

## Meiji Establishes Ice Cream Production Base in China

### Responding to Expansion of Chinese Ice Cream Market

Meiji Co., Ltd. (President and Representative Director: Katsunari Matsuda), hereinafter referred to as "Meiji," announces that with the goal of responding to the expansion of the ice cream business in China and establishing a sustainable growth foundation in overseas markets, it has decided to increase its capital in Meiji Seika Food Industry (Shanghai) Co., Ltd. through Meiji China Investment Co., Ltd., a wholly owned subsidiary of Meiji, and establish an ice cream production base.

It is to be noted that the amount of capital increase will be 650 million yuan (approximately 10.3 billion yen\*), and production is planned to commence in FY2023.

\* 1 yuan equates to 15.9 yen (as of November 11, 2020).

#### 1. Goal of Establishing Production Base

Under "Meiji Group 2026 Vision," Meiji aims to realize the medium- and long-term improvement of corporate value, and sets forth "establishing a growth foundation in overseas markets" as a key strategy. In the 2020 Medium-Term Business Plan, for which FY2020 is the final year, China in particular is positioned as a focus area among overseas markets.

In terms of Chinese businesses, Meiji is expanding its milk and yogurt business, ice cream business, confectionery business, and nutrition business, and sales results are steadily improving. Moreover, amidst an expanding market, Meiji's ice cream business is experiencing significant sales growth mainly in South China due to appreciation for the taste and expectations that Meiji will provide safety and reassurance. As Meiji has such a favorable sales situation and future expansion is predicted in the Chinese ice cream market, it plans to strengthen its production system and expand its sales area in China. By doing so, Meiji will deliver its safe, delicious ice cream, made using technologies and knowhow it has cultivated throughout the years, to even more customers, and enrich its customers' lives through tastiness, enjoyment, health, and reassurance, while also establishing a sustainable growth foundation in overseas markets.

Note that for its Chinese business, Meiji currently produces ice cream at Meiji Ice Cream (Guangzhou) Co., Ltd., and sells it mainly in South China. Furthermore, Meiji also plans to expand and reinforce its facilities at Meiji Dairies (Suzhou) Co., Ltd. (a production base in Suzhou for products such as milk and yogurt) (to commence operations in spring, 2021), to produce products such as milk and yogurt at Meiji Dairies (Tianjin) Co., Ltd. (second half of FY2022), and to produce products such as milk, yogurt, and confectioneries at Meiji Food (Guangzhou) Co., Ltd. (FY2023).

[Exterior of Meiji Seika Food Industry (Shanghai) Co., Ltd. Plant]



## 2. Overview of Production Base to Be Established

(1) Address:

No. 1111 Xinfei Road, Eastern New Area, Songjiang Industrial Zone, Shanghai, China (site of Meiji Seika Food Industry (Shanghai) Co., Ltd. to be expanded)

(2) Product to be produced:

Ice cream

(3) Ice cream production capability in China following establishment:

Approximately 2.3 times the ice cream production capability in China before establishment

## 3. Amount of capital increase:

650 million yuan (approx. 10.3 billion yen\*)

## 4. About Meiji Seika Food Industry (Shanghai) Co., Ltd.

(1) Description of business:

Production and sales of confectioneries / Import and sales of confectioneries

(2) Main products produced and sold:

Meltykiss, Milk Chocolate, Macadamia Chocolate, Chocolate Kouka, etc.



(3) Company URL

<http://www.meiji.net.cn/>

## 5. Main products in Chinese ice cream business

Almond Chocolate Ice Bar, Vanilla Cup, Chocolate & Vanilla Cone, Rennyu Azuki Ice Bar, etc.

