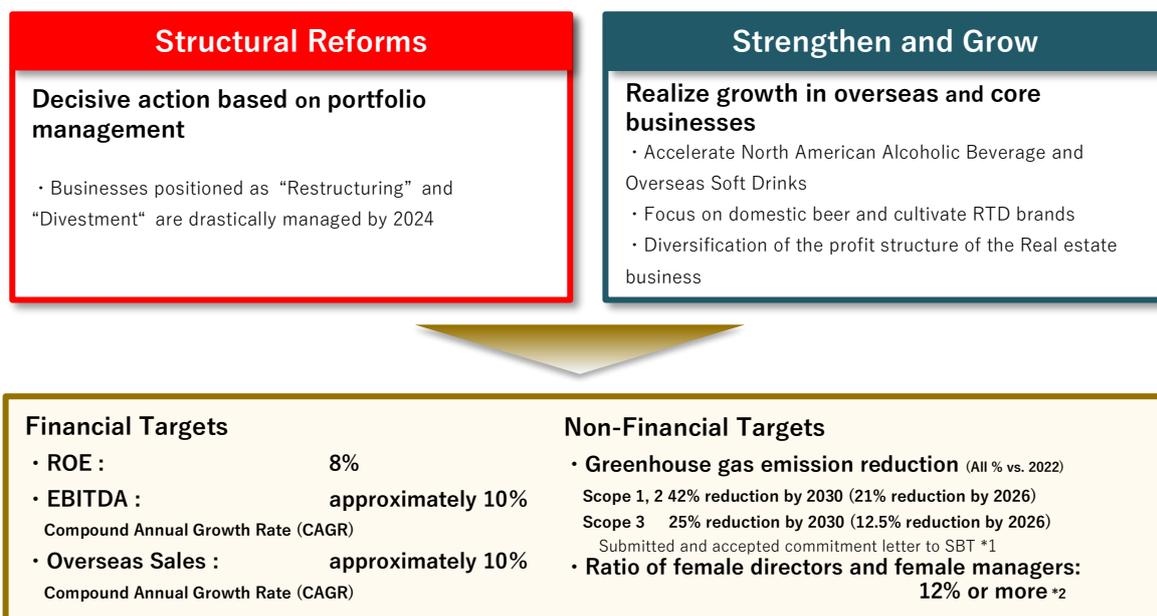
Since its foundation in 1876, the Company has constantly innovated and delivered products and services that have enriched customers’ lives. In 2026, the Company will mark its 150th anniversary.

In order to keep demonstrating its exclusive value to society beyond 150 years, we have developed and been promoting a management plan for the four (4) year period from 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.

For details please refer to the following website: https://www.sapporoholdings.jp/en/news/items/20221109_sh_en_2.pdf

<Essentials of Medium-Term Management Plan (2023 to 2026)>

<Basic Policy> Beyond150 - New Growth Through Business Structure Transformation -



*1 SBT (Science Based Targets) The greenhouse gas emission reduction target set by a company consistent with the level required by the Paris Agreement.
 *2 Results at the end of September 2022: 8.3% for female directors and 5.4% for female managers

(iii) Promotion of sustainability management

Under “Sapporo Group Sustainability Policy,” Sapporo Group set the sustainability material issues based on the pillars of “Harmony with the environment,” “Co-prosperity with Society” and “Success of Human Assets,” in response to changes in the social situation and business environment surrounding our group. In particular, Sapporo Group positioned “Realization of a Decarbonized Society,” “Mutual Prosperity with Local Communities” and “Active Participation of Diverse Human Assets” as the top priority management issues. Sapporo Group has set new targets for each of the nine sustainability material issues that lie at the heart of initiatives and promote initiatives while monitoring the progress toward the achievement of said targets.

In addition, Sapporo Group agrees with the recommendations put forth by the Task Force on Climate-related Financial Disclosures, which encourage companies to evaluate and manage risks and opportunities associated with climate change and to disclose related information, and is therefore actively promoting such information disclosure.

Drawing from partnerships between employees of Sapporo Group and its stakeholders around the world, we are working to realize a sustainable society by creating both social and economic value.

For details, please refer to the website: <https://www.sapporoholdings.jp/sustainability/>

(iv) Human assets strategy

In order to realize the basic policy of the “Medium-Term Management Plan (2023 to 2026),” “Beyond150 - New Growth Through Business Structure Transformation -,” Sapporo Group has positioned its human assets strategy as a pillar of its management platform, under the slogan, “Leveraging diversity to create a go beyond Boundaries, challenging positive change.” As for the human assets strategy, Sapporo Group has identified “actively investing for speedy growth,” “fostering management talent,” “promoting diversity,” “agile utilization of human resources internally and externally,” and “increasing engagement and promoting health” as priority measures, and ensures support for the execution of management strategies through more specific action plans and KPIs.

For the detail, please refer to the website: <https://www.sapporoholdings.jp/sustainability/human/> (in Japanese)

(v) Promotion of DX

We have been promoting the development and contribution provided by DX and IT human assets inside the Group, based on the “Sapporo Group DX Policy” announced in March 2022. Sapporo Group has been carrying out training programs for each segment in order to develop the DX talents of all employees and make them “DX human assets.” Sapporo Group has been also utilizing digital technologies in various ways, such as adopting AI in demand forecasting and product development, and will continue to actively utilize digital technologies.

[Sapporo Group DX Policy (Overview)]

Policy (1) Increase Customer Contact Points: Become connected with, deepen understanding of, and stay at the side of customers

Policy (2) Expand Existing and New Businesses: Create customer-centered and well-thought-out new value and strengthen earning power

Policy (3) Workstyle Reforms: Make our jobs more comfortable and enjoyable, with work we can take pride in, so that we can continue growing along with every stakeholder associated with Sapporo Group

For the detail, please refer to the website: <https://www.sapporoholdings.jp/news/dit/?id=8912> (in Japanese)

(vi) Financial strategy

Under the theme “Focus on Sustainable Growth and Capital Efficiency,” the Company will enhance capital efficiency by strengthening profitability through structural reform and business growth, as well as review of assets and the business portfolio, and will ensure the improvement of corporate value.

With respect to financial soundness, the Company, in principle, will maintain its current credit rating levels. With respect to investments, the Company will promote growth by prioritizing investments overseas while maintaining a balance with operating cash flow and promote sustainability-related investments as well. In addition, the Company will flexibly respond to growth investment opportunities, including M&A, to the extent the Company can maintain its current credit rating levels.

The Company regards the return of profits to shareholders as an important management policy, and the Company takes the basic policy of paying stable dividends in consideration of its business performance and financial condition. As for the level of dividends going forward, the Company will make efforts to improve the level of dividends, toward a consolidated dividend payout ratio of greater than or equal to 30% in principle, setting the current ratio as a minimum, while enhancing its corporate value. In the event that profit for the year fluctuates significantly due to temporary losses related to special factors or recording of profits, the dividend amount may be determined taking into account the impact of such fluctuations.

(vii) Issues to be addressed in the principal business lines of Sapporo Group

Alcoholic Beverages Business	<p>[Domestic]</p> <ul style="list-style-type: none">● Reinforce beer categories by making a concentrated investment in Black Label and Yebisu products● Build a flexible production structure and improve profitability by enhancing the ratio of the in-house RTD production● Promote our own unique and story-based beer marketing<ul style="list-style-type: none">- Black Label: Gain more enthusiastic fans by adopting a unique customer contact strategy- YEBISU: Open “YEBISU BREWERY TOKYO” to provide a one and only beer experience and strengthen our brand power by renewing advertisements and launching new product lines- RTD: Propose new attractive aspects in respect of “Alcoholic Beverages” by strengthening product development capabilities and creating a new market <p>[Overseas]</p> <ul style="list-style-type: none">● U.S.: Start local production of “SAPPORO PREMIUM BEER” by utilizing the bases of STONE, which became our subsidiary in 2022, and strengthen our brand power by investing in marketing● Canada: Improve profitability by promoting cost structure reforms <p>[Restaurants]</p> <ul style="list-style-type: none">● Strengthen our existing businesses by utilizing customer surveys, application data, etc. to improve “customer experience”● Operate YEBISU BAR, etc. as a focused business with a high return on investment to establish a solid revenue base● Strengthen the function as a base to promote the attractiveness of our brand in the Alcoholic Beverages business
Food & Soft Drinks Business	<p>[Domestic Food & Soft Drinks]</p> <ul style="list-style-type: none">● Decide when and how to complete our structural reforms and overcome the low-profit structure● Accelerate our initiatives to concentrate resources in our growing lemon business● Review our business structure thoroughly to boost the profitability of our soup and soft drinks businesses <p>[Overseas Soft Drinks]</p> <ul style="list-style-type: none">● Maintain the high share we acquired in Singapore and further increase such share by launching new products● Achieve growth by strengthening our sales structure in Malaysia● Promote the concentration and streamlining of logistics, office and R&D capabilities through the operation of POKKA LOGISTIC HUB

Real Estate Business

[Real Estate]

- Enhance the value of the property in the Ebisu and Sapporo areas and promote community development
 - Enhance the value of the property in Yebisu Garden Place
 - Promote initiatives to redevelop Sapporo Garden Park
 - Open Hotel Sosei Sapporo MGallery and conduct stable operations
 - Strengthen relationships with local communities through community development
- Improve asset efficiency through investment management business

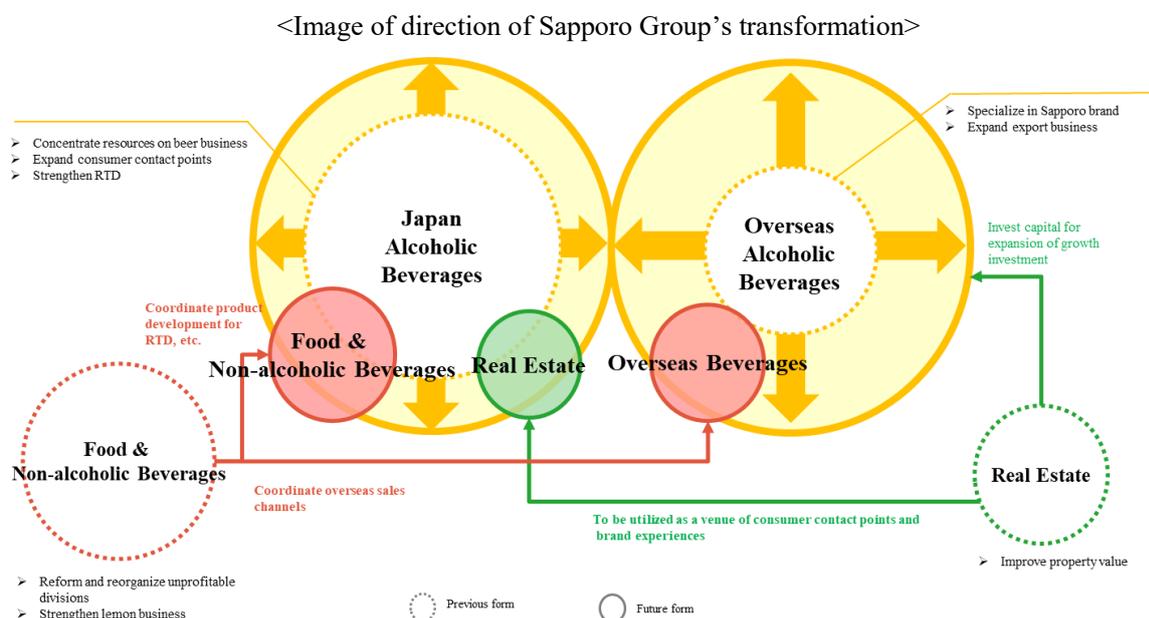
(viii) Medium to Long Term Management Policies for Increasing Group-wide Corporate Value

The Company received various comments from the capital markets after the announcement of Sapporo Group’s “Medium-Term Management Plan (2023 to 2026)” (November 2022) through various channels, including IR and SR activities. In September 2023, the Company established a Group Strategy Committee (the “Committee”), which includes outside experts, and added multifaceted and objective perspectives, including that of third-party advisors, to discuss the management policies for increasing corporate value over the medium to long term that lies ahead of the current medium-term management plan.

The Company recently resolved at a meeting of the Board of Directors in February 2024 to set the “Medium to Long Term Management Policies for Increasing Group-wide Corporate Value,” taking the Committee’s advice into account. A summary of the policies is as follows.

- In order to improve its corporate value in the medium to long term, the Company will further concentrate its management resources to focus on beer businesses with competitive advantages and businesses in which synergies with those competitive businesses can be created. The Company refines its market-creation capabilities in alcoholic beverages, which has been the Company’s DNA since its foundation, then grows to a global scale, creating rich consumer-experiences and increases its capital profitability.
- The Company considers improvement in capital efficiency to be a key challenge and aims to achieve ROE of 10% or higher. The Company will also adopt ROIC as an internal indicator in order to thoroughly conduct strict criteria of business continuity based on business-specific WACC and business monitoring using a ROIC tree. In addition, while elevating its financial stability by utilizing external equity, the Company will accelerate efforts to reduce cross shareholdings to improve the flexibility of growth investments in the alcoholic beverages business.

The Company will consider the above-mentioned issues in detail and disclose more specific details of its efforts at a later date.



For details, please visit our website at https://www.sapporoholdings.jp/en/news/items/20230214_ml_en_2.pdf.

Consolidated Statement of Financial Position

(As of December 31, 2023)

(Million Yen)

Item	100th business term (As of December 31, 2023)	(Reference) 99th business term (As of December 31, 2022)	Item	100th business term (As of December 31, 2023)	(Reference) 99th business term (As of December 31, 2022)
[Assets]			[Liabilities]		
Current assets	176,353	179,431	Current liabilities	191,204	219,515
Cash and cash equivalents	17,204	15,380	Trade and other payables	38,717	35,730
Trade and other receivables	98,023	96,593	Bonds and borrowings	39,672	86,524
Inventories	47,575	47,525	Lease liabilities	3,645	3,825
Other financial assets	4,393	8,454	Income taxes payable	5,919	890
Other current assets	7,589	11,479	Other financial liabilities	37,158	32,999
Subtotal	174,785	179,431	Provisions	8,504	7,485
Assets held for sale	1,568	-	Other current liabilities	57,589	52,060
Non-current assets	487,220	459,687	Non-current liabilities	289,121	252,402
Property, plant and equipment	145,687	129,102	Bonds and borrowings	182,930	155,369
Investment property	211,164	209,628	Lease liabilities	19,377	17,478
Goodwill	35,124	33,783	Other financial liabilities	58,252	51,859
Intangible assets	6,993	9,328	Retirement benefit liability	3,412	3,471
Investments accounted for using equity method	1,359	1,370	Provisions	2,422	1,941
Other financial assets	79,400	68,616	Other non-current liabilities	897	278
Retirement benefit asset	1,266	1,353	Deferred tax liabilities	21,831	22,007
Other non-current assets	3,366	3,938	Total liabilities	480,325	471,917
Deferred tax assets	2,863	2,569	[Equity]		
			Share capital	53,887	53,887
			Capital surplus	40,754	40,645
			Treasury shares	(1,783)	(1,785)
			Retained earnings	50,828	43,392
			Other components of equity	38,630	30,171
			Total equity attributable to owners of parent	182,315	166,310
			Non-controlling interests	933	891
			Total equity	183,248	167,201
Total assets	663,573	639,118	Total liabilities and equity	663,573	639,118

Consolidated Statement of Profit or Loss

(From January 1, 2023 to December 31, 2023)

(Million Yen)

Item	100th business term (From January 1, 2023 to December 31, 2023)	(Reference) 99th business term (From January 1, 2022 to December 31, 2022)
Revenue	518,632	478,422
Cost of sales	361,793	339,180
Gross profit	156,839	139,243
Selling, general and administrative expenses	141,206	129,931
Other operating income	6,406	3,992
Other operating expenses	10,219	3,198
Operating profit	11,820	10,106
Finance income	3,361	3,044
Finance costs	3,107	1,891
Share of profit of investments accounted for using equity method	69	108
Profit before tax	12,144	11,367
Income taxes	3,386	5,852
Profit	8,758	5,515
Profit attributable to		
Owners of parent	8,724	5,450
Non-controlling interests	33	65
Profit	8,758	5,515

Consolidated Statement of Changes in Equity

(From January 1, 2023 to December 31, 2023)

(Million Yen)

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity				
					Exchange differences on translation of foreign operations	Effective portion of net change in fair value of cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total
Balance as of January 1, 2023	53,887	40,645	(1,785)	43,392	4,714	10	25,446	–	30,171
Profit				8,724					–
Other comprehensive income					4,172	(7)	6,353	(71)	10,447
Comprehensive income	–	–	–	8,724	4,172	(7)	6,353	(71)	10,447
Purchase of treasury shares			(7)						–
Disposal of treasury shares		0	8						–
Dividends				(3,277)					–
Share-based payment transactions		109							–
Transfer to retained earnings				1,988	–	–	(2,059)	71	(1,988)
Total transactions with owners	–	109	2	(1,289)	–	–	(2,059)	71	(1,988)
Balance as of December 31, 2023	53,887	40,754	(1,783)	50,828	8,886	3	29,740	–	38,630

	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of January 1, 2023	166,310	891	167,201
Profit	8,724	33	8,758
Other comprehensive income	10,447	23	10,470
Comprehensive income	19,172	56	19,228
Purchase of treasury shares	(7)	–	(7)
Disposal of treasury shares	8	–	8
Dividends	(3,277)	(15)	(3,292)
Share-based payment transactions	109	–	109
Transfer to retained earnings	–	–	–
Total transactions with owners	(3,167)	(15)	(3,181)
Balance as of December 31, 2023	182,315	933	183,248

Non-Consolidated Balance Sheet

(As of December 31, 2023)

(Million Yen)

Item	100th business term (As of December 31, 2023)	(Reference) 99th business term (As of December 31, 2022)	Item	100th business term (As of December 31, 2023)	(Reference) 99th business term (As of December 31, 2022)
[Assets]			[Liabilities]		
Current assets	186,243	74,958	Current liabilities	50,300	86,902
Cash and deposits	3,451	2,974	Short-term borrowings	11,599	17,150
Trade accounts receivable	832	748	Current portion of bonds	-	10,000
Advance payments to suppliers	1	1	Current portion of long-term borrowings	17,370	21,500
Prepaid expenses	1	2	Commercial papers	15,000	32,000
Accounts receivable - other	3,634	5,515	Accounts payable - other	1,822	2,454
Short-term loans receivable	178,319	65,714	Accrued expenses	184	116
Other	5	5	Income taxes payable	63	19
			Accrued consumption taxes	95	24
			Deposits received	4,081	3,589
			Provision for bonuses	85	50
Non-current assets	212,854	321,134	Non-current liabilities	185,550	157,827
Property, plant and equipment	28	32	Bonds payable	60,000	40,000
Buildings	27	31	Long-term borrowings	123,300	115,670
Machinery and equipment	0	0	Provision for share awards for directors (and other officers)	280	141
Tools, furniture and fixtures	1	1	Deferred tax liabilities	1,925	1,974
Intangible assets	198	151	Asset retirement obligations	9	9
Software	198	151	Other	35	32
Investments and other assets	212,629	320,951	Total liabilities	235,850	244,728
Investment securities	4,669	5,128	[Net Assets]		
Shares of subsidiaries and associates	123,494	123,494	Shareholders' equity	161,672	149,851
Long-term loans receivable	82,130	190,374	Share capital	53,887	53,887
Long-term prepaid expenses	2	3	Capital surplus	46,724	46,724
Prepaid pension costs	3,634	3,530	Legal capital surplus	46,544	46,544
Other	438	372	Other capital surplus	180	180
Allowance for doubtful accounts	(1,738)	(1,950)	Retained earnings	62,845	51,026
			Legal retained earnings	6,754	6,754
			Other retained earnings	56,091	44,272
			General reserve	16,339	16,339
			Retained earnings brought forward	39,752	27,933
			Treasury shares	(1,783)	(1,785)
			Valuation and translation adjustments	1,575	1,513
			Valuation difference on available-for-sale securities	1,575	1,513
			Total net assets	163,247	151,364
Total assets	399,097	396,092	Total liabilities and net assets	399,097	396,092

Non-Consolidated Statement of Income

(From January 1, 2023 to December 31, 2023)

(Million Yen)

Item	100th business term (From January 1, 2023 to December 31, 2023)	(Reference) 99th business term (From January 1, 2022 to December 31, 2022)
Operating revenue	22,766	18,822
Managing revenue from operating companies	7,957	6,826
Dividend income from subsidiaries and associates	14,267	11,433
Other	542	563
Operating expenses	8,048	7,099
General and administrative expenses	8,048	7,099
Operating profit	14,718	11,723
Non-operating income	1,285	1,105
Interest and dividend income	1,057	896
Reversal of allowance for doubtful accounts	212	175
Other revenue	17	34
Non-operating expenses	1,496	738
Interest expenses	999	585
Commission expenses	50	136
Foreign exchange losses	355	-
Other expenses	93	18
Ordinary profit	14,507	12,090
Extraordinary income	880	215
Gain on sale of investment securities	880	215
Extraordinary losses	7	57
Loss on valuation of investment securities	-	57
Other	7	0
Profit before income taxes	15,381	12,248
Income taxes - current	270	(126)
Income taxes - deferred	15	330
Profit	15,097	12,045

Non-Consolidated Statement of Changes in Equity

(From January 1, 2023 to December 31, 2023)

(Million Yen)

	Shareholders' equity									
	Share capital	Capital surplus			Legal retained earnings	Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus		General reserve	Retained earnings brought forward	Total retained earnings		
Balance as of January 1, 2023	53,887	46,544	180	46,724	6,754	16,339	27,933	51,026	(1,785)	149,851
Changes during period										
Dividends of surplus							(3,277)	(3,277)		(3,277)
Profit							15,097	15,097		15,097
Purchase of treasury shares									(7)	(7)
Disposal of treasury shares			0	0					8	8
Net changes in items other than shareholders' equity										
Total changes during period	-	-	0	0	-	-	11,819	11,819	2	11,821
Balance as of December 31, 2023	53,887	46,544	180	46,724	6,754	16,339	39,752	62,845	(1,783)	161,672

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance as of January 1, 2023	1,513	1,513	151,364
Changes during period			
Dividends of surplus			(3,277)
Profit			15,097
Purchase of treasury shares			(7)
Disposal of treasury shares			8
Net changes in items other than shareholders' equity	62	62	62
Total changes during period	62	62	11,883
Balance as of December 31, 2023	1,575	1,575	163,247