

*This document has been translated from the Japanese original for the convenience of non-Japanese shareholders.
In the event of any discrepancy between this document and the Japanese original, the original shall prevail.*

To Our Shareholders

(Securities Code: 2117)

June 8, 2023

(Start date of electronic provisioning measures: June 2, 2023)

14-1 Nihonbashi-Koamicho, Chuo-ku, Tokyo

WELLNEO SUGAR Co., Ltd.

Koji Yamamoto, President and Representative Director

Notice of Convocation of the 12th Ordinary General Meeting of Shareholders

We are pleased to inform you that the 12th Ordinary General Meeting of Shareholders of the Company will be held, with details as follows.

When convening this General Meeting of Shareholders, the information contained in the Reference Documents for the General Meeting of Shareholders (matters provided electronically) is provided electronically. It is posted on each of the following websites on the Internet, so please access one of these websites to check the information.

【our website】

<https://www.wellneo-sugar.co.jp/ir/event/meeting.html>



【The website of the General Meeting of Shareholders】

<https://d.sokai.jp/2117/teiji/>



【Tokyo Stock Exchange website (TSE-listed company information service)】

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>



Please access the Tokyo Stock Exchange website (TSE Listed Company Information Service), enter or search for the stock name "Wellneo Sugar" or code "2117", select "Basic Information" and "Documents for Public Inspection/PR Information" in that order, then go to "Documents for Public Inspection" and check the "Notice of General Meeting of Shareholders/Materials for General Meeting of Shareholders" field.

You may exercise your voting rights in advance instead of attending on the day of the meeting in writing or via the Internet, as noted in "Guidance on Exercising Voting Rights" on page 3. After reviewing the following Reference Documents for the General Meeting of Shareholders, please exercise your voting rights no later than 5:30 p.m. on Tuesday, June 27, 2023.

Sincerely,

Details

- **Date and time:** Wednesday, June 28 2023 at 10 a.m. Japan time
(The reception desk is scheduled to open at 9 a.m.)
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- **Place:** Meeting Room “Ariake,” 2F, ROYAL PARK HOTEL,
2-1-1 Kakigara-Cho, Nihonbashi, Chuo-ku, TOKYO
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- **Meeting Agenda:** Matters to be Reported:
1. 12th Fiscal Year (From April 1, 2022 to March 31, 2023)
Reporting Business Report, Consolidated Financial Statements, and the result of Consolidated Financial Statements audits performed by the Audit & Supervisory Board
 2. 12th Fiscal Year (From April 1, 2022 to March 31, 2023)
Matters regarding reporting of Non-consolidated Financial Statements
- Matters to be Resolved:
- Agenda Item No. 1: Dividend of Surplus
Agenda Item No. 2: Reduction of Capital Reserves
Agenda Item No. 3: Appointment of 9 Directors
Agenda Item No. 4: Appointment of 4 Corporate Auditors
Agenda Item No. 5: Revision of the Amount of Remuneration to Directors
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- **Guidance on Exercising Voting Rights:** Please refer to “Guidance on Exercising Voting Rights” on page 3.

- We request the shareholders that will come to the venue to submit the Voting Form at the reception desk.
- Shareholders who have requested a written document will be sent a written document containing the electronic provision measure matters, which, in accordance with the law and Article 14 of the Company's Articles of Association, excludes the following matters.
 - (1) Notes to the consolidated financial statements.
 - (2) Notes to the non-consolidated financial statements.Accordingly, the consolidated financial statements and financial statements included in this document are part of the consolidated financial statements and financial statements audited by the Independent Corporate Auditor or the Statutory Corporate Auditors when preparing the Independent Corporate Auditor's Report or the Audit Report.
- In the event of any amendments to the electronic provision measure matters, a statement to that effect and the matters before and after the amendments will be posted on the respective internet websites listed on page 1.

Guidance on Exercising Voting Rights

Voting rights at General Meetings of Shareholders are important rights of you as a shareholder.

Please exercise your voting rights after reading and considering the details of the attached Reference Documents for the General Meeting of Shareholders.

The following three ways to exercise your voting rights are available.

How to attend the General Meeting of Shareholders

Please submit the Voting Rights Exercise Form at the reception desk in the meeting venue.

Time and Date:

Wednesday, June 28, 2023 at 10 a.m. (Japan time)

How to exercise your voting right in writing (by mail)

Please state whether you are for or against the agenda items on the Voting Form and drop it into a post box. It is not necessary to affix a stamp. (Please return the Voting Form so that it will be received before the deadline below)

Deadline:

Votes reaching us by 5:30 p.m. on Tuesday, June 27, 2023

How to exercise your voting right on the Internet

Please follow the instructions on the next page and enter your approval or disapproval for the agendas.

Deadline:

Entries completed by 5:30 p.m., Tuesday, June 27, 2023

How to fill the Voting Form

Agenda Item Nos. 1, 2 and 5:

If you agree to the proposal, circle 賛 [Agree]. If you do not agree to the proposal, circle 否 [Disagree].

Agenda Item Nos. 3 and 4:

If you approve all candidates, circle 賛 [Agree]. If you disapprove all candidates, circle 否 [Disagree].

If you disapprove certain candidates, circle 賛 [Agree] and write the number of the candidates that you wish to disapprove.

Not indicating 賛 [Agree] or 否 [Disagree] will be considered 賛 [Agree].

If you exercise your voting rights both in writing and via the Internet, we will treat the latter as the effective exercise of your voting rights.

If you exercise your voting rights via the Internet several times, we will treat the last exercise as the effective exercise of your voting rights.

On Voting Rights via the Internet*

* Institutional investors are permitted to use the platform for the electronic exercise of voting rights for institutional investors operated by ICJ, Inc.

How to enter your voting code and password

Voting website: <https://www.web54.net>

1. Please access the voting website for PCs.
Click “Next.”

2. Please enter your voting code printed on the voting card.
Enter voting code.
Click “Login.”

3. Please enter your password printed on the voting card.
Enter the password.
Click “Next.”

4. Please follow the instructions on the screen to register whether you approve or disapprove of each proposal.

5. Please note that there is no website for voting specifically for viewing on a mobile phone.

How to scan the QR code: Smart Exercise

You can log into the voting website without entering a voting code and password by using smartphones.

1. Please scan the QR code on the lower right part of the voting card.

Note: QR Code is the registered trademark of DENSO WAVE INCORPORATED.

2. Please follow the instructions on the screen to register whether you approve or disapprove of each proposal.

In Smart Exercise, exercise of voting rights may be carried out only once.

If you wish to change your vote after exercising your voting rights, please access the website for PCs, log in to the website by entering your voting code and password printed on your voting card, and exercise your voting right again.

Note: If you scan the QR code again, you can move to the PC website.

1. Handling of the exercise of voting rights

- (1) If you have voted twice by voting both in writing and on the Internet, etc., your vote on the Internet, etc. will prevail. If you exercise your voting rights via the Internet several times, we will treat the last exercise as the effective exercise of your voting rights.
- (2) Shareholders are responsible for the connection fees and other fees for the services of an internet provider and telecommunication carrier when using the voting website.
- (3) The voting website may not be available in some internet settings on a PC or smartphone.

2. Handling of a password and voting code

- (1) A password is an important piece of information for verifying that the voter is the shareholder.
Please treat with caution like a seal and PIN number.
- (2) The password could no longer be used after incorrect numbers have been entered a certain number of time. To have a new password issued, please follow the guidance on the screen.
- (3) The voting code in the Voting Form is valid only for this general meeting of shareholders.

For inquiries about operation procedure for exercising voting rights via the Internet using PCs and smartphones, please contact the inquiry desk on the right.

Sumitomo Mitsui Trust Bank Securities Agency Web Support Dedicated Dial

TEL: 0120-652-031 (toll-free)

(Reception hours: 9 a.m. – 9 p.m.)

Reference Documents for the General Meeting of Shareholders

Agenda Item No. 1: Dividend of Surplus

The Company has stated in its Basic policy for Capital policy that it aims to increase a medium- to long-term return on equity (ROE) and achieve both successful growth investment and high shareholder returns. Dividend distribution is based on the consolidated dividend payout ratio (DPR) of 60% or dividend on equity (DOE) of 3%, whichever is higher.

In addition, as announced in the Notice Regarding Determination of Commemorative Dividend Amount and Revision of Annual Dividend Forecast on March 10, 2023, a commemorative dividend of 7 yen per share will be paid in the current year to thank shareholders for their ongoing support and to celebrate the business integration. The details of the calculation formula are as follows:

1. Calculation formula of the amount of annual dividend per share

Based on the consolidated DPR of 60%

60% of year-end consolidated basic earnings per share of 32.43 yen = 20 yen (a fraction of a yen is rounded up)

Based on DOE of 3%

3% of year-end equity attributable to owners of parent per share of 2,083.71 yen = 63 yen (a fraction of a yen is rounded up)

As the dividend on equity attributable to owners of the parent company (DOE) of the 3% standard of 63 yen is larger, 63 yen will be the annual dividend amount per share for the ordinary dividend. Together with the commemorative dividend amount of 7 yen per share for the management integration, the annual dividend amount per share will be 70 yen.

2. Matters concerning year-end dividends

The year-end dividend for the year under review will be 37 yen, which is calculated as the annual dividend (63 yen per share) calculated by the above dividend policy, minus the interim dividend (33 yen per share) paid in December 2022, which was 30 yen, plus a commemorative dividend of 7 yen per share for the management integration.

Type of dividend property	Cash
Matters regarding allotment of dividend property and total amount of dividend	37 yen per common share of the Company (ordinary dividend of 30 yen, commemorative dividend of 7 yen) Total dividends 1,212,155,261 yen
Effective date of dividends of surplus	June 29, 2023

Reduction of Capital Reserve

1. Reasons for the decrease in the amount of reserve

In accordance with Article 448(1) of the Companies Act, the Company proposes to reduce the capital reserve amount and transfer it to other capital surplus to ensure flexibility and mobility in capital policy and a system that can pay long-term stable dividends to shareholders.

2. Details of the decrease in the amount of reserve

(1) Amount of capital reserve to be reduced

Out of the capital reserve of 24,813,194,800 yen, 23,063,194,800 yen is reduced, and the entire amount of the reduction is transferred to other capital surplus, resulting in a reduced capital reserve of 1,750,000,000 yen.

(2) Date on which the reduction in capital reserve takes effect.

June 30, 2023.

3. Reference

Balance sheet (as at March 31, 2023, the 12th fiscal year)

		(Millions of yen)	
Account	12 th fiscal year As at March 31, 2023	Account	12 th fiscal year As at March 31, 2023
Assets		Liabilities	
Current assets	5,673	Current liabilities	2,185
Cash and deposits	5,225	Short-term borrowings	1,720
Prepaid expenses	7	Accounts payable - other	26
Short-term loans receivable from subsidiaries and associates	40	Accrued expenses	54
Other	400	Income taxes payable	145
Non-current assets	37,534	Other	238
Property, plant and equipment	9,914	Non-current liabilities	1,614
Buildings	2,086	Deferred tax liabilities	321
Structures	16	Asset retirement obligations	129
Machinery and equipment	0	Deferred tax liabilities for land revaluation	1,077
Tools, furniture and fixtures	2	Other	85
Land	7,809	Total liabilities	3,799
Investments and other assets	27,619	Net assets	
Shares of subsidiaries and associates	23,616	Shareholders' equity	37,216
Long-term loans receivable from subsidiaries and associates	3,941	Share capital	7,000
Other	62	Capital surplus	24,816
		Capital reserve	24,813
		Other capital surplus	2
		Retained earnings	8,934
		Other retained earnings	8,934
		Retained earnings brought forward	8,934
		Treasury shares	- 3,534
		Valuation and translation adjustments	2,191
		Revaluation reserve for land	2,191
Total assets	43,207	Total Net assets	39,408
		Total liabilities and net assets	43,207

Agenda Item No. 3: Appointment of 9 Directors

The terms of office of all (9) directors will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the appointment of nine (9) Directors is proposed to strengthen and enhance the management structure following the management integration.

The candidates for directors are as follows.

No.		Name		Current position in the Company
1	New Nomination	Shinji Nakano		Advisor
2	Renomination	Koji Yamamoto		President and Representative Director
3	Renomination	Akira Okubo		Director and Senior Managing Executive Officer
4	Renomination	Daisuke Seno		Director and Managing Executive Officer
5	Renomination	Katsuko Iizuka	Outside Independent	Director
6	Renomination	Hiroshi Fujiwara	Outside Independent	Director
7	Renomination	Masaji Santo	Outside Independent	Director
8	Renomination	Katsuyuki Minami	Outside	Director
9	New Nomination	Shinji Ota	Outside	—



No.

1

Shinji Nakano
(Born December 1, 1960)

New
Nomina
tion

Number of the Company's shares held
0 share

● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

April 1984	Joined Sumitomo Corporation
April 2007	General Manager of Corporate Group of North China Sumitomo Corporation (China) Holding Ltd.
June 2008	Concurrently, President of Sumitomo Corporation (China) Ltd. (Beijing)
April 2013	Corporate Officer, General Manager of Employee Relations & Compensation Dept., Sumitomo Corporation
May 2017	President and CEO of Sumitomo Corporation Thailand Ltd. President and CEO of Sumi-Thai International Limited
April 2018	Executive Officer of Sumitomo Corporation
April 2021	Managing Executive Officer Corporate Division Assistant CAO, Secretary & Human Resources, Sumitomo Corporation
April 2023	Advisor to the Company (current) Advisor to Nissin Sugar Co., Ltd. (current)

(Reasons for nomination as candidate for director)

Mr. Shinji Nakano has extensive experience and a high degree of insight as a manager, having served as a Managing Executive Officer in the Corporate Division of Sumitomo Corporation, in addition to his business experience as a manager in overseas operations. Based on these experiences and achievements, he is expected to contribute to the sustainable growth of the Group, the enhancement of corporate value and the strengthening of the decision-making and supervisory functions of the Board of Directors, and is therefore newly nominated as a candidate for the Board of Directors.



No.

2

Koji Yamamoto

(Born September 8, 1966)



● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

- April 1991 Joined ITOCHU Corporation
 - November 2014 Manager of Provisions Division Planning & Administration Sect,
Provisions Division Food Company of ITOCHU Corporation
 - April 2019 General Manager of Sugar, Confectionary Materials, Coffee & Dairy
Products Department of ITOCHU Corporation
Director of ITOCHU Sugar Co., Ltd. (part-time)
 - April 2022 President and Representative Director of ITOCHU Sugar Co., Ltd.
(current)
 - January 2023 President and Representative Director of the Company, In charge of the
Internal Audit Office (current)
- (Significant concurrent positions)
President and Representative Director of ITOCHU Sugar Co., Ltd.

Number of the Company's shares held
0 shares

Attendance at board meetings during the
year under review
4/4 times (100%)

Years in office as director
6 months

(Reasons for nomination as candidate for director)

Mr. Koji Yamamoto has a wealth of experience and deep insight in his area of responsibility at ITOCHU Corporation, and has a track record as management executive, serving in positions including President and Representative Director of ITOCHU Sugar Co., Ltd. The Company has renominated him as a candidate for director with the expectation that he will contribute to the sustainable enhancement of corporate value of the Company Group and the strengthening of decision-making and supervisory functions of the board of directors, based on his experience and track record described above.



No.

3

Akira Okubo

(Born June 8, 1955)



● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

- April 1981 Joined Nissin Sugar Co., Ltd.
- April 2013 General Manager of the General Planning Department of the Company
- June 2013 Director of the Company
- April 2021 President and COO of the Company
- January 2023 Director and Senior Managing Executive Officer of the Company, in charge of the General Affairs Department (current)
- President and COO of Nissin Sugar Co., Ltd. (current)

Number of the Company's shares held
17,000 shares

Attendance at board meetings during the year under review
17/17 times (100%)

Years in office as director
10 years

(Significant concurrent positions)
President and COO of Nissin Sugar Co.,Ltd.

(Reasons for nomination as candidate for director)

Mr. Ryo Okubo has been involved in management as President and COO of the Company and Nissin Sugar Co., Ltd., and has extensive experience, leadership and broad insight as a manager. Based on these experiences and achievements, he is expected to continue to contribute to the sustainable growth of the Group, the enhancement of corporate value and the strengthening of the decision-making and supervisory functions of the Board of Directors, and therefore he is renominated as a candidate for the Board of Directors.



No.

4

Daisuke Seno

(Born April 16, 1960)



Number of the Company's shares held

0 share

Attendance at board meetings during the year under review

4/4 times (100%)

Years in office as director

6 months

● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

- April 1984 Joined ITOCHU Corporation
- April 2007 General Manager of Beverage Material Department of ITOCHU Corporation
- June 2018 Director and Executive Officer of ITOCHU Sugar Co., Ltd.
In charge of Finance & Accounting and Special Assignment
- June 2022 Director and Managing Executive Officer of ITOCHU Sugar Co., Ltd.
In charge of Human Resources, General Affairs and Finance & Accounting (current)
- January 2023 Director and Managing Executive Officer of the Company, in charge of the Personnel Department (current)

(Reasons for nomination as candidate for director)

Mr. Daisuke Seno has a wealth of experience and deep insight in his area of responsibility at ITOCHU Corporation, and plays a part in the management of ITOCHU Sugar Co., Ltd., including as a director. The Company has renominated him as a candidate for director with the expectation that he will contribute to the sustainable enhancement of corporate value of the Company Group and the strengthening of decision-making and supervisory functions of the board of directors, based on his experience and track record described above.



No.

5

Katsuko Iizuka

(Born December 24, 1964)

Renomi
nation

Outside

Indepen
dent

● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

- April 1987 Joined The Mitsubishi Bank Ltd. (now MUFG Bank Ltd.)
 - April 1998 Registered as a lawyer
 Joined Hirakawa, Sato & Kobayashi Law Office (now CITY-YUWA Partners)
 - April 2013 Partner of the same law firm (current)
 - June 2015 Director of the Company (current)
 - June 2016 Outside director (member of the Audit Committee), Yushiro Chemical Industries Co., Ltd. (current)
 - February 2017 Outside Corporate Auditor of K.R.S Corporation (current)
- (Significant concurrent positions)
- Partner, CITY-YUWA Partners
 - Outside director (member of the Audit Committee) of Yushiro Chemical Industry Co., Ltd.
 - Outside corporate auditor of K.R.S Corporation

Number of the Company's shares held
0 share

Attendance at board meetings during the year under review

17/17 times (100%)

Years in office as director

8 years

(Reasons for nomination as candidate for outside director and outline of expected role)

Ms. Katsuko Iizuka is a partner at CITY-YUWA Partners and specialises mainly in corporate legal affairs. She has a wealth of expertise and experience as a lawyer and has the ability and insight to perform her duties as a director from a fair, objective and unique standpoint as a legal expert, which is extremely useful for ensuring the legality of the Company and is considered to contribute to improving the effectiveness of the Board of Directors, she is renominated as a candidate for outside director. She has never been involved in company management in any way other than as an outside director, but for the reasons stated above, she is deemed capable of performing her duties as an outside director of the Company in an appropriate manner. If she is appointed, we expect her to continue to fulfil the above-mentioned role and, as a member of the Nomination and Remuneration Committee, to be involved from an objective and neutral standpoint in the selection of the Company's director candidates and in the determination of director remuneration and other matters.



No.

6

Hiroshi Fujiwara

(Born September 9, 1957)

Renomi
nation

Outside

Indepen
dent

● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

Number of the Company's shares held

0 share

Attendance at board meetings during the year under review

4/4 times (100%)

Years in office as director

6 months

- April 1981 Joined JEOL Ltd.
- March 1986 Manager of the U.S. corporation JEOL USA Inc.
- October 1995 Manager of Management Administration Department of SAP Japan Co., Ltd.
- April 1997 CFO of SAP North-East Asia Region
- February 2005 CFO, COO and Representative Director of SAP Japan Co., Ltd.
- November 2007 COO of Philips Japan, Ltd.
- July 2008 Representative Executive Officer and President of Philips Electronics Japan, Ltd.
- July 2011 Managing Executive Officer of Japan Kodak Co., Ltd. (current name: Kodak Japan Ltd.)
- February 2012 Representative Executive Officer and President of Japan Kodak Co., Ltd.
- June 2022 Senior Managing Director of iLAC Co., Inc. (current)
- January 2023 Director of the Company (current)

(Reasons for nomination as candidate for outside director and outline of expected role)

Mr. Hiroshi Fujiwara has served as the Japanese representative of major European and U.S. companies, and has management experience and abundant insight in global companies, as well as excellent management capabilities. The Company has determined that he is capable of appropriately executing the duties as an outside director from a fair and objective standpoint.

In addition, based on his experience and insight as a corporate manager, the Company has determined that he can be expected to provide appropriate advice and highly effective supervision from a diversified perspective on the management and strategies of the Company Group's business, and has renominated him as a candidate for outside director. Also, if he is elected, we expect him to continue to fulfil the above-mentioned roles and, as a member of the Nomination and Remuneration Committee, to be involved from an objective and neutral standpoint in the selection of our executive candidates and the determination of executive remuneration and other matters.



No.
7

Masaji Santo
(Born October 21, 1957)

Renomi
nation Outside Independent

● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

Number of the Company's shares held
0 share

Attendance at board meetings during the year under review
4/4 times (100%)

Years in office as director
6 months

April 1981	Joined Mitsubishi Corporation
April 2009	President of Mitsubishi Chile Ltda.
April 2012	Senior Vice President of Mitsubishi Corporation, President of Mitsubishi Chile Ltda.
July 2012	Senior Vice President and Division COO, Environment and Infrastructure Business Division of Mitsubishi Corporation
April 2017	Senior Executive Vice President of Chiyoda Corporation
June 2017	Representative Director and President of Chiyoda Corporation
April 2022	Executive Corporate Advisor of Chiyoda Corporation (current)
January 2023	Director of the Company (current)
February 2023	Executive Corporate Advisor to Nitto Kohki Co., Ltd. (current)

(Significant concurrent positions)

Executive Corporate Advisor to Chiyoda Corporation.
Executive Corporate Advisor to Nitto Kohki Co., Ltd.

(Reasons for nomination as candidate for outside director and outline of expected role)

Mr. Masaji Santo has held positions such as Senior Vice President of Mitsubishi Corporation and President and Representative Director of Chiyoda Corporation and has extensive experience and insight through his global business experience. The Company has determined that he is capable of appropriately executing the duties as an outside director from a fair and objective standpoint.

In addition, based on his experience and insight as a corporate manager, the Company has determined that he can be expected to provide appropriate advice and highly effective supervision from a diversified perspective on the management and strategies of the Company Group's business, and has renominated him as a candidate for outside director. Also, if he is elected, we expect him to continue to fulfil the above-mentioned roles and, as a member of the Nomination and Remuneration Committee, to be involved from an objective and neutral standpoint in the selection of our executive candidates and the determination of executive remuneration and other matters.



No.
8

Katsuyuki Minami
(Born December 26, 1970)

Renomination Outside

● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

April 1994	Joined Sumitomo Corporation
December 2017	Seconded to Emerald Grain Pty Ltd. (Australia) Chairman & Executive Director
April 2021	General Manager of Food Business Division II, Sumitomo Corporation
June 2021	Director of the Company (current)
April 2023	General Manager of Food Business Division I, Sumitomo Corporation (current)

Number of the Company's shares held
0 share

Attendance at board meetings during the year under review

17/17 times (100%)
years in office as director

2 years

(Significant concurrent positions)
General Manager of Food Business Division I, Sumitomo Corporation

(Reasons for nomination as candidate for outside director and outline of expected role)

Mr. Katsuyuki Minami has extensive experience and insight through his global business experience at a general trading company and is deemed, from a fair and objective perspective, to be able to perform his duties as an external director appropriately.

He is renominated as a candidate for outside director because he is expected to provide appropriate advice and effective supervision of the management and business strategies of the Group's businesses, based on his experience as a corporate manager.



No.
9

Shinji Ota
(Born September 19, 1975)

New Nomination Outside

● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

April 2005	Joined ITOCHU Corporation
June 2022	Director (part-time) of ITOCHU SUGAR Co. Ltd. (current)
April 2023	General Manager of Sugar, Confectionary Materials, Coffee & Dairy Products Department of ITOCHU Corporation (current)

Number of the Company's shares held
0 share

(Reasons for nomination as candidate for outside director and outline of expected role)

Mr. Shinji Ota has extensive experience and a high degree of insight in his area of responsibility at ITOCHU Corporation and can be expected to provide appropriate advice and highly effective supervision of the management and business strategies of the Group's businesses from a fair and objective perspective, and is judged to be able to perform his duties as an outside director appropriately. He is, therefore, newly nominated as a candidate for outside director. He has never been involved in company management in any way other than as an outside director. Still, for the reasons stated above, he is judged to be able to carry out his duties as an outside director of the Company appropriately.

(Note 1) Special interests between the candidate and the Company are as follows.









- (1) Mr. Katsuyuki Minami is the General Manager of Food Business Division 1 of Sumitomo Corporation, and there is a business relationship between the Company and Sumitomo Corporation, including the purchase of raw materials and a capital relationship whereby Sumitomo Corporation holds 25.4% of the voting rights in the Company.
 - (2) Mr. Shinji Ota is the General Manager of Sugar, Confectionary Materials, Coffee & Dairy Products Department of ITOCHU Corporation, and there is a business relationship between the Company and the company, including the purchase of raw materials and a capital relationship whereby the company holds 37.9% of the voting rights in the Company.
 - (3) There are no other special interests between the candidate and the Company.
2. Ms. Katsuko Iizuka, Mr. Hiroshi Fujiwara, Mr. Masaji Santo, Mr. Katsuyuki Minami and Mr. Shinji Ota are candidates for outside directors.
 3. In the event of the election of Ms. Katsuko Iizuka, Mr. Hiroshi Fujiwara, Mr. Masaji Santo and Mr. Katsuyuki Minami, the Company will continue the agreement with each of them to limit their liability for damages under Article 423(1) of the Companies Act by Article 427(1) of the said Act, and will enter into a similar liability limitation agreement with Mr. Shinji Ota in the event of his election. The Company plans to enter into a similar liability limitation agreement with Mr. Shinji Ota if he is elected. The maximum amount of liability for damages under such an agreement is the minimum liability limit under Article 425(1) of the Companies Act.
 4. The Company has concluded a directors' and officers' liability insurance policy with an insurance company as stipulated in Article 430-3(1) of the Companies Act. The insurance policy covers (i) all directors, corporate auditors and executive officers of the Company and all of its subsidiaries, and (ii) persons seconded from the Company to unlisted companies other than subsidiaries of the Company as directors and corporate auditors, and the premiums for such insurance are borne entirely by the Company and all of its subsidiaries. The Company and all its subsidiaries fully bear the premiums for the insurance. Under the relevant insurance policy, the insured is covered for damages incurred by the insured due to claims made against the insured during the insurance period due to the insured's conduct (except those falling under the exclusion events stipulated in the insurance policy).
If each candidate in this election proposal is elected and assumes office as a director, they will be included as insured under the relevant insurance policy. The relevant insurance policy will be renewed similarly at the time of the next renewal.
 5. Each of Ms. Katoko Iizuka, Mr. Hiroshi Fujiwara and Mr. Masaji Santo fulfil the requirements for independent directors as stipulated by the Tokyo Stock Exchange. If each of them is appointed, the Company will continue to register each of them as independent directors with the Exchange.
 6. On April 1, 2013, the Company merged with its subsidiaries Nissin Sugar Co., Ltd. and Shinko Sugar Co., Ltd. and changed its trade name from Nissin Sugar Holdings Co. to Nisshin Sugar Co., Ltd..
 7. On January 1, 2023, the Company carried out a business integration with ITOCHU Sugar Corporation through a share exchange, making the company a wholly-owned subsidiary of the Company, and changed its trade name from Nisshin Sugar Co., Ltd. to Wellneo Sugar Co., Ltd..
 8. On January 1, 2023, the Company carried out a company split (absorption-type split) with Nissin Sugar Spin-off Preparatory Company, which was established on October 3, 2022 as a wholly-owned subsidiary of the Company, and the company changed its trade name to Nissin Sugar Co., Ltd..
 9. Two written resolutions were deemed to have been passed by the Board of Directors in accordance with Article 370 of the Companies Act and Article 21 of the Articles of Association but are not included in the number of Board of Directors meetings attended during the year.

Agenda Item No. 4: Appointment of 4 Corporate Auditors

The terms of office of the current corporate auditors, Mr. Tatsuo Kawaguchi and Mr. Masao Wada, will expire at the conclusion of this Annual General Meeting of Shareholders. In addition, Mr. Hideaki Imai and Ms. Kazuko Naruse will temporarily resign at the conclusion of this Annual General Meeting of Shareholders to align their appointment with that of the other corporate auditors. Therefore, the appointment of four (4) corporate auditors is proposed.

The Supervisory Board has given its consent to this proposal.

The candidates for corporate auditors are as follows.

No.		Name		Current position in the Company
1		Tatsuo Kawaguchi		Corporate Auditor
2		Hideaki Imai		Corporate Auditor
3		Masao Wada	 	Outside Corporate Auditor (Independent Officer)
4		Kazuko Naruse	 	Outside Corporate Auditor (Independent Officer)



No.

1

Tatsuo Kawaguchi
(Born December 15, 1953)



Number of the Company's shares held
9,400 shares

Attendance at board meetings during
the year under review
17/17 times (100%)

Attendance at meetings of the
Supervisory Board during the year
under review
29/29 times (100%)

Years in office as auditor
4 years

● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

- April 1976 Joined Nissin Sugar Co., Ltd.
- April 2013 General Manager of Finance Department of the Company
- June 2013 Managing Director of the Company
- June 2017 Director and Senior Managing Executive Officer of the Company, in charge of Quality Assurance Department and Customer Relations Office
- June 2019 Full-time Corporate Auditor of the Company (current)

(Reasons for nomination as candidate for corporate auditor)

Mr. Tatsuo Kawaguchi has held the positions of General Manager of the Finance Department, Managing Director and Director and Senior Managing Executive Officer, and has also been responsible for the management of the company as President and Representative Director of a subsidiary in the health industry business. He has also been in charge of the finance department for many years and has a wealth of expertise and experience in finance and accounting, as well as extensive knowledge of the Company's business. In view of the above, we have determined that he is a necessary person to strengthen the functions of the Company's Supervisory Board and have therefore renominated him as a candidate for the position of Supervisory Board Member.



No.

2

Hideaki Imai

(Born September 24, 1966)



● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

- April 1989 Joined ITOCHU Corporation
- June 2015 Manager of Risk Management and Affiliate Administration Section of Machinery Company of ITOCHU Corporation
- June 2020 Full-time Corporate Auditor of ITOCHU Sugar Co., Ltd.
- January 2023 Full-time Corporate Auditor of the Company (current)
Corporate Auditor of ITOCHU Sugar Co., Ltd. (current)

(Significant concurrent positions)

- Corporate Auditor of ITOCHU Sugar Co., Ltd. (current)

(Reasons for nomination as candidate for corporate auditor)

Mr. Hideaki Imai had belonged to the Risk Management Department and the Internal Audit Division of ITOCHU Corporation for many years before joining ITOCHU Sugar Co., Ltd. as corporate auditor in 2020, and has a wealth of experience and expertise cultivated in his area of experience.

Based on the above, the Company has determined that Mr. Imai is a necessary person in strengthening the functions of the board of corporate auditors and has renominated him as a candidate for corporate auditor.

Number of the Company's shares held
0 share

Attendance at board meetings during
the year under review
4/4 times (100%)

Attendance at meetings of the
Supervisory Board during the year
under review
8/8 times (100%)

Years in office as auditor
6 months



No.

3

Masao Wada

(Born October 2, 1951)

Renomi
nation

Outside

Indepen
dent

● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

November 1977 Joined auditing firm Asahi Accountancy (now KPMG AZSA LLC)

March 1982 Registered as a certified public accountant

July 2005 Representative Partner of KPMG AZSA & Co (now KPMG AZSA LLC)

July 2012 Representative of Wada & Co. Certified Public Accountant (current)

June 2014 Auditor of National Land Planning Association (current)

June 2015 Corporate Auditor of the Company (current)

(Significant concurrent positions)

Representative of Wada & Co. Certified Public Accountant

Number of the Company's shares held

0 share

Attendance at board meetings during the year under review

17/17 times (100%)

Attendance at meetings of the Supervisory Board during the year under review

29/29 times (100%)

Years in office as auditor

8 years

(Reasons for nomination as candidate for outside corporate auditor)

Mr. Masao Wada is a certified public accountant and has extensive experience and knowledge in finance and accounting. The Company believes that he can further enhance the audit system by utilizing such knowledge. In view of the above, although he has never been involved in the management of the Company in any way other than as an external officer, the Company has renominated him as a candidate for outside corporate auditor.



No.

4

Kazuko Naruse

(Born November 4, 1962)

Renomi
nation

Outside

Indepen
dent

● Brief personal history, positions and responsibilities in the Company and significant concurrent positions

- April 1985 Joined ALL NIPPON AIRWAYS CO., LTD.
- August 1991 Joined YAHAGI CONSULTANTS, INC.
- April 2000 Registration as a lawyer
- Joined Hayashida Sogo Law Offices (current)
- June 2017 Outside Corporate Auditor of With us Corporation (current)
- June 2021 Outside Director of TOBA, Inc. (current)
- January 2023 Corporate Auditor of the Company (current)

(Significant concurrent positions)

- Outside Corporate Auditor of With us Corporation
- Outside Director of TOBA, Inc.

Number of the Company's shares held

0 share

Attendance at board meetings during the year under review

4/4 times (100%)

Attendance at meetings of the Supervisory Board during the year under review

8/8 times (100%)

Years in office as auditor

6 months

(Reasons for nomination as candidate for outside corporate auditor)

Ms. Kazuko Naruse has extensive expertise and experience as a lawyer and has the ability and insight to conduct audits from an independent standpoint in a fair and objective manner as a legal expert, which the Company has determined to be extremely beneficial to ensuring the legality of the Company and will lead to the strengthening of audit system and expansion of corporate governance. Based on the above, the Company has renominated her as a candidate for outside corporate auditor, although she has not been involved in corporate management other than as an outside officer.

- (Notes 1) There are no special interests between each candidate and the Company.
2. Mr. Masao Wada and Ms. Kazuko Naruse are candidates for the position of outside corporate auditor.
 3. The Company intends to continue the agreement with Mr. Masao Wada and Ms. Keisuko Naruse, if they are elected, to limit their liability for damages under Article 423(1) of the Companies Act in accordance with Article 427(1) of the said Act. The maximum amount of liability for damages under such an agreement is the minimum liability limit under Article 425(1) of the Companies Act.
 4. The Company has concluded a directors' and officers' liability insurance policy with an insurance company as stipulated in Article 430-3(1) of the Companies Act. The insurance policy covers (i) all directors, corporate auditors and executive officers of the Company and all of its subsidiaries, and (ii) persons seconded from the Company to unlisted companies other than subsidiaries of the Company as directors and corporate auditors, and the premiums for such insurance are borne entirely by the Company and all of its subsidiaries. The Company and all its subsidiaries fully bear the premiums for the insurance. Under the relevant insurance policy, the insured is covered for damages incurred by the insured due to claims made against the insured during the insurance period due to the insured's conduct (except those falling under the exclusion events stipulated in the insurance policy).
If each candidate in this election proposal is elected and assumes office as a director, they will be included as insured under the relevant insurance policy. The relevant insurance policy will be renewed similarly at the time of the next renewal.
 5. Each of Mr. Masao Wada and Ms. Kazuko Naruse fulfil the requirements for independent directors as stipulated by the Tokyo Stock Exchange. If each of them is appointed, the Company will continue to register each of them as independent directors with the Exchange.
 6. On April 1, 2013, the Company merged with its subsidiaries Nissin Sugar Co., Ltd. and Shinko Sugar Co., Ltd. and changed its trade name from Nissin Sugar Holdings Co. to Nisshin Sugar Co., Ltd..
 7. On January 1, 2023, the Company carried out a business integration with ITOCHU Sugar Corporation through a share exchange, making the company a wholly-owned subsidiary of the Company, and changed its trade name from Nisshin Sugar Co., Ltd. to Wellneo Sugar Co., Ltd..
 8. On January 1, 2023, the Company carried out a company split (absorption-type split) with Nissin Sugar Spin-off Preparatory Company, which was established on October 3, 2022 as a wholly-owned subsidiary of the Company, and the company changed its trade name to Nissin Sugar Co., Ltd..
 9. Two written resolutions were deemed to have been passed by the Board of Directors in accordance with Article 370 of the Companies Act and Article 21 of the Articles of Association but are not included in the number of Board of Directors meetings attended during the year.

(Reference)

Expertise and experience of directors and corporate auditors (skills matrix)

The following show the directors' and statutory corporate auditors' expertise and experience in the event that Proposals 3 and 4 are approved as proposed at the General Meeting of Shareholders.

		Expertise and experience									
	Name	Business management Management strategy	ESG CSR	Compliance Risk management	Internal controls Governance	Financial affairs Accounting	Human resource controls / development	Sales Marketing	Production Quality control	R&D New business	IT DX
Director	Shinji Nakano	●	●	●	●		●	●			
	Koji Yamamoto	●	●	●	●		●	●		●	
	Akira Okubo	●	●	●	●	●	●				●
	Daisuke Seno	●	●	●	●	●	●	●			
	Katsuko Iizuka	●		●	●						
	Hiroshi Fujiwara	●			●					●	
	Masaji Santo	●			●					●	
	Katsuyuki M i n a m i	●						●			
Corporate Auditor	Shinji Ota	●						●			
	Tatsuhiro K a w a g u c h i	●			●	●			●		
	Hideaki Imai			●	●						
	Masao Wada				●	●					
	Kazuko Naruse			●	●						

The Company has also introduced an executive officer system. The expertise and experience of the executive officers who do not concurrently serve as directors are as follows. (as at April 1, 2023)

		Expertise and experience									
	Name	Business management Management strategy	ESG CSR	Compliance Risk management	Internal controls Governance	Financial affairs Accounting	Human resource controls / development	Sales Marketing	Production Quality control	R&D New business	IT DX
Executive Officer	Yasuo Yamaguchi	●		●	●			●		●	●
	Naruto Ito	●						●	●	●	●
	Kenji Oba				●	●				●	●

The amount of remuneration for the Company's directors was approved at the 1st Annual General Meeting of Shareholders held on 27 June 2012 to be no more than 25 million yen per month and, separately from this, at the 9th Annual General Meeting of Shareholders held on 25 June 2020, the remuneration for Company's directors (excluding outside directors) was approved to be no more than 25 million yen per month. The Company has also approved, at the 9th Ordinary General Meeting of Shareholders to be held on 25 June 2020, the introduction of a restricted stock compensation plan for the Company's directors (excluding outside directors). The total amount of remuneration (monetary compensation claims) to be paid for the grant of these restricted shares shall not exceed 41 million yen per annum and the maximum total number of restricted shares to be allotted in each financial year shall be 32,000 shares.

The Company had previously composed fixed remuneration as basic remuneration and restricted share remuneration as remuneration for eligible directors. Still, on the occasion of the management integration, the Company has changed the content of the previous fixed remuneration to treat eligible directors based on their management responsibility and performance and further strengthen their motivation to improve business performance and corporate value continuously. The proposal is to change part of the fixed remuneration to be paid as performance-linked remuneration (directors' bonuses). In connection with this change in the remuneration of the subject directors, this proposal requests your approval to revise the amount of remuneration for directors, which is set at no more than 25 million yen per month as mentioned above, to a maximum amount of no more than 300 million yen per year, including the director's bonus in addition to the basic remuneration.

The change in the remuneration of the subject directors is in line with the Company's basic policy on remuneration for directors. This proposal was decided by the Board of Directors after deliberations by the Nomination and Remuneration Committee, considering the Company's business size, the remuneration system for directors and the level at which they are paid, and other factors comprehensively, and is considered appropriate.

The current number of directors is nine (including five outside directors) and will remain unchanged after the third proposal, "Appointment of 9 Directors ", is approved and passed as proposed.

End