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To whom it may concern

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Notice Concerning the Disposal of Treasury Shares as Restricted Stock Compensation for Directors

Nippon Beet Sugar Manufacturing Co.,Ltd. (the "Company") hereby announces that, at a meeting of the Board of Directors held today, the Company resolved to dispose of its treasury shares as restricted stock compensation (the "Disposal of Treasury Shares"). Details are as follows:

1. Overview of the disposal

(1) Payment date	August 8, 2025
(2) Class and number of shares to be disposed of	Common shares of the Company; 2,500 shares
(3) Disposal value	2,361 yen per share
(4) Total disposal value	5,902,500 yen
(5) Scheduled allottees	Four directors (*) 2,500 shares * Outside Directors are excluded.

2. Purpose of and reasons for the disposal

At a meeting of the Board of Directors held on May 11, 2018, the Company decided to implement the Restricted Stock Compensation Plan (the "Plan"), aiming to incentivize the Company's directors (excluding outside directors; the same applies below) to continuously enhance both corporate and shareholder value over the medium to long term, while also promoting value sharing with the Company's shareholders further. In addition, at the 120th Ordinary General Meeting of Shareholders held on June 28, 2018, it was approved that, in accordance with the Plan, the Company would provide monetary compensation claims of up to 30 million yen per year to its directors as in-kind contributions for the grant of restricted stocks, which is separate from the current monetary compensation, and that the Board of Directors of the Company will determine the duration for the transfer restrictions of these shares, which will range from three to five years.

The Plan is outlined as follows.

< Overview of the Plan >

Directors of the Company will pay all of the monetary compensation claims provided by the Company under the Plan as in-kind contributions and acquire shares through the issuance or disposition of the Company's common shares.

The total number of common shares that the Company will issue or dispose of under the Plan shall not

exceed 15,000 shares per year. The amount to be paid per share will be determined by the Board of Directors, based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately prior to the date of the Board of Directors' resolution (if no transactions are executed on that day, the closing price will be determined on the immediately preceding trading day). This amount falls within a range that is not particularly favorable to the directors who will receive the allotment.

In addition, when the Company issues or disposes of its common shares under the Plan, it shall enter into a Restricted Stock Allotment Agreement with the director to whom the shares are allotted. This agreement shall include the following items:

- (i) The allotted common shares of the Company may not be transferred, created a security interest on, or otherwise disposed of during a predetermined period.
- (ii) The Company will acquire the shares without consideration in the event of certain circumstances.

On this basis, the Company has resolved at the meeting of the Board of Directors held today to grant a total of 5,902,500 yen (the "Monetary Compensation Claims") to the four directors of the Company (the "Eligible Directors"), taking into consideration the objective of the Plan, the Company's performance, the scope of each Eligible Director's duties, and various other factors, and to dispose of 2,500 shares of its common shares (the "Allotted Shares").

< Overview of the Allocation Agreement >

In connection with the Disposal of Treasury Shares, the Company and the Eligible Directors will individually enter into a Restricted Stock Allotment Agreement (the "Allotment Agreement"), an outline of which is as follows:

(1) Transfer Restriction Period

During the period from August 8, 2025 (payment date) to August 8, 2028, the Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of the Allotted Shares.

(2) Conditions for Lifting Transfer Restrictions

The transfer restrictions on all Allotted Shares will be lifted on the expiration date of the transfer restriction period, provided that the Eligible Directors have continuously held a position as a director, Audit & Supervisory Board Member, or employee within the Company Group from June 27, 2025, until the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending March 2028. However, if an Eligible Director loses their position as a director, Audit & Supervisory Board Member, or employee of the Company Group due to the expiration of his or her term of office, death, or other reasons deemed justifiable by the Board of Directors of the Company during the transfer restriction period, the transfer restriction shall be lifted immediately following this loss (in the event of a loss of position due to death, however, the restriction will be lifted at a time determined separately by the Board of Directors after the Eligible Director's death.) The restriction on transfer shall be lifted for the number of the Allotted Shares calculated by dividing the number of months from July 2025 to the month containing the date of such loss of effect by 36 (however, if the number exceeds 1, it shall be deemed to be 1) multiplied by the number of the Allotted Shares (however, if the calculation results in a fraction less than one unit, such fraction shall be rounded to the nearest whole unit).

(3) Acquisition of the Allotted Shares by the Company without consideration

The Company will naturally acquire the Allotted Shares for which the transfer restriction has not been lifted, free of charge, at the expiration of the transfer restriction period or immediately after an Eligible Director loses their position as a director, Audit & Supervisory Board Member, or employee of the Company Group during the transfer restriction period.

(4) Management of Shares

During the transfer restriction period, the Allotted Shares shall be managed in a dedicated account for Restricted Stocks opened by the Eligible Directors at Daiwa Securities Co. Ltd., ensuring that the Allotted Shares cannot be transferred, created a security interest on, or otherwise disposed of during this period.

(5) Treatment in the Event of Organizational Restructuring, etc.

If, during the transfer restriction period, a merger agreement under which the Company is to be dissolved, a share exchange agreement under which the Company is to become a wholly owned subsidiary, a share transfer plan, or other organizational restructuring matters are approved at the General Meeting of Shareholders of the Company (or by the Board of Directors of the Company in cases where approval of the General Meeting of Shareholders of the Company is not required for the said organizational restructuring, etc.), the Board of Directors of the Company will resolve to lift the transfer restriction on the Allotted Shares, taking effect immediately before the business day immediately preceding the effective date of such reorganization. The restriction on transfer shall be lifted for the number of the Allotted Shares calculated by dividing the number of months from July 2025 to the month containing the date of approval of reorganization by 36 (however, if the number exceeds 1, it shall be deemed to be 1) multiplied by the number of the Allotted Shares held at the relevant date (however, if the calculation results in a fraction less than one unit, such fraction shall be rounded to the nearest whole unit).

3. Basis for Calculation of the Amount to be Paid In and Specific Details Thereof

The Disposal of Treasury Shares will be conducted using monetary compensation claims provided to the scheduled allottees under the Plan as contributions. To eliminate arbitrariness, the paid-in price has been set at 2,361 yen, corresponding to the closing price of the Company's common shares on the Tokyo Stock Exchange on July 17, 2025 (the last business day before the date of resolution at the meeting of the Board of Directors). This represents the market share price immediately prior to the date of resolution at the meeting of the Board of Directors. Barring any exceptional circumstances that would render this latest share price unreliable, the Company believes that the price is reasonable, accurately reflects its corporate value, and is not excessively advantageous to the Eligible Directors.