



[Translation]

December 22, 2021

Company Name	Sapporo Holdings Limited
Representative	Masaki Oga President and Representative Director
Stock Code	2501
Listed on	Tokyo Stock Exchange Sapporo Securities Exchange
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Notice of the Posting of Other Operating Expenses Regarding the Partial
Removal of Existing Facilities by a Consolidated Subsidiary
and its Capital Investment

Sapporo Holdings Limited (the “Company”) hereby announces that the Company, at its Board of Directors meeting held today, passed a resolution regarding partial removal of existing facilities at the Sendai Plant (location: Natori City, Miyagi Prefecture) of Sapporo Breweries, Ltd. (the “Sapporo Breweries”), a consolidated subsidiary of the Company, and its capital investment in manufacturing facilities for RTD(*) at the same site.

* Abbreviation of “Ready to Drink.” Alcoholic beverages such as Can chu-hi, which are packaged and ready for immediate consumption upon purchase.

1. Objectives of the Capital Investment

Sapporo Breweries has decided to invest in manufacturing facilities for RTD at the Sendai Plant and to partially remove existing facilities in connection with the investment, with the aim of responding to further demand growth in the growing RTD market.

2. Overview of the Capital Investment and the Partial Removal of Existing Facilities

(1) Capital Investment in Manufacturing Facilities for RTD

- ① Overview of the Capital Investment: Manufacturing facilities for RTD and ancillary facilities
- ② Investment Amount: Approx. 3.6 billion yen

③ Schedule: Construction in 2022 and 2023. Scheduled to start operation in October 2023

(2) Partial Removal of Existing Facilities

① Overview: Removal of manufacturing facilities for Beer taste alcoholic beverages (beer and new-genre beer).

② Removal and related costs: Approx. 3.7 billion yen

③ Schedule: Stop production of barrel products in August 2022 and can products in December 2022.

※The Sendai Plant of Pokka Sapporo Food & Beverage Co., Ltd. will continue its operations.

3. Future Outlook

Of the approximately 3.7 billion for expenses related to the partial removal of existing facilities, approximately 1.5 billion (roughly estimated) is to be posted as other operating expenses for the Company's fourth quarter of the fiscal year ending December 31, 2021. These expenses have been incorporated, to a certain extent, into the consolidated forecasts for the fiscal year ending December 31, 2021. The capital investment in manufacturing facilities for RTD has no impact on the consolidated results for the fiscal year ending December 31, 2021.

The Company will duly disclose the impact on its results for the next and subsequent fiscal years, as necessary.

4. Others

Please also refer to Sapporo Breweries' news release announced today.

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