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Securities code: 3139
February 7, 2022

To Shareholders with Voting Rights:

Motohisa Miura
Managing Director
Lacto Japan Co., Ltd.
2-11-2 Nihonbashi, Chuo-ku
Tokyo, Japan

**NOTICE OF
THE 24TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

We would like to express our appreciation for your continued support and patronage.

Please be informed that the 24th Annual General Meeting of Shareholders of Lacto Japan Co., Ltd. (the “Company”) will be held as described below.

You may exercise your voting rights via postal mail or the Internet, etc. and whichever method you choose to use, please complete the procedures so that your votes arrive by 5:30 p.m. on Thursday, February 24, 2022, Japan time. (Please refer to the Guide to Exercising Voting Rights on pages 3 and 4 of the Japanese original.)

In order to ensure the safety of shareholders and prevent the spread of COVID-19, we would like to ask you to utilize the option to exercise your voting rights in advance via postal mail or the Internet, etc. and refrain from attending the General Meeting of Shareholders in person.

- 1. Date and Time:** Friday, February 25, 2022 at 10:00 a.m. Japan time
(Reception begins at 9:00 a.m.)
- 2. Place:** Royal Hall, 3rd Floor, Royal Park Hotel
2-1-1 Nihonbashi-Kakigara-cho, Chuo-ku, Tokyo, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company’s 24th Fiscal Year (December 1, 2020 – November 30, 2021) and results of the audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
 2. Non-consolidated Financial Statements for the Company’s 24th Fiscal Year (December 1, 2020 – November 30, 2021)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members)

- If attending the meeting in person, please submit the enclosed Form for Exercising Voting Rights at the venue’s reception desk. We would also like to ask you to bring this Notice of the General Meeting of Shareholders as agenda materials.
- If revisions are made to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements, or the Consolidated Financial Statements, the revised items will be posted online on the Company’s website.
- Among the documents to be provided along with this Notice of the General Meeting of Shareholders, the following items are made available online on the Company’s website in accordance with the provisions of laws and regulations and Article 14 of the Articles of Incorporation, so they have not

been stated in the documents provided along with this Notice. Accordingly, the documents provided along with this Notice are part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor when preparing their audit reports.

- (1) Systems to ensure the properness of operations
- (2) Overview of implementation of systems to ensure the properness of operations
- (3) Basic policy on control of the company
- (4) Consolidated Statements of Changes in Net Assets
- (5) Notes to Consolidated Financial Statements
- (6) Non-consolidated Statement of Changes in Net Assets
- (7) Notes to Non-consolidated Financial Statements

The Company's website: <https://www.lactojapan.com/en/Top.html>

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company positions the appropriate return of profits to shareholders as an important management issue.

In addition, the Company aims to increase corporate value on a sustained basis and works to make investments necessary for future growth and strengthen its financial structure. Specifically, it anticipates making capital investments in the cheese manufacturing division of the Asian business, which is positioned as a pillar of the Company's growth strategy, and business investments for building next-generation businesses and strengthening equity capital for such business expansion.

Based on this policy, the Company intends to pay a year-end dividend for the fiscal year under review as indicated below.



1. Type of dividend property
Cash
2. Matters concerning allocation of dividend property and the total amount
Dividend per share of common stock of the Company: ¥32 Total: ¥315,564,128
3. Effective date of dividend of surplus
February 28, 2022

Proposal 2: Election of Six (6) Directors (Excluding Directors who are Audit and Supervisory Committee Members)


The terms of office of all six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter the same shall apply in this Proposal) will end as of the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of six (6) Directors.


The candidates for Director are as follows.

No.	Name		Positions and responsibilities at the Company
1	Motohisa Miura [Reappointment]	Male	Managing Director In charge of overall management, Internal Audit Office and Quality Assessment Office
2	Masayuki Maekawa [Reappointment]	Male	Director Supervision of administrative divisions, in charge of Corporate Staff Division
3	Koji Sukino [Reappointment]	Male	Director Assistant to the President, supervision of sales divisions and overseas business, in charge of processed meat products business and Overseas Business Office
4	Takashi Abe [Reappointment]	Male	Director In charge of Asian business and Managing Director of LACTO ASIA PTE LTD.
5	Shin Kojima [Reappointment]	Male	Director In charge of dairy ingredients and cheese business and Business Development Division
6	Yoshihiko Soma [Reappointment] [Outside] [Independent]	Male	Outside Director

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
1	 Motohisa Miura (September 25, 1954) [Reappointment]	April 1978 Joined Toshoku Ltd. January 1999 Joined the Company May 2006 General Manager of Sales Division 1, Leader of Dairy Ingredients Team One, the Company April 2007 General Manager of Sales Division 1, the Company Managing Director, LACTO ASIA PTE LTD. June 2008 Executive Officer, General Manager of Sales Division 1, the Company Managing Director, LACTO ASIA PTE LTD. February 2011 Director, the Company April 2014 Director, supervision of sales divisions and affiliates, the Company February 2017 Managing Director, the Company February 2021 Managing Director, in charge of overall management, Internal Audit Office and Quality Assessment Office, the Company (current position)	251,262
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Motohisa Miura has extensive business experience as the person responsible for sales divisions and overseas subsidiaries, and as a Director since 2011 and as Representative Director and Managing Director since 2017, he has been deeply involved in the Company's management. Mr. Miura possesses knowledge related to overall management, global business management, and administration and operations, and the Company has judged him to be appropriate as a candidate for Director.</p>			
2	 Masayuki Maekawa (October 6, 1957) [Reappointment]	April 1980 Joined Toshoku Ltd. April 2000 Joined the Company April 2008 General Manager of Administrative Division, the Company March 2011 Executive Officer, General Manager of Administrative Division, the Company February 2013 Director, General Manager of Administrative Division, the Company March 2013 Director, supervision of Administrative Division, the Company April 2014 Director, supervision of Corporate Staff Division, the Company February 2021 Director, supervision of administrative divisions, in charge of Corporate Staff Division, the Company (current position)	163,744
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Masayuki Maekawa has extensive business experience in administrative divisions, including accounting and finance, serving as the person in charge of them, and as a Director since 2013, he has been involved in the Company's management. Mr. Maekawa possesses knowledge related to the Group's administration and operations, and the Company has judged him to be appropriate as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
3	 <p data-bbox="215 716 422 862">Koji Sukino (October 13, 1956) [Reappointment]</p>	<p data-bbox="470 275 1265 1075"> April 1979 Joined Toshoku Ltd. June 2003 Joined the Company April 2009 General Manager of Sales Division 2, the Company March 2011 Executive Officer, General Manager of Sales Division 2, the Company April 2012 Executive Officer, General Manager of Meat and Ingredients Division, the Company February 2014 Director, General Manager of Meat and Ingredients Division, the Company March 2014 Director, the Company Managing Director, LACTO ASIA PTE LTD. April 2014 Director, supervision of Asian business, the Company Managing Director, LACTO ASIA PTE LTD. February 2017 Director, supervision of sales divisions, Asian business, and affiliates, the Company Managing Director, LACTO ASIA PTE LTD. March 2018 Director, supervision of sales divisions, Asian business, and affiliates, the Company February 2021 Director, Assistant to the President, supervision of sales divisions and overseas business, in charge of processed meat products business and Overseas Business Office, the Company (current position) </p>	36,963
<p data-bbox="191 1093 1452 1308"> [Reason for nomination as candidate for Director] Mr. Koji Sukino has extensive sales experience as the person responsible for the Processed Meat Products Division, including having launched the division, and as a Director he has overseen the Asian business since 2014 and sales divisions and affiliates since 2017. Through his extensive business experience in sales divisions and the overseas business, Mr. Sukino possesses knowledge related to the Group's administration and operations, and the Company has judged him to be appropriate as a candidate for Director. </p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
4	 <p data-bbox="229 645 413 712">Takashi Abe (May 31, 1967)</p> <p data-bbox="225 752 418 786">[Reappointment]</p>	<p data-bbox="475 275 927 309">April 1991 Joined Toshoku Ltd.</p> <p data-bbox="475 315 927 349">December 1998 Joined the Company</p> <p data-bbox="475 356 1265 423">April 2013 General Manager of Cheese Business Division, the Company</p> <p data-bbox="475 430 1222 486">April 2016 Executive Officer, General Manager of Cheese Business Division, the Company</p> <p data-bbox="475 492 1166 548">April 2018 Executive Officer, overall control of sales divisions, the Company</p> <p data-bbox="475 555 1246 611">March 2020 Senior Executive Officer, overall control of sales divisions, the Company</p> <p data-bbox="475 618 1246 707">April 2020 Senior Executive Officer, overall control of sales divisions, General Manager of Business Development Division, the Company</p> <p data-bbox="475 714 1262 804">February 2021 Director, in charge of dairy ingredients and cheese business and Business Development Division, the Company</p> <p data-bbox="475 810 1222 929">December 2021 Director, in charge of Asian business, the Company Managing Director, LACTO ASIA PTE LTD. (current position)</p>	119,777
<p data-bbox="196 943 759 976">[Reason for nomination as candidate for Director]</p> <p data-bbox="196 983 1453 1240">Mr. Takashi Abe has been involved in dairy ingredients sales for many years, and as an Executive Officer since 2016 and a Senior Executive Officer since 2020, he has served as the person responsible for domestic sales divisions including dairy ingredients, acquiring extensive sales experience. In addition, as a Director since 2021, he has been in charge of the dairy ingredients and cheese business and Business Development Division and is currently in charge of the Asian business. Through his extensive business experience in sales divisions overall, Mr. Abe possesses knowledge related to the Group's administration and operations, and the Company has judged him to be appropriate as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
5	 <p data-bbox="236 577 403 651">Shin Kojima (May 9, 1970)</p> <p data-bbox="225 689 414 723">[Reappointment]</p>	<p data-bbox="475 275 927 309">April 1994 Joined Toshoku Ltd.</p> <p data-bbox="475 315 927 349">March 1999 Joined the Company</p> <p data-bbox="475 356 1257 421">April 2014 General Manager of Dairy Ingredients Division 1, the Company</p> <p data-bbox="475 427 1206 490">April 2016 Executive Officer, General Manager of Dairy Ingredients Division 1, the Company</p> <p data-bbox="475 497 1059 530">September 2016 Executive Officer, the Company</p> <p data-bbox="475 537 1225 571">March 2020 Managing Director, LACTO ASIA PTE LTD.</p> <p data-bbox="475 577 1225 611">March 2020 Senior Executive Officer, the Company</p> <p data-bbox="475 618 1225 651">February 2021 Managing Director, LACTO ASIA PTE LTD.</p> <p data-bbox="475 658 1161 692">February 2021 Director, in charge of Asian business, the Company</p> <p data-bbox="475 698 1225 732">December 2021 Managing Director, LACTO ASIA PTE LTD.</p> <p data-bbox="475 739 1262 801">December 2021 Director, in charge of dairy ingredients and cheese business and Business Development Division, the Company (current position)</p>	155,777
<p data-bbox="193 813 759 846">[Reason for nomination as candidate for Director]</p> <p data-bbox="193 853 1457 1153">Mr. Shin Kojima has been involved in dairy ingredients sales for many years, and as an Executive Officer since 2016 and a Senior Executive Officer since 2020, he has served as the person responsible for Asian business divisions, a pillar of the Company's growth strategy, driving the growth of the business. In addition, as a Director since 2021, he has been in charge of Asian business divisions and is currently in charge of the dairy ingredients and cheese business and the Business Development Division. Through his extensive business experience related to domestic and overseas sales activities and manufacturing business operations, Mr. Kojima possesses knowledge related to the Group's administration and operations, and the Company has judged him to be appropriate as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held	
6	 Yoshihiko Soma (April 19, 1950) [Reappointment] [Outside] [Independent]	April 1973	Joined Nippon Reizo Inc. (currently Nichirei Corporation)	-
		June 1999	Director, General Manager of Wide-area Sales Department, Nichirei Corporation	
		April 2005	Director, Executive Officer, Nichirei Corporation	
		April 2007	Director, Managing Executive Officer, Nichirei Corporation	
		June 2007	Director, Senior Managing Executive Officer, Nichirei Corporation	
		June 2011	Representative Director and President, IMPERIAL HOTEL KITCHEN Corporation	
		June 2015	Retired as Representative Director and President of IMPERIAL HOTEL KITCHEN Corporation	
		July 2015	Advisor, the Company	
		February 2016	Outside Director, the Company (current position)	
	June 2016	Representative Director and President, Nacx Nakamura Corporation (currently Nacx Corporation)		
	January 2021	Chairman, Nacx Corporation (current position)		
[Reason for nomination as candidate for Outside Director and expected roles] Mr. Yoshihiko Soma has extensive experience and a wide range of knowledge as a business executive in the food industry. The Company believes he will draw on this experience and insight to strengthen oversight of the Company's management and provide beneficial advice on overall management, and it has therefore judged him to be appropriate as a candidate for Outside Director.				

- Notes:
1. There are no special interest relationships between the candidates for Director and the Company.
 2. Mr. Yoshihiko Soma is a candidate for Outside Director.
 3. Mr. Yoshihiko Soma, who is a candidate for Outside Director, is currently an Outside Director of the Company, and he will have served in this role for six years as of the end of this General Meeting of Shareholders.
 4. The Company has entered into an agreement with Mr. Yoshihiko Soma to limit his liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act to the minimum liability amount stipulated in Article 425, Paragraph 1 of the act in accordance with the provisions of the Company's Articles of Incorporation and Article 427, Paragraph 1 of the act, and if Mr. Soma's election is approved as proposed, the Company intends to continue the said agreement.
 5. Mr. Yoshihiko Soma has been registered as an independent officer based on the rules of the Tokyo Stock Exchange, and if he is elected as proposed, he will continue to be an independent officer.
 6. The Company has entered into a directors and officers liability insurance agreement with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with directors (including Audit and Supervisory Committee Members) of the Company and its subsidiaries as the insured persons. (Provided, however, that the subsidiaries of the Company that have independently entered into their own directors and officers liability insurance agreements are excluded.) The terms and conditions of the said agreement are stated on page 31 of the Japanese original. The Company intends to renew the said insurance agreement with the same terms and conditions at the next renewal.

[For Reference]

The Company is aiming in the medium to long term to be a multifaceted food products company that develops trading and manufacturing operations on a global basis with dairy products as its core, and it will appoint Directors with skills that match each of its growth stages.

As of the present, the skills that the Board of Directors should possess and how this corresponds with the skills of each Director have been compiled as a skills matrix from the following three perspectives.

Knowledge and experience for appropriately leading management and business

Corporate management and management strategy	Experience in corporate management and as a corporate officer, and knowledge of and experience in formulating management strategy
Sales and marketing	Knowledge and experience related to product sales and marketing
International business	Global business experience, including overseas assignments
Industry knowledge	Knowledge and experience in the dairy products and meat industries and the manufacturing business

Knowledge and experience for establishing and maintaining an appropriate management foundation

Financial accounting and finance	Practical experience and expertise
Legal affairs and compliance	Practical experience and expertise
Personnel and human resources development	Practical experience and expertise

Overarching perspective for ensuring sustainability

Governance and sustainability	Governance knowledge for achieving soundness, transparency, and sustainable growth
Diversity and experience in other industries	Diversity in terms of gender, nationality, executive experience in other sectors, etc.

<Skills Matrix>

	Corporate management and management strategy	Sales and marketing	International business	Industry knowledge	Financial accounting and finance	Legal affairs and compliance	Personnel and human resources development	Governance and sustainability	Diversity and experience in other industries
■ Directors (excluding Directors who are Audit and Supervisory Committee Members)									
Motohisa Miura	●	●	●	●				●	
Masayuki Maekawa	●		●		●	●	●	●	
Koji Sukino	●	●	●	●				●	
Takashi Abe	●	●	●	●				●	
Shin Kojima	●	●	●	●				●	
Yoshihiko Soma*	●	●		●				●	
■ Directors who are Audit and Supervisory Committee Members									
Shinichi Yamada	●		●		●	●		●	
Naofumi Hara*	●		●					●	●
Toshio Hoga*						●		●	●
Hiroko Sakamoto*					●			●	●

*Outside Director

[For Reference] Independence Criteria for Outside Directors

When selecting candidates for independent Outside Director, the Board of Directors shall determine their independence after verifying that the independence criteria established by financial instruments exchanges are met and also confirming whether or not any of items (1) through (14) below applies to the person involved either currently or within the past three fiscal years. In addition, the Board of Directors shall select as candidates for independent Outside Director the persons who can be expected to fulfill their roles and duties from an independent and objective standpoint upon consideration of the candidate's character, insight, abilities, relationship with the Company, and other factors.

(1) A person for whom the Company is a main business partner, or its business executive

- “A person for whom the Company is a main business partner” in the aforesaid refers to a person for whom payments by the Company in transactions with the Company in any of the past three fiscal years account for 2% or more of the consolidated net sales of that company in that fiscal year.

(2) A main business partner of the Company, or its business executive

- “A main business partner of the Company” in the aforesaid refers to a person for whom the Company's net sales to that company in any of the past three fiscal years account for 2% or more of the Company's consolidated net sales in that fiscal year.

(3) A consultant, accounting specialist, or legal specialist receiving a large sum of money or other property from the Company other than executive compensation (if the person receiving such property is a corporation, union, or other such organization, then a person belonging to that organization)

- A “large sum of money” in the aforesaid refers to a sum of ¥10 million or more per annum on average for the past three years if the person receiving such money is an individual, or in the case of an organization, a payment amount from the Company on average for (that organization's) past three fiscal years that is ¥10 million or more, or 2% or more of that organization's consolidated net sales, whichever is higher.

(4) The representative partner or an employee of the Company's accounting auditor or another accounting specialist in charge of auditing the Company or a subsidiary of the Company

(5) A major shareholder of the Company, or its business executive

- “Major shareholder” in the aforesaid refers to a person who holds 10% or more of voting rights in the Company either directly or indirectly.

(6) A director (limited to persons involved in business execution) or other business executives of an organization to which the Company makes large donations.

- “Large donations” in the aforesaid refers to donations that exceed ¥20 million per annum on average for the past three fiscal years.

(7) A major lender of the Company, or its parent company, or their business executives

- A “major lender” of the Company in the aforesaid refers to a lender from whom the Company's borrowings exceed 2% of consolidated total assets.

(8) A person who was a business executive of the Company or a subsidiary of the Company at any time during the ten years prior to appointment

(9) A business executive of a company with a director from the Company

(10) If an organization exists that corresponds to (1), (2), or (3) above at the time of appointment, then a person who belonged to that organization at any time during the three years prior to appointment

(11) A person who corresponded to (4) above at any time during the three years prior to appointment

(12) If an organization exists that corresponds to (6) above at the time of appointment, then a person who belonged to that organization at any time during the three years prior to appointment

(13) A person who corresponded to (5) or (7) above at any time during the three years prior to appointment

(14) A close relative of a person indicated in any of (A) to (C) below (excluding persons without significance)

(A) A person indicated in any of (1) to (3) or in (10) or (11) above. (Provided, however, that regarding (1) and (2), executive directors, executives, and executive officers are regarded as significant persons. Also, regarding (10), if the person belongs to an organization, then employees and partners of that organization are regarded as significant persons, and regarding (11), employees, partners and other accounting specialists directly in charge of auditing the Group are regarded as significant persons.) Provided, however, that this shall not apply when independence is deemed to be effectively ensured upon comprehensive consideration of the relationship of the person involved and the close relative involved, and the qualifications, attributes, and experience, etc. of the close relative involved.

(B) A business executive of a subsidiary of the Company

(C) A person who corresponded to (B) above or a business executive of the Company at any time during the year prior to appointment

*1. "Business executive" refers to persons stipulated in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act

*2. "Close relative" refers to a relative within the second degree of kinship.