



November 26, 2024

Company name: MEGMILK SNOW BRAND Co., Ltd.  
Representative: Masatoshi Sato, Representative Director  
and President  
(Stock code: 2270, TSE Prime Market/SSE)  
Contact: Masanori Sagara, General Manager  
Public Relations & Investor Relations  
Department  
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### Capital Increase of Vietnam Subsidiary

MEGMILK SNOW BRAND Co., Ltd. (the “Company”) hereby announces that, at a meeting of its Board of Directors held on November 26, 2024, a resolution was passed to increase the capital of its subsidiary in Vietnam, the establishment of which was announced on May 14, 2024, in line with expanding its site area and upgrading ancillary facilities.

The Company also announces that, as a result of the capital increase, the subsidiary’s capital will be equivalent to 10/100 or more of the Company’s capital, and the subsidiary will fall under the category of a specified subsidiary of the Company.

#### 1. Purpose of Establishment of the Vietnam Subsidiary

One of the strategies outlined in the Group’s Medium-term Management Plan 2025 is to enhance overseas development, with a specific focus on Asia (Southeast Asia, East Asia and Oceania). The Group aims to promote business development in this area.

Of the strategically important areas, the cheese market in Vietnam is particularly expanding, due to population growth, economic growth and the increasing number of middle-income consumers driving food consumption. The market is expected to continue to grow.

The Company aims to expand its business in the Vietnam market, which is expected to grow, by establishing a processed cheese production and sales base in Vietnam, leveraging the development capabilities, technology and expertise it has accumulated, capturing demand and creating new demand.

#### 2. Overview of the Subject Company and Outline of the Capital Increase

(1) Name of subsidiary	MEGMILK SNOW BRAND VIETNAM CO., LTD
(2) Address	Lot C8a-1, C8a-2, C8b-3, Doc 1 line of Phu An Thanh Industrial Park, An Thanh Commune, Ben Luc District, Long An Province, Vietnam
(3) Title and name of the representative	General Director Takuya Yamauchi
(4) Business description	Production and sale of processed cheese

(5)	Capital before capital increase	265.0 billion Vietnamese dong	
(6)	Date of establishment	September 24, 2024	
(7)	Major shareholders and shareholding ratio	MEGMILK SNOW BRAND Co., Ltd. (holding a 100% stake)	
(8)	Relationship between the listed company and the subject company	Capital relationship	MEGMILK SNOW BRAND Co., Ltd. (holding a 100% stake)
		Personal relationship	The Company's employee concurrently serves as the representative of the subject company
		Business relationship	The subject company plans to enter into a trademark license agreement with the Company
(9)	Date of decision	November 26, 2024	
(10)	Date of business commencement	TBD	
(11)	Capital increase amount	85.0 billion Vietnamese dong	
(12)	Scheduled date of capital increase	During 2025 (planned)	
(13)	Capital after capital increase	350.0 billion Vietnamese dong	
(14)	Ownership after capital increase	MEGMILK SNOW BRAND Co., Ltd. (holding a 100% stake)	

### 3. Impact on financial results

The Company does not expect this transaction to have any impact on its consolidated financial results for the fiscal year ending March 2025.

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