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May 9, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under IFRS)

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 Listing: Tokyo Stock Exchange
 Securities code: 1375
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 Scheduled date of annual general meeting of shareholders: June 26, 2025
 Scheduled date to commence dividends payment: June 6, 2025
 Scheduled date to file annual securities report: June 25, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Total income		Operating profit		Profit before tax		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2025	53,139	11.9	2,419	-13.6	2,175	-2.4	1,496	10.2
March 31, 2024	47,476	12.5	2,798	27.7	2,227	24.1	1,357	14.8

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Fiscal year ended						
March 31, 2025	1,502	11.2	1,422	4.5	37.66	37.65
March 31, 2024	1,350	14.3	1,361	21.0	33.87	33.86

	Return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to total income
	%	%	%
Fiscal year ended			
March 31, 2025	12.6	5.7	4.6
March 31, 2024	12.4	6.2	5.9

(Reference)

	Revenue		Core operating profit		Core EBITDA		Core EBITDA margin
	Millions of yen	%	Millions of yen	%	Millions of yen	%	%
Fiscal year ended							
March 31, 2025	37,102	10.9	3,858	50.3	6,196	29.0	16.7
March 31, 2024	33,443	7.8	2,567	0.2	4,802	3.0	14.4

Note: During the first half of the fiscal year ended March 2025, the Company has finalized the provisional accounting treatment for business combinations, and the figures for the fiscal year ended March 2024 reflect the contents of the finalized provisional accounting treatment.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2025	37,868	12,525	12,366	32.7	309.98
March 31, 2024	38,260	11,610	11,446	29.9	286.99

Note: During the first half of the fiscal year ended March 2025, the Company has finalized the provisional accounting treatment for business combinations, and the figures for the fiscal year ended March 2024 reflect the contents of the finalized provisional accounting treatment.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	5,519	-2,252	-2,159	3,903
March 31, 2024	5,322	-3,361	-227	2,797

2. Cash Dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	1.00	-	10.00	11.00	438	32.5	4.0
Fiscal year ended March 31, 2025	-	3.00	-	12.00	15.00	598	39.8	5.0
Fiscal year ending March 31, 2026 (Forecast)	-	4.00	-	12.00	16.00		31.8	

Note: The year-end dividend per share for the fiscal year ended March 31, 2025 has been changed from ¥9.00 to ¥12.00. For details, please refer to the “Cash Dividends of Surplus (Increased)” released today (May 9, 2025).

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Total income		Operating profit		Profit before tax		Profit	
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
	51,970	-2.2	3,270	35.1	3,070	41.1	2,010	34.4

	Profit attributable to owners of parent		Basic earnings per share
Full year	Millions of yen	%	Yen
	2,010	33.8	50.39

(Reference)

	Revenue		Core Operating Profit		Core EBITDA		Core EBITDA Margin
	Millions of yen	%	Millions of yen	%	Millions of yen	%	%
Full year	38,880	4.8	3,730	-3.3	6,220	0.4	16.0

* **Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates

- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	39,910,700 shares
As of March 31, 2024	39,910,700 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	6,666 shares
As of March 31, 2024	16,667 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	39,891,696 shares
Fiscal year ended March 31, 2024	39,880,176 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	34,486	6.4	2,427	177.5	2,229	244.6	-3	-101.8
March 31, 2024	32,403	9.8	874	-23.8	646	-36.4	190	29.5

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2025	-0.08	-0.08
March 31, 2024	4.77	4.77

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2025	48,345	24,542	50.8	615.03
March 31, 2024	50,223	25,055	49.9	628.04

Reference: Equity

As of March 31, 2025: ¥24,542 million
As of March 31, 2024: ¥25,055 million

* Financial results reports are exempt from review conducted by certified public accountants or an audit firm.

*** Proper use of earnings forecasts, and other special matters**

(Caution concerning forward-looking statements)

The forward-looking statements, such as forecasts of financial results, included in this document are based on information available to the management as of the date of the document and certain assumptions that the management considers reasonable. The Company does not promise that forecasts will be achieved. Actual results may differ significantly due to a range of factors.

(Other special comments)

- (1) The Company and its consolidated subsidiaries (together, “the Group”) apply the International Financial Reporting Standards (hereinafter “IFRS”).
- (2) Core operating profit = Operating profit – IAS41 “Agriculture” applying effects – Other income and expenses – One-time income and expenses
- (3) Core EBITDA = Core operating profit + Depreciation + Amortization
- (4) Core EBITDA margin = Core EBITDA / Revenue
- (5) The effect of applying IAS 41 “Agriculture” is to apply IAS 41 “Agriculture” to the production process of mushrooms, from preparation to harvest, and to measure the mushrooms as biological assets at fair value less costs to sell. The gains or losses from the changes in fair value are considered as the impact amount.
- (6) Other income and expenses are mainly impairment loss and loss on disposal of fixed assets.
- (7) One-time income and expenses are income and expenses that are not incurred in the normal course of business. During the previous consolidated fiscal year, the Company recognized one-time expenses related to the acquisition of shares in overseas operating companies, which was executed on December 4, 2023. There are no one-time income and expenses incurred during the fiscal year ended March 31, 2025.
- (8) Core operating profit, Core EBITDA and Core EBITDA margin are not indicators defined by IFRS, but the Group assumes these indicators are useful for investors to evaluate the Group’s performance. These financial indicators exclude the effect of non-recurring gains / losses and items that do not adequately present the Group’s performance relative to its competitors. Core operating profit, Core EBITDA, Core EBITDA margin should not be considered as indicators to replace the other indicators shown in accordance with IFRS because they do not include some of the items that affect the profit for the period, so they are subject to significant restrictions as means of analysis. Core operating profit, Core EBITDA, Core EBITDA margin disclosed by the Group may be less useful in comparison with the same or similar indicators of other competitors because they are calculated according to a different method from those of such other companies.

(How to obtain supplementary financial results briefing materials and financial results briefing details)

Supplementary financial results briefing materials are posted both on TDnet and our website on May 9, 2025. A presentation for institutional investors and analysts is scheduled to be held on Monday, May 19, 2025 in a hybrid format of on-site and webcast.

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I. Qualitative Information for the Fiscal Year Ended March 31, 2025

1. Analysis of Operating Results

During the consolidated fiscal year under review, the domestic economy showed a moderate recovery trend due to improvements in the employment and income environment and expansion of inbound consumption. On the other hand, the outlook remains uncertain due to chronic labor shortages in Japan, geopolitical risks in the Middle East, and sharp exchange rate fluctuations.

The environment surrounding our business is one which consumers continue to be frugal, due to higher raw material cost caused by abnormal weather around the world and the weak yen, and due to series of food price hikes caused by rising logistics costs and soaring prices of packaging materials.

In this economic environment, the Group has been working to build a diverse business portfolio by not only further strengthening its domestic and existing operations but also aggressively expanding into overseas markets and new areas, in order to achieve the Medium-Term Business Plan renewed in December 2023. In terms of specific action, following our full-scale overseas expansion by entering the Netherlands in the previous consolidated fiscal year, we launched "Mushroom Meat," an alternative meat made primarily from mushrooms, which we developed as a new business in the current consolidated fiscal year.

To mark this major turning point, at the 7th Ordinary General Meeting of Shareholders held on June 26, 2024, the Company received approval for a proposal to partially amend its Articles of Incorporation by changing its trade name, and will change its name to "Yukiguni Factory Kabushiki Gaisha" (YUKIGUNI FACTORY CO., LTD. in English) effective April 1, 2025. We have decided to change our corporate name to a more appropriate one, based on our desire and determination to reevaluate our core values and uniqueness, and to look forward to the traditions and trust we must carry on, as well as our ideal image for the future. Please refer to our website for the background of the company name change, our new values, and the concept behind our brand structure.

The Group will continue to pursue all the potential of mushrooms as one of blessings of nature, while delivering new value contributing to health around the world as we continue to carry forward the expertise, spirit of inquiry, tradition, and trust that we have cultivated under the "Yukiguni" to date.

Total income for the current consolidated cumulative period was ¥53,139 million (+11.9% year-on-year), of which revenue was ¥37,102 million (+10.9% year-on-year). However, operating profit declined to ¥2,419 million (-13.6%) due to impairment loss of ¥1,599 million. Meanwhile profit attributable to owners of the parent was ¥1,502 million (+11.2%).

In the current consolidated fiscal year, gains arising from changes in fair value related to the application of IFRS Agricultural Accounting (IAS 41) were included in total income of ¥16,037 million (+14.3% year-on-year) and in the cost of sales of ¥15,758 million (+16.1% year-on-year), respectively.

[Business results for the Fiscal year ended March 31, 2025]

	(Millions of yen)		
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	% Change year-on-year
Revenue	33,443	37,102	10.9
Gains arising from changes in fair value	14,033	16,037	14.3
Total income	47,476	53,139	11.9
Operating profit	2,798	2,419	-13.6
Profit before tax	2,227	2,175	-2.4
Profit attributable to owners of parent	1,350	1,502	11.2

The status of revenue by business segment during the current consolidated fiscal year is as follows.

[Mushroom business]

1) Maitake

In order to promote the healthy and flavorful maitake, which can be easily and deliciously cooked to meet the needs of consumers, we are working on sales measures to promote the appeal of maitake and

their high versatility in cooking, such as joint planning with other food product manufacturers to propose a wide range of seasonal menus, thereby promoting the expansion of demand. In addition, we are striving to increase our market share and strengthen our premium brand strategy by utilizing our variety of product lineups such as pre-measured products, products sold by weight, and large root products, including our strengths white maitake.

Sales volume and unit sales prices exceeded those compared to the same period of the previous year. Thus, revenue of the Maitake business was ¥20,055 million (+8.6% year-on-year).

2) Eryngii

We offer a wide variety of products to meet customer needs, including standard tray products in a variety of sizes from small packs to large packs, as well as convenient sliced products. As part of our retail store promotions, we also held events where customers could try picking Eryngii, and these sales promotion activities, which were part of our food education efforts, were well received.

Sales volume decreased, but unit sales prices exceeded those compared to the same period of the previous year. Thus, revenue of the Eryngii business was ¥3,822 million (+6.5% year-on-year).

3) Buna-shimeji

We are working to ensure a stable supply by monitoring fruit and vegetable market conditions and market trends, and by flexibly introducing products in different quantities, such as 1-root and 2-roots products, depending on the supply-demand balance.

Sales volume was almost the same, but unit sales prices exceeded those compared to the same period of the previous year. Thus, revenue from the Buna-shimeji business was ¥7,563 million (+10.5% year-on-year).

4) Other mushrooms

As for button mushrooms, the Company is focusing on stabilizing production conditions and implementing sales promotion plans to strengthen sales and create new demand. As a result, revenue of button mushrooms exceeded those compared to the same period of the previous year. In addition, revenue of button mushrooms and exotic mushrooms (a generic name for mushrooms other than button mushrooms in Japan, such as Shiitake and Hiratake), which are handled by an overseas company that was acquired by the Company in December 2023, are included in this segment's revenue, which was significantly higher than those in the same period of the previous year. As a result of the above, revenue from other mushroom businesses was ¥5,337 million (+25.9% year-on-year).

[Other]

Other revenue was mainly derived from sales of health foods and the culture medium activator handled by Mizuho Norin Co., Ltd. Revenue from the new Mushroom Meat series of products which was launched in February 2025 is included in this segment from the current consolidated fiscal year. In the current consolidated fiscal year, sales volume of Health Foods declined, but production and sales of culture medium activators remained strong. As a result, revenue from other businesses was ¥322 million (+4.1% year-on-year).

Revenue by business segment is as follows.

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	% Change year-on-year
Mushroom business	33,133	36,779	11.0
Maitake	18,461	20,055	8.6
Eryngii	3,589	3,822	6.5
Buna-shimeji	6,842	7,563	10.5
Other mushrooms	4,239	5,337	25.9
Other	309	322	4.1
Total Revenue	33,443	37,102	10.9

2. Analysis of Financial Position

[Assets]

Total assets at the end of the current consolidated fiscal year (as of March 31, 2025) were ¥37,868 million (-¥391 million from the end of the previous consolidated fiscal year). Current assets were ¥11,501 million (+¥886 million from the end of the previous consolidated fiscal year). This was mainly due to increases of ¥1,105 million in cash and cash equivalents and ¥362 million in inventories, respectively, while decreases of ¥721 million in trade and other receivables. Non-current assets were ¥26,367 million (-¥1,277 million from the end of the previous consolidated fiscal year). This was mainly due to decreases of ¥1,837 million in property, plant and equipment, while increases of ¥731 million in deferred tax assets.

[Liabilities]

Total liabilities at the end of the current consolidated fiscal year were ¥25,343 million (-¥1,306 million from the end of the previous consolidated fiscal year). Current liabilities were ¥9,502 million (+¥223 million from the end of the previous consolidated fiscal year). This was mainly due to decreases of ¥683 million in trade and other payables, while increases of ¥430 million in income taxes payable, ¥373 million in liabilities for employee benefits, respectively. Non-current liabilities were ¥15,841 million (-¥1,529 million). This was mainly due to decreases of ¥1,421 million in borrowings as a result of scheduled repayments.

[Equity]

Total equity at the end of the current consolidated fiscal year were ¥12,525 million (+¥914 million from the end of the previous consolidated fiscal year). This was mainly due to an increase of ¥929 million in retained earnings resulting from the recording of ¥1,502 million in profit attributable to owners of the parent and the payment of ¥518 million in dividends from surplus.

3. Analysis of Cash Flows

The balance of cash and cash equivalents at the end of the current consolidated fiscal year increased by ¥1,105 million from the end of the previous consolidated fiscal year to ¥3,903 million. The status of each cash flow and their factors are as follows:

[Net cash flows from operating activities]

Funds provided as a result of operating activities was ¥5,519 million (the amount provided was ¥5,322 million in the same period of the previous year). This was mainly due to depreciation and amortization of ¥2,347 million, profit before tax of ¥2,175 million, impairment loss of ¥1,599 million and a decrease in trade and other receivables of ¥685 million, while income taxes paid of ¥964 million, trade and other payables decreased by ¥556 million.

[Net cash flows from investing activities]

Funds used as a result of investing activities were ¥2,252 million (the amount used was ¥3,361 million in the same period of the previous year). This was mainly due to the expenditure of ¥2,205 million for the acquisition of expanded and renewed property, plant and equipment.

[Net cash flows from financing activities]

Funds used as a result of financing activities were ¥2,159 million (the amount used was ¥227 million in the same period of the previous year). This was mainly due to repayments of long-term borrowings of ¥1,431 million, dividends paid of ¥520 million and repayments of lease liabilities ¥207 million.

4. Explanations about Forward-Looking Information Including Forecast of Consolidated Financial Results

1) Outlook for the Group as a whole

In the environment surrounding the Group is characterized by the falling birthrate and aging population in Japan, which continues to drive a shrinking trend in the overall food market. In addition, the declining domestic workforce is making it even more difficult to secure a labor, a challenge caused by social structural factors. In addition, while the rise in energy-related costs has been stabilizing, cost-increasing factors such as soaring raw material costs and the weak yen are expected to continue, putting pressure on corporate activities.

In this environment, the Group expects that the trend of high procurement and other costs will continue for the fiscal year ending March 31, 2026, and that profit pressure due to cost increases will continue to a certain extent. We therefore recognize the need to do even more to be self-sufficient in order to achieve the Medium-Term Business Plan.

Based on its Medium-Term Business Plan, the Group will continue to pursue the full potential of mushrooms as one of blessings of nature, while delivering new value contributing to health around the world as we continue to carry forward the expertise, spirit of inquiry, tradition, and trust that we have cultivated under the "Yukiguni" to date.

Based on the above, for the fiscal year ending March 31, 2026, we forecast total income of ¥51,970 million (-2.2% year-on-year), operating profit of ¥3,270 million (+35.1% year-on-year), and profit before tax of ¥3,070 million (+41.1% year-on-year), with profit attributable to owners of the parent of ¥2,010 million (+33.8% year-on-year).

2) Total income

Revenue and gains arising from changes in fair value* and their combined total are projected for each of the major mushroom products, based on current performance, market trends, and the Group's outlook on the effects of its measures.

* The "gains arising from changes in fair value" represents the gain recognized in income on the increase in value (fair value due to biological assets) of the raw mushroom products created in the course of production. Such fair value gains or losses are included in "Gains from changes in fair value". Gains arising from changes in fair value are included in income and cost of sales. The fair value gains recorded as income are the profits included in the current period's production, and the fair value gains recorded as cost of sales are the profits included in the current period's sales, which are affected by changes in production volume, sales volume, sales prices, etc. Since the application of International Accounting Standards will result in the recording of the sum of normal sales and accrual profit in the total income, the corresponding cost of sales will also be the sum of normal cost of sales and accrual profit.

[Maitake]

In the maitake segment, the overall maitake mushroom market is expected to remain flat, taking into account the external effects of the unstable vegetable market due to high temperatures and unseasonable weather last autumn and the high prices of mushrooms including maitake, as well as the growing awareness of customers to protect their household budgets due to the successive price hikes of daily commodities. Under these circumstances, we will strive to expand sales by increasing our share of the retail market and acquiring new customers by reinforcing a variety of sales measures that play to the

strengths of our extensive product lineup, including product suggestions that accurately reflect customer needs, and sales campaigns linked to seasonal events. In addition, by continuously disseminating information through promotions utilizing social media and other digital media, we will work to acquire a new user base and further generate demand for maitake by making our unique "Kiwami" brand widely known to our customers. Based on the above, revenue from the maitake segment is expected to reach ¥20,540 million (+2.4% year-on-year).

[Eryngii]

In the Eryngii segment, we will continue to pursue product strategies and sales measures that take advantage of our extensive product lineup, which includes not only standard varieties in various weight categories, but also highly convenient sliced products and products sold by weight. In addition, we will strengthen cooperation between production and sales, review product standards to meet customer needs, consolidate products, and make other proactive efforts to make improvements. Based on the above measures and market trends, we project that the eryngii segment will generate revenue of ¥3,870 million (+1.4% year-on-year).

[Buna-shimeji]

In the Buna-Shimeji segment, we will continue to formulate and propose sales measures, focusing on products packaged as single root. Based on the above measures and market trends, Buna-shimeji segment revenue is expected to total ¥7,460 million (-1.3% year-on-year).

[Other mushrooms]

The Other mushrooms segment consists of revenue from an overseas operating company whose shares were acquired in December 2023, button mushrooms, as well as Hon-shimeji and Hatake-shimeji manufactured and sold by Mizuho Norin Co., Ltd. Revenue from the Other mushrooms segment is expected to be ¥5,880 million (+ 10.1% year-on-year).

Based on the above, we expect revenue to be ¥38,880 million (+4.8% year-on-year) and gains arising from changes in fair value recognized in accordance with IFRS Agricultural Accounting (IAS 41) to be ¥13,080 million (-18.4% year-on-year), respectively, and total income, which is the sum of these figures, is expected to be ¥51,970 million (-2.2% year-on-year).

3) Cost of Sales and Gross Profit

Cost of sales is forecasted in consideration of production, sales, and personnel plans, trends in raw material prices, and capital investment plans.

For the fiscal year ending March, 2026, energy-related costs are expected to remain high, and labor costs are expected to increase due to the tight work force in Japan. As a result, “material cost, labor cost, etc.” (cost of goods sold by the Group, excluding gains arising from changes in fair value recognized in accordance with IFRS Agricultural Accounting (IAS 41)) is expected to be ¥24,900 million (+4.9% year-on-year), and gain arising from changes in fair value related to the application of IFRS Agricultural Accounting (IAS 41) is expected to be ¥13,520 million (-14.2% year-on-year), respectively. As one of the policies of the Medium-Term Business Plan, “Business Processes: Streamline all processes without sanctuary,” the Company will improve business processes through company-wide BPR to realize cost reduction and promote labor saving and energy saving through new investments.

Based on the above, we forecast cost of sales of ¥38,420 million (-2.7% year-on-year) and gross profit of ¥13,550 million (-0.8% year-on-year).

4) SG&A, Other Income, Other Expenses and Operating Profit

For the fiscal year ending March 31, 2026, we expect an increase in transportation cost, as well as an increase in labor costs due to salary increases and other factors. Based on the above, SG&A expenses are projected to be ¥10,230 million (+7.2% year-on-year).

In addition, other income and other expenses are expected to be recorded, resulting in a projected operating profit of ¥3,270 million (+35.1% year-on-year).

5) Finance income, Finance expenses, Profit, Profit attributable to owners of parent

For finance income and expenses, the related gains and losses are calculated based on the planned values related to the balance of financial assets and borrowings.

Based on the above, financial expenses are expected to be ¥200 million (-18.7% year-on-year), affected by a decrease in interest expenses due to the prepayment of borrowings, and profit before tax is expected to be ¥3,070 million (+41.1% year-on-year), profit is expected to be ¥2,010 million (+34.4% year-on-year), and profit attributable to owners of the parent is expected to be ¥2,010 million (+33.8% year-on-year), respectively.

The financial results forecast is based on the information available at this time, and the actual financial results may differ due to various factors.

II. Basic Policy Regarding Selection of Accounting Standards

Our corporate group applies International Financial Reporting Standards (IFRS) since the fiscal year ended March 31, 2019 in order to enable the international comparison of financial information and improve convenience in the capital markets.

III. Consolidated Financial Statements and Significant Notes

1. Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and cash equivalents	2,797	3,903
Trade and other receivables	3,211	2,490
Inventories	1,476	1,839
Biological assets	2,939	3,106
Income taxes receivable	-	14
Other current assets	189	146
Total current assets	10,615	11,501
Non-current assets		
Property, plant and equipment	19,621	17,784
Investment property	95	94
Goodwill and intangible assets	6,025	5,932
Right-of-use assets	261	210
Retirement benefit asset	303	307
Other financial assets	213	186
Deferred tax assets	1,053	1,785
Other non-current assets	69	65
Total non-current assets	27,645	26,367
Total assets	38,260	37,868

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Trade and other payables	3,570	2,886
Income taxes payable	940	1,370
Employee benefit accruals	2,138	2,512
Current portion of long-term borrowings	1,422	1,422
Lease liabilities	137	141
Provisions	177	193
Other financial liabilities	115	105
Other current liabilities	776	869
Total current liabilities	9,278	9,502
Non-current liabilities		
Borrowings	16,857	15,435
Lease liabilities	196	161
Deferred tax liabilities	165	152
Provisions	21	21
Other financial liabilities	130	69
Other non-current liabilities	0	0
Total non-current liabilities	17,370	15,841
Total liabilities	26,649	25,343
Equity		
Share capital	100	100
Capital surplus	(6,067)	(6,067)
Retained earnings	17,405	18,334
Treasury shares	(17)	(7)
Other components of equity	25	6
Total equity attributable to owners of parent	11,446	12,366
Non-controlling interests	164	159
Total equity	11,610	12,525
Total liabilities and equity	38,260	37,868

2. Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Income		
Revenue	33,443	37,102
Gains arising from changes in fair value	14,033	16,037
Total income	47,476	53,139
Cost of sales (*1)	35,862	39,487
Gross profit	11,614	13,651
Selling, general and administrative expenses	8,850	9,550
Other income	210	88
Other expenses	175	1,769
Operating profit	2,798	2,419
Finance income	2	1
Finance expenses	573	246
Profit before tax	2,227	2,175
Income tax expense	870	679
Profit	1,357	1,496
Profit attributable to		
Owners of parent	1,350	1,502
Non-controlling interests	6	(6)
Earnings per share		
Basic earnings per share (Yen)	33.87	37.66
Diluted earnings per share (Yen)	33.86	37.65

Management believes that the information of “material costs, labor costs, etc.” facilitates comparison between the Group and competitors by users of financial statements. Therefore, we disclose the information voluntarily as a note in the summarized consolidated statements of income. “Material costs, labor costs, etc.” are the production costs of finished goods and purchasing costs of other goods sold by the Group, excluding the gains arising from changes in fair value recognized under IAS 41 “Agriculture”.

(*1) Components of cost of sales		
Material costs, labor costs, etc.	22,292	23,729
Gains arising from changes in fair value	13,569	15,758
Total	35,862	39,487

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	1,357	1,496
Other comprehensive income (After tax effect deduction)		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(10)	(55)
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	5	(13)
Total of items that will not be reclassified to profit or loss	(4)	(69)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	8	(4)
Total of items that may be reclassified to profit or loss	8	(4)
Total other comprehensive income (After tax effect deduction)	4	(73)
Comprehensive income	1,361	1,422
Comprehensive income attributable to		
Owners of parent	1,355	1,428
Non-controlling interests	6	(6)

3. Consolidated Statement of Changes in Equity

(Millions of yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total
Balance at beginning of period	100	(6,012)	16,341	(33)	14	10,409	(0)	10,409
Profit	-	-	1,350	-	-	1,350	6	1,357
Other comprehensive income	-	-	-	-	4	4	-	4
Comprehensive income	-	-	1,350	-	4	1,355	6	1,361
Purchase of own shares	-	-	-	-	-	-	-	-
Share-based remuneration Transactions	-	(2)	-	15	-	12	-	12
Dividends of surplus	-	-	(279)	-	-	(279)	-	(279)
Transfer from other components of equity to retained earnings	-	-	(7)	-	7	-	-	-
Other	-	(51)	-	-	-	(51)	157	106
Total	-	(54)	(286)	15	7	(317)	157	(160)
Balance at end of period	100	(6,067)	17,405	(17)	25	11,446	164	11,610
Profit	-	-	1,502	-	-	1,502	(6)	1,496
Other comprehensive income	-	-	-	-	(73)	(73)	-	(73)
Comprehensive income	-	-	1,502	-	(73)	1,428	(6)	1,422
Purchase of own shares	-	-	-	(0)	-	(0)	-	(0)
Share-based remuneration Transactions	-	(0)	-	10	-	9	-	9
Dividends of surplus	-	-	(518)	-	-	(518)	-	(518)
Transfer from other components of equity to retained earnings	-	-	(54)	-	54	-	-	-
Other	-	-	-	-	-	-	1	1
Total	-	(0)	(573)	10	54	(508)	1	(507)
Balance at end of period	100	(6,067)	18,334	(7)	6	12,366	159	12,525

4. Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before tax	2,227	2,175
Depreciation and amortization	2,245	2,347
Impairment loss	55	1,599
Interest expenses	401	219
Commission for syndicate loan	149	-
Loss (gain) on sale of fixed assets	(3)	0
Loss on retirement of fixed assets	75	118
Decrease (increase) in trade and other receivables	(1,019)	685
Decrease (increase) in inventories	9	(362)
Decrease (increase) in biological assets	(205)	(168)
Increase (decrease) in trade and other payables	1,224	(556)
Decrease (increase) in retirement benefit asset	(5)	(93)
Increase (decrease) in employee benefit liabilities	453	374
Other	532	358
Subtotal	6,141	6,696
Interest paid	(136)	(209)
Payments of commission for syndicate loan	(11)	(3)
Income taxes paid	(691)	(964)
Income taxes refund	21	-
Net cash provided by (used in) operating activities	5,322	5,519
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,476)	(2,205)
Proceeds from sale of property, plant and equipment	3	1
Purchase of intangible assets	(0)	(18)
Purchase of shares of subsidiaries	(868)	-
Other	(19)	(29)
Net cash provided by (used in) investing activities	(3,361)	(2,252)
Cash flows from financing activities		
Proceeds from short-term borrowings	4,300	2,000
Repayments of short-term borrowings	(4,300)	(2,000)
Proceeds from long-term borrowings	18,323	-
Repayments of long-term borrowings	(18,064)	(1,431)
Repayments of lease liabilities	(204)	(207)
Purchase of own shares	-	(0)
Dividends paid	(281)	(520)
Other	(0)	(0)
Net cash provided by (used in) financing activities	(227)	(2,159)
Effect of exchange rate changes on cash and cash equivalents	3	(2)
Net increase (decrease) in cash and cash equivalents	1,737	1,105
Cash and cash equivalents at beginning of period	1,060	2,797
Cash and cash equivalents at end of period	2,797	3,903

5. Notes to Summarized Consolidated Financial Statements

(Going Concern Assumptions)

Not applicable.

(Segment Information)

(1) Reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available and regular evaluation by the Board of Directors, chief operating decision maker, is being performed in order to make decisions about resources to be allocated and to assess its performance. The mushroom business is listed as a reporting segment as the Group has a comprehensive strategy for products and services and is expanding its business activities. "Other" includes businesses that are not included in the reportable segment.

The Group aggregates Maitake business, Eryngii business, Buna-shimeji business, etc. as a reportable segment, "mushroom business," in terms of similarity of economic characteristics such as revenue trends, and the following features are all similar in this segment: (a) the nature of products and services, (b) the nature of the production processes, (c) the type of customers of the products and the services, (d) the method used to deliver the products or provide the services, and (e) the nature of regulatory environment.

Description of the reportable segment is as follows:

	Description of business
Mushroom business	Production and sales of Maitake, Eryngii, Buna-shimeji and other mushrooms

(2) Reportable segments information

The accounting methods of reportable business segments are the same as the Group's accounting policies. Figures reported as segment profit are based on operating profit reported in the summarized consolidated statements of income. Revenues from intersegment transactions are based on the current market prices.

Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Mushroom business	Others	Total	Adjustment items (*1)	Per consolidated financial statements
Revenue					
Revenue from external customers	33,133	309	33,443	-	33,443
Intersegment revenue	-	0	0	(0)	-
Total revenue	33,133	310	33,443	(0)	33,443
Segment profit (loss)	2,788	51	2,840	(41)	2,798
Finance income					2
Finance expenses					573
Profit before tax					2,227
Others					
Gains arising from changes in fair value included in total income	14,033	-	14,033	-	14,033
Gains arising from changes in fair value included in cost of sales	13,569	-	13,569	-	13,569
Depreciation and amortization	2,230	14	2,244	0	2,245
Impairment loss	30	-	30	25	55

(*1) Adjustment items for segment profit (loss) include corporate expenses that are not allocated to each business segment.

Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Mushroom business	Others	Total	Adjustment items (*1)	Per consolidated financial statements
Revenue					
Revenue from external customers	36,779	322	37,102	-	37,102
Intersegment revenue	-	-	-	-	-
Total revenue	36,779	322	37,102	-	37,102
Segment profit (loss)	2,511	(77)	2,434	(14)	2,419
Finance income					1
Finance expenses					246
Profit before tax					2,175
Others					
Gains arising from changes in fair value included in total income	16,037	-	16,037	-	16,037
Gains arising from changes in fair value included in cost of sales	15,758	-	15,758	-	15,758
Depreciation and amortization	2,324	23	2,347	0	2,347
Impairment loss	1,599	-	1,599	-	1,599

(*1) Adjustment items for segment profit (loss) include corporate expenses that are not allocated to each business segment.

(Earnings per Share)

Calculation of basic earnings per share and diluted earnings per share are described below.

	(Unit)	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Basic earnings per share			
Profit attributable to owners of parent	(Millions of yen)	1,350	1,502
Profit not attributable to common shareholders of parent	(Millions of yen)	-	-
Profit used for calculation of basic earnings per share	(Millions of yen)	1,350	1,502
Average number of common shares during the period	(Thousand shares)	39,880	39,891
Basic earnings per share	(Yen)	33.87	37.66
Diluted earnings per share			
Profit used for calculation of basic earnings per share	(Millions of yen)	1,350	1,502
Adjustment	(Millions of yen)	-	-
Profit used for calculation of diluted earnings per share	(Millions of yen)	1,350	1,502
Average number of common shares during the period	(Thousand shares)	39,880	39,891
Increase of shares due to restricted stock compensation plan	(Thousand shares)	5	5
Average number of common shares during the period after dilution	(Thousand shares)	39,885	39,897
Diluted earnings per share	(Yen)	33.86	37.65

(Significant Subsequent Events)

Not applicable.