



November 14, 2025

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## Notice Regarding Discontinuation of Production at Okoppe Plant

MEGMILK SNOW BRAND Co., Ltd. (the "Company"; Representative Director and President: Masatoshi Sato) hereby announces that it has determined to discontinue production at its Okoppe Plant (Okoppe-cho, Mombetsu-gun, Hokkaido) as of November 14, 2025. The details are as below.

### 1. Background and reasons

The Okoppe Plant was established as a milk collection center in 1930, and began powdered milk production in September 1949 and condensed milk production in February 1979. Although the Company stopped powdered milk production in 2007, it continues to produce condensed milk for home and commercial use using high-quality Hokkaido raw milk. However, the aging of buildings and manufacturing facilities will make it difficult to continue production in the future, so the Company has been studying future production systems.

As a result, the Company has decided to discontinue production at the Okoppe Plant and continue the condensed milk business by outsourcing production. The Company will continue to accelerate the evolution of its production structure based on its new business plan, Next Design 2030.

### 2. Overview of Okoppe Plant

Item	Details
Location	853 Okoppe, Okoppe-cho, Mombetsu-gun, Hokkaido
Number of employees	63
Site area	24,341 m <sup>2</sup>
Building area	8,869 m <sup>2</sup>
Production items	Sweetened condensed milk, Concentrated milk

### 3. End of production

End of March 2027 (scheduled)

### 4. Impact on earnings results

In connection with the decision to discontinue production, the Company has recorded an extraordinary loss (impairment loss) of 2.1 billion yen in its Consolidated Financial Results for the Six Months Ended September 30, 2025. For details, please refer to the Consolidated Financial Results for the Six Months

Ended September 30, 2025 (Prepared pursuant to Japanese GAAP) announced today.

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