



[Translation]

May 13, 2025

Company Name	Sapporo Holdings Limited
Representative	Hiroshi Tokimatsu President and Representative Director
Stock Code	2501
Listed on	Tokyo Stock Exchange (Prime Market) Sapporo Securities Exchange
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Notice Concerning the Disposition of Treasury Stock through Third-Party Allotment in Connection with the Additional Contribution to Stock Benefit Trust (BBT)

Sapporo Holdings Limited (the "Company") hereby announces that the Company, at its Board of Directors' meeting held today, resolved a policy to dispose of its treasury stock by way of third-party allotment ("Disposition of Treasury Stock") in connection with the additional contribution to a performance-linked stock compensation plan "Board Benefit Trust, or BBT" (the "BBT Plan") (the trust established based on the trust agreement executed by and between the Company and Mizuho Trust & Banking Co., Ltd., in connection with the BBT Plan is hereinafter referred to as the "Trust") as described below.

1. Outline of Disposition

(1)	Date of disposition	Thursday, May 29, 2025
(2)	Type and number of shares to be disposed	6,000 common shares
(3)	Price of disposition	8,004 yen per share
(4)	Total amount of disposition	48,024,000 yen
(5)	Scheduled subscribers	Three Directors of the Company (excluding Directors who are members of the Audit & Supervisory Committee and Outside Directors) 1,385 shares Two Group Managing Officers 923 shares Eight Directors of certain subsidiaries of the Company (excluding Outside Directors) 3,692 shares (Notes 1 and 2)

(Note 1) The formal recipient of the Disposition of Treasury Stock is Custody Bank of Japan, Ltd. (Trust Account E). Custody Bank of Japan, Ltd. (Trust Account E) is a trust account established based on a trust agreement executed by and between the Company and Mizuho Trust & Banking Co., Ltd. (the "Trust Agreement") with the Company as the trustor and Mizuho Trust & Banking Co., Ltd. as the trustee (and Custody Bank of Japan, Ltd. as the re-trust trustee). Meanwhile, the Disposition of Treasury Stock is intended to provide benefits to Directors, etc., under the BBT Plan, and is substantially the same as the case where shares are allocated to Directors of the Company (excluding Directors who are members of the Audit & Supervisory Committee), Group Managing Officers, and Directors of certain subsidiaries of the Company (excluding Outside Directors) in compensation for services rendered to the Company. Therefore, Directors, etc., are recorded as scheduled subscribers.

(Note 2) Directors, etc., are granted points determined by their position and achievement of performance under the BBT Plan, and when they acquire the right to receive benefits under certain conditions, they are granted shares of the Company's stock, etc., equivalent to the points granted.

2. Purpose and Reason for the Disposition

Based on the resolution of the 92nd Ordinary General Meeting of Shareholders held on March 30, 2016, the Company introduced the BBT Plan to provide Directors, etc., with shares of the Company and to raise their awareness of the need to improve business performance and increase corporate value over the medium to long term. Subsequently, following the approval to set a remuneration framework received at the 96th Ordinary General Meeting of Shareholders held on March 27, 2020, the Company made a partial revision to the BBT Plan at its Board of Directors' meeting on February 14, 2024 and has continued to operate the plan. (For the summary of the BBT Plan, please refer to the "Notice Concerning the Introduction of a Board Benefit Trust" dated February 10, 2016, the "Notice Concerning the Introduction (Determination of Details) of a Board Benefit Trust (BBT)" dated May 10, 2016 and the "Notice Concerning Partial Revision of the Board Benefit Trust Plan" dated February 14, 2024.)

The Company has decided to make an additional monetary contribution to the Trust (the "Additional Trust") in order for the Trust to acquire the shares expected to be required for future benefits in the continuation of the BBT Plan, and to execute the Disposition of Treasury Stock to the Trust Account E established at Japan Custody Bank, Ltd. in order to acquire and dispose of the Company's shares in operating the BBT Plan. As stated in (Note 1) of 1. (5) above, such disposition is substantially the same as the case where shares of the Company are allotted to Directors, etc., as compensation for services rendered.

The number of shares to be disposed of corresponds to the number of shares expected to be provided to Directors, etc., during the trust period (for the fiscal year ended December 31, 2024) in accordance with the Corporate Officer Share-based Payment Regulations, and represents 0.01% of the total number of shares issued as of December 31, 2024 (78,794,298 shares) (0.01% of the total number of voting rights as of December 31, 2024 of 777,497 (all rounded to the second decimal place)). In light of the purpose of the BBT Plan described in the "Notice Concerning the Introduction of a Board Benefit Trust" dated February 10, 2016, the "Notice Concerning the Introduction (Determination of Details) of a Board Benefit Trust (BBT)" dated May 10, 2016 and the "Notice Concerning Partial Revision of the Board Benefit Trust Plan" dated February 14, 2024, the size of dilution is considered reasonable.

*Outline of Additional Trust

Date of additional trust: May 29, 2025

Amount of additional trust: 48,024,000 yen

Type of shares to be acquired: common shares of the Company

Number of shares to be acquired: 6,000 shares

Date of share acquisition: May 29, 2025

Method of share acquisition: Acquisition by way of underwriting the Disposition of Treasury Stock

3. Basis and specifics of the calculation of the price of disposition

The price of disposition has been set at 8,004 yen per share (rounded down to the nearest whole yen), which is the average closing price of the Company's shares on the Tokyo Stock Exchange for the most recent one (1) month until the business day immediately prior to the day on which the resolution for the Disposition of Treasury Stock was passed at the Board of Directors' meeting (from April 14, 2025 through May 12, 2025).

The reason why the Company has selected the average closing price of the Company's shares for the most recent one (1) month until just before the date of the resolution of the Board of Directors' meeting is that the Company believes it reasonable to determine the price of disposition as an average for a certain period immediately prior to the resolution date rather than to determine the price at a specific date prior to the resolution, because it can eliminate temporary stock price fluctuations or other special factors and, thus, such disposition price is highly objective and reasonable as a reliable calculation base. In addition, the reason why the Company has determined the most recent one (1) month as the calculation period is that the Company believes it is more reasonable to adopt a certain period, the average of which is closest to the most recent market price, than to adopt the most recent three (3) or six (6) months.

The price of disposition (8,004 yen) represents the amount obtained by multiplying the closing price (7,959 yen) of the Company's shares as of the business day immediately prior to the date of the resolution of the Board of Directors' meeting by 100.57%. It is the amount obtained by multiplying the closing price (7,783 yen) (rounded down to the nearest whole yen) of the Company's shares for the three (3)-month period immediately prior to the date of resolution of the Board of Directors' meeting by 102.84%, and is the amount obtained by multiplying the closing price (7,872 yen) (rounded down to the nearest whole yen) of the Company's shares for the six (6)-month period immediately prior to the date of resolution of the Board of Directors' meeting by 101.68%. As a result of considering the above-stated matters, the Company believes that the price of disposition in the Disposition of Treasury Stock is not especially favorable to the subscriber, but is reasonable.

In addition, the Audit & Supervisory Committee has expressed that the price of disposition is not especially favorable to the subscriber.

4. Matters related to Procedures under the Code of Business Conduct

Given that (1) the dilution ratio is less than 25% and (2) the disposition does not involve a change in the

controlling shareholder, the Disposition of Treasury Stock does not require the Company to obtain an opinion from an independent third party or to confirm the intent of shareholders as stipulated in Rule 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc.

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