



May 22, 2026

To whom it may concern:

Company	WELLNEO SUGAR Co., Ltd.
Name of Representative	Koji Yamamoto, President and Representative Director (Code No. 2117 TSE Prime Market)
Contact	Masato Konishi, Director and Managing Executive Officer (TEL. 03-3668-1246)

### (Progress in disclosure) Notice Regarding Merger of Subsidiary

WELLNEO SUGAR Co., Ltd. (the "Company") hereby announce that, based on the resolution of the Board of Directors meeting held today, the Company have entered into a merger agreement regarding the absorption merger (hereinafter referred to as the "Merger") with Toyo Sugar Refining Co., Ltd. (hereinafter referred to as "Toyo Sugar Refining"), which is our wholly-owned subsidiary, as the disappearing company, as stated in the press release dated June 17, 2025, ' Notice Regarding Resolution of Basic Policy on Absorption-Type Merger with Consolidated Subsidiary ' (hereinafter referred to as the "Press Release dated June 17, 2025").

Assuming that the Company may incur a loss on extinguishment of the combined shares, the Company resolved today to proceed with the Merger according to the following schedule, subject to approval by a resolution of the Company's General Meeting of Shareholders.

The purpose of the Merger and other matters not mentioned in this press release are as described in the Press Release dated June 17, 2025.

#### 1. Schedule of the Merger

Board of Directors meeting for approval of the merger agreement (Each company)	May 22, 2026 (today)
Signing of the merger agreement	May 22, 2026 (today)
General Meeting of Shareholders to approve the merger agreement (the Company)	June 25, 2026 (planned)
Scheduled effective date of the Merger	October 1, 2026 (planned)

(Note) Toyo Sugar Refining will not hold a General Meeting of Shareholders to approve the merger agreement, as this merger is a short-form merger under Article 784(1) of the Companies Act.

#### 2. Outline of Participants in the Merger (As of March 31, 2026)

Surviving company

(1)	Company name	WELLNEO SUGAR Co., Ltd.
(2)	Address	14-1 Nihonbashi-Koamicho, Chuo-ku, Tokyo
(3)	Names and titles of representatives	Shinji Nakano, Chairman and Representative Director Koji Yamamoto, President and Representative Director

(4) Business	Manufacture and sale of sugar and functional ingredients, operation of fitness clubs, etc.	
(5) Paid-in capital	7,000 million yen	
(6) Date of establishment	October 3, 2011	
(7) Number of issued shares	32,800,095	
(8) Fiscal year end	March 31	
(9) Major shareholders and percentage of shares held	ITOCHU Corporation	37.0%
	Sumitomo Corporation	24.8%
	The Master Trust Bank of Japan, Ltd. (Trust account)	3.9%
	Custody Bank of Japan, Ltd. (Trust account)	1.3%
	JP MORGAN CHASE BANK 385781	0.6%
(10) Financial position and operating results for the most recent fiscal year (Year ended March 31, 2026; Consolidated; IFRS)		
	Equity attributable to owners of parent	77,197 million yen
	Total assets	105,827 million yen
	Equity attributable to owners of parent per share	2,357.99 yen
	Revenue	112,904 million yen
	Operating profit	10,324 million yen
	Profit before tax	9,764 million yen
	Profit attributable to owners of parent	6,472 million yen
	Basic earnings per share	197.88 yen

Company to be absorbed

(1) Company name	Toyo Sugar Refining Co., Ltd.	
(2) Address	12-20 Nihombashi-Tomizawacho, Chuo-ku, Tokyo	
(3) Names and titles of representatives	Tomonobu Miki, President and CEO	
(4) Business	Refining and sale of sugar; manufacturing and sale of functional ingredients	
(5) Paid-in capital	2,904 million yen	
(6) Date of establishment	November 29, 1949	
(7) Number of issued shares	7 shares	
(8) Fiscal year end	March 31	
(9) Major shareholders and percentage of shares held	WELLNEO SUGAR Co., Ltd.	100%
(10) Financial position and operating results for the most recent fiscal year (Year ended March 31, 2026; Non-consolidated; Japanese GAAP)		
	Net assets	10,742 million yen
	Total assets	12,442 million yen
	Net assets per share	1,534,684,809.29 yen
	Net sales	13,957 million yen
	Operating income	1,625 million yen
	Ordinary income	1,720 million yen
	Net profit	968 million yen
	Earnings per share	138,328,350.29 yen

(Note) On June 4, 2025, Toyo Sugar Refining consolidated 778,908 shares of common stock into one share. The per-share figures have been calculated on the assumption that this stock consolidation took place at the beginning of the fiscal year ended March 2026.

### 3. Future Outlook

As the Merger is a merger with a wholly owned subsidiary of the Company, its impact on the Company's consolidated financial results will be minimal.

(Reference) Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2027 (As announced on May 14, 2026)

(Millions of yen)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent
Forecast for the current fiscal year (ending March 31, 2027)	110,000	9,200	9,400	6,500
Results for the previous fiscal year (ended March 31, 2026)	112,904	10,324	9,764	6,472

End