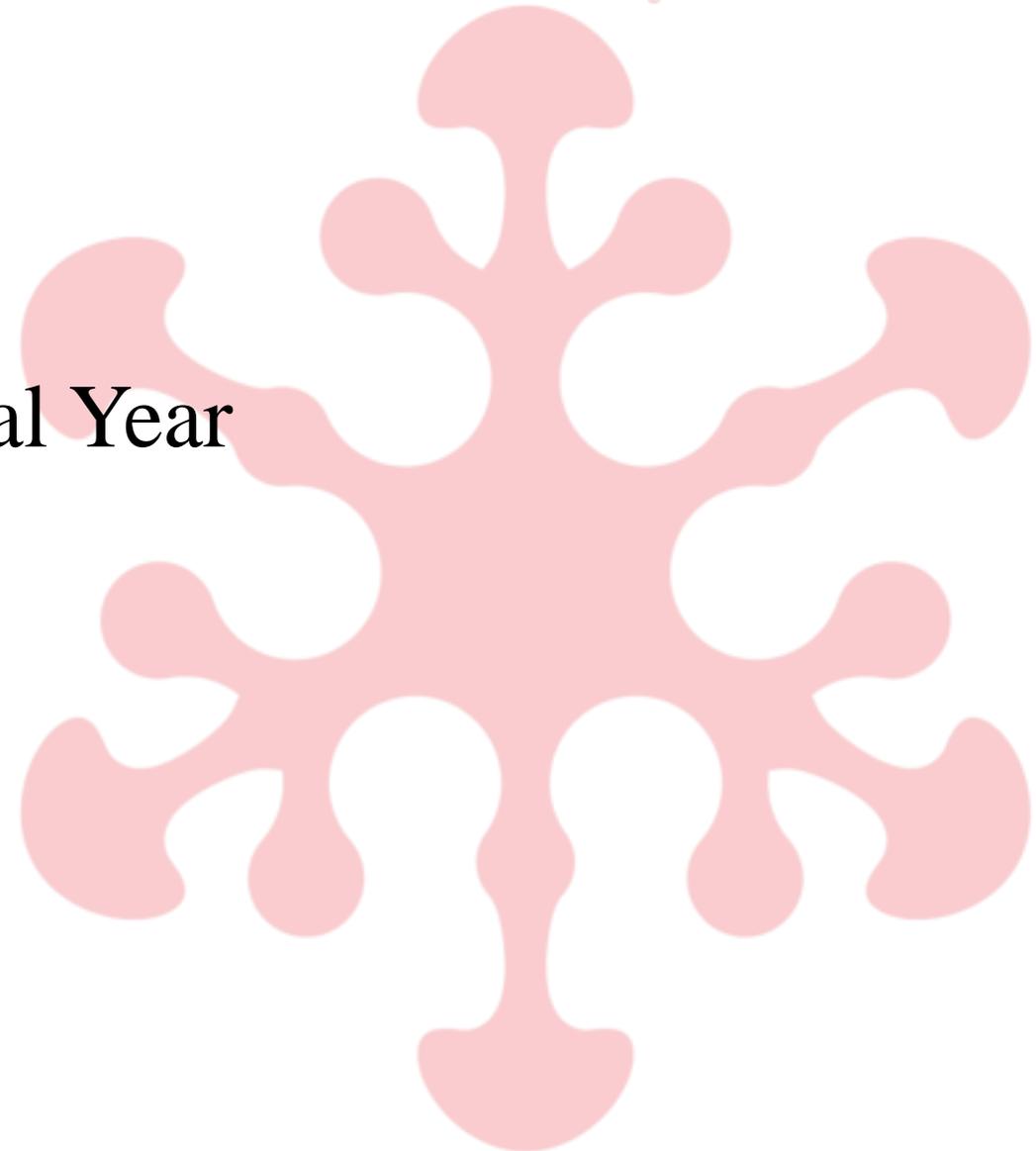


# Performance Review for Fiscal Year Ended March 2025

May 9, 2025

YUKIGUNI FACTORY CO., LTD.  
Tokyo Stock Exchange, Prime Market: 1375



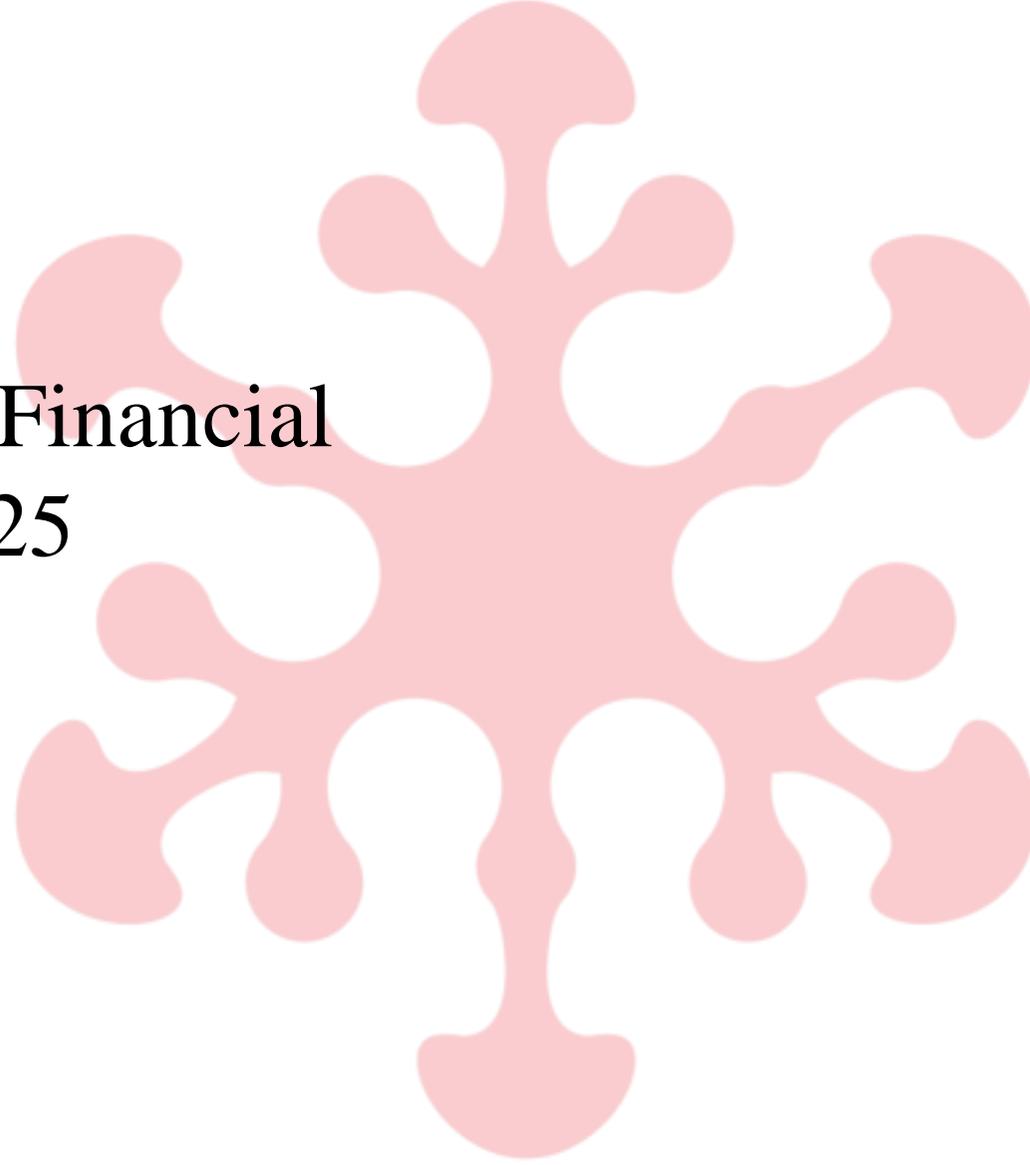
# **AGENDA**

1. Summary of Consolidated Financial Results for FYE March 2025
2. Forecast of Consolidated Financial Results for FYE March 2026
3. New Business
4. Sustainability
5. Medium- Term Business Plan for FYE March 31, 2024 to FYE March 31, 2028
6. Financial Policies and Shareholder Returns
7. Reference Materials

(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.

# 1. Summary of Consolidated Financial Results for FYE March 2025





# Summary of Financial Results for Fiscal Year Ended March 2025

In the current period, revenue and Core EBITDA outperformed both year-on-year and the forecast.

## External Environment

- Last year's unfavorable weather conditions had a prolonged effect on the poor growth of vegetables and continued demand for stably grown mushrooms due to reduced arrivals and soaring prices of vegetables.
- The unstable supply situation of vegetables due to poor growth led to higher prices than the previous year in the vegetable market as a whole, and there was an unusual upward trend in mushroom prices.
- Continuing from the previous quarter, consumers continued to be thrifty and selective in their spending due to high prices and high vegetable prices.
- Continued inflation were driving up unit costs, and changes in the labor environment were driving up labor costs.

## Our Response

- By making the most of multiple SKUs and offering the most suitable products to meet increasing demand, we were able to achieve a unit sales price level that exceeded both the previous year and our forecast.
- Created product labels and sales areas to match seasonal events, and tried to stimulate consumer purchasing desire by emphasizing the sense of the season, in order to increase sales.
- Core EBITDA margins increased as a result of continued price-oriented sales strategy and increased sales of high-margin products.
- A new product series, "Mushroom Meat," was launched in February.

## Summary

### Revenue JPY 37.1 billion

- YoY  
JPY +3.6 billion (+10.9%)
- vs Forecast  
JPY +0.3 billion (+0.9%)
- Exceeded both year-on-year and forecast figures 

### Core EBITDA JPY 6.1 billion

- YoY  
JPY +1.3 billion (+29.0%)
- vs Forecast  
JPY +1.0 billion (+19.4%)
- Exceeded both year-on-year and forecast figures 



## Consolidated Statements of Income (Cumulative)

In the current fiscal year, we recorded an impairment loss of JPY 1,599 million (Other Expenses), but revenue and profit increased compared to the same period of the previous fiscal year.

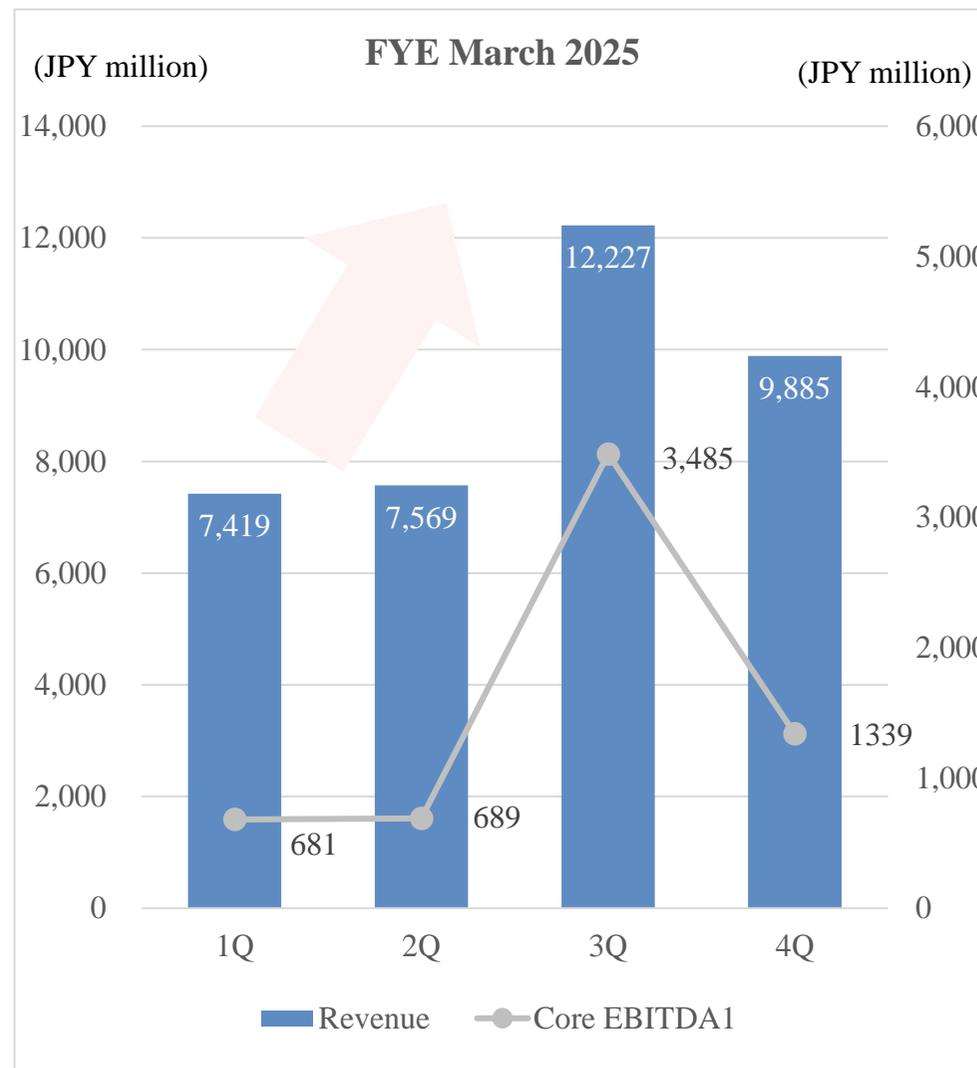
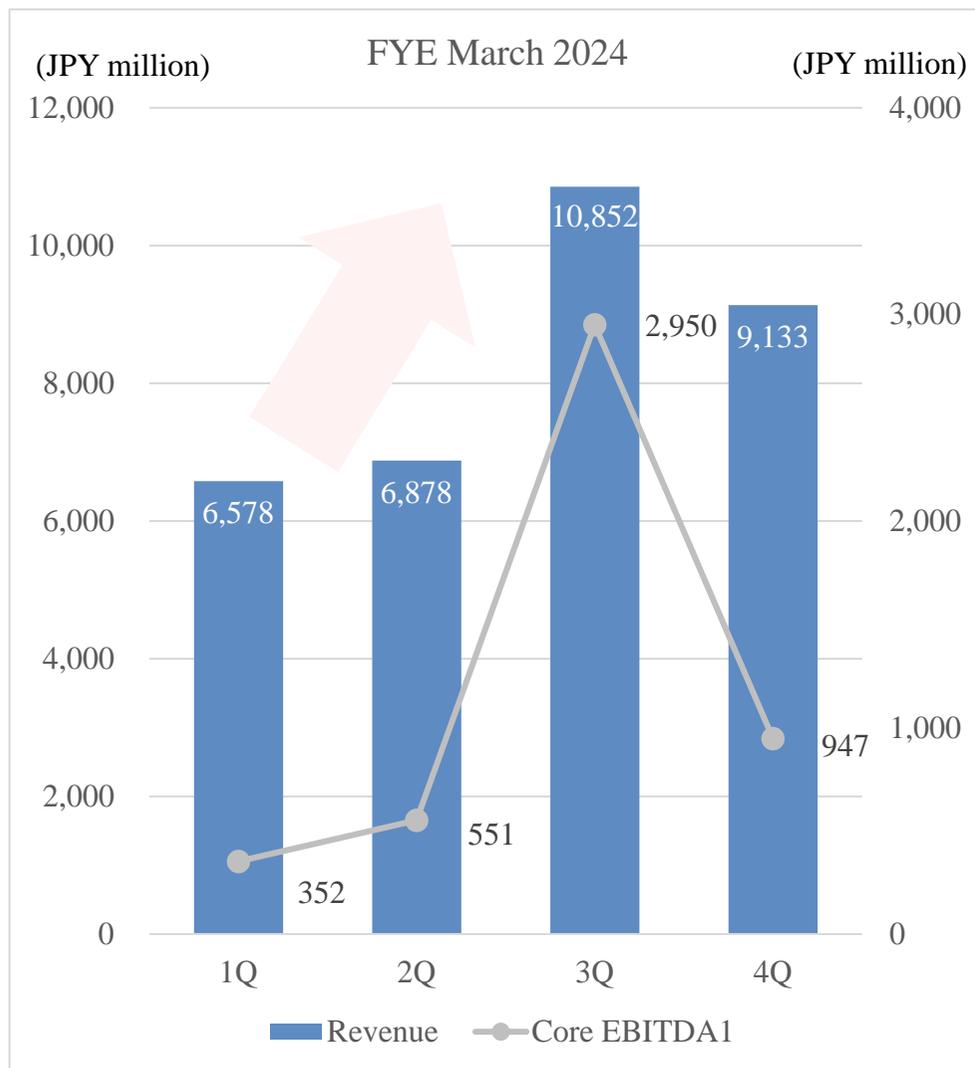
(JPY million)	March 2025	March 2024	
	Actual	Actual	Change Amount/Margin %
Revenue	37,102	33,443	+3,658 +10.9%
Gains Arising from Changes in Fair Value	16,037	14,033	+2,003 +14.3%
<b>Total Income</b>	<b>53,139</b>	<b>47,476</b>	<b>+5,662 +11.9%</b>
Material Costs, Labor Costs, etc.	23,729	22,292	+1,436 +6.4%
Gains Arising from Changes in Fair Value	15,758	13,569	+2,189 +16.1%
Cost of Sales	39,487	35,862	+3,625 +10.1%
<b>Gross Profit</b>	<b>13,651</b>	<b>11,614</b>	<b>+2,037 +17.5%</b>
SG&A Expenses	9,550	8,850	+700 +7.9%
Other Income	88	210	(122) (58.2%)
Other Expenses	1,769	175	+1,593 +907.3%
<b>Operating Profit</b>	<b>2,419</b>	<b>2,798</b>	<b>(379) (13.6%)</b>
<i>vs Revenue</i>	<b>6.5%</b>	8.4%	(1.8%) -
<i>vs Total Income</i>	<b>4.6%</b>	5.9%	(1.3%) -
Profit before Tax	2,175	2,227	(52) (2.4%)
<b>Profit Attributable to Owners of Parent</b>	<b>1,502</b>	<b>1,350</b>	<b>+151 +11.2%</b>
[Reference]			
<b>Core Operating Profit<sup>1</sup></b>	<b>3,858</b>	2,567	+1,290 +50.3%
<i>Core Operating Profit margin<sup>1</sup></i>	<b>10.4%</b>	7.7%	+2.7% -
<b>Core EBITDA<sup>1</sup></b>	<b>6,196</b>	4,802	+1,393 +29.0%
<i>Core EBITDA margin<sup>1</sup></i>	<b>16.7%</b>	14.4%	+2.3% -

<sup>1</sup> Core Operating Profit = Operating Profit – the effect of applying IAS 41 “Agriculture” – Other income and expenses – One-time income and expenses  
Core EBITDA = Core Operating Profit + Depreciation and Amortization      Core EBITDA margin = Core EBITDA / Revenue      Core Operating Profit margin = Core Operating Profit / Revenue



# Consolidated Operating Results (Quarterly Trends)

Both Revenue and Core EBITDA were higher in all quarters than those in the same period of the previous year.

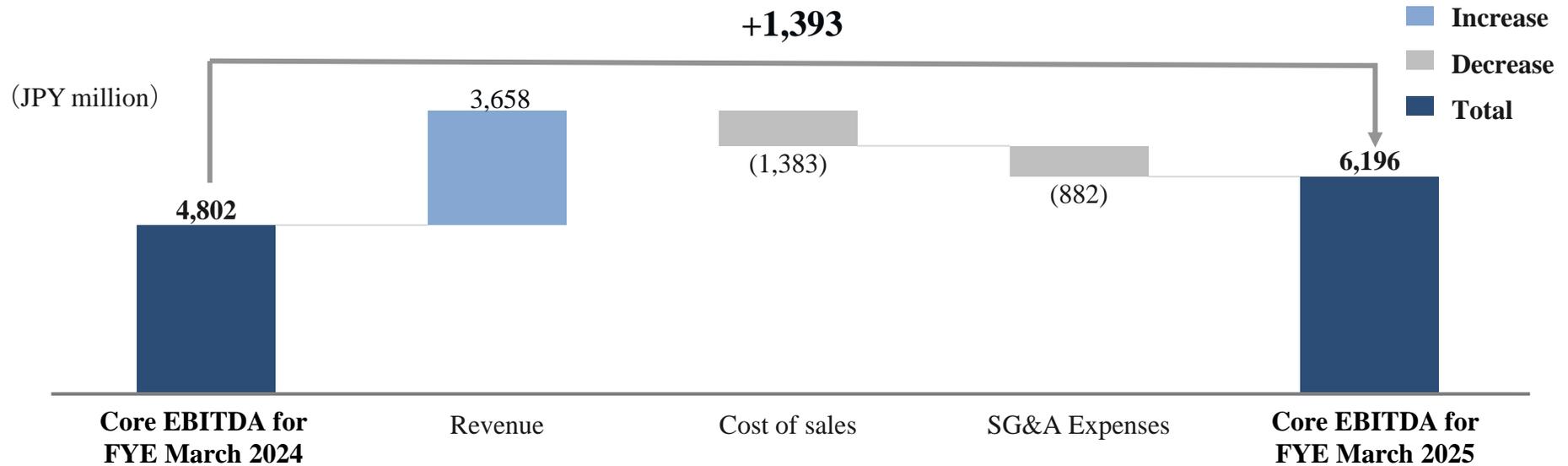


1 Core EBITDA = Core Operating Profit + Depreciation and Amortization



# Analysis of Core EBITDA (Cumulative Year-on-Year)

Core EBITDA also increased due to revenue increase compared to the same period last year.



External environment	<ul style="list-style-type: none"> <li>• <b>Factors affecting Revenue</b> <ul style="list-style-type: none"> <li>✓ Growing demand of mushroom market as a whole</li> <li>✓ Tailwind for high-priced sales in an inflationary environment</li> <li>✓ Decreased supply and a rise in prices due to poor vegetable production</li> <li>✓ Consumers continue to be thrifty</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Factors affecting Cost of sales</b> <ul style="list-style-type: none"> <li>✓ Uncertainty due to unstable global conditions</li> <li>✓ Rising prices due to inflation</li> <li>✓ Rising trend in wages</li> </ul> </li> </ul>
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Core EBITDA variable factors	<ul style="list-style-type: none"> <li>• <b>Main factors affecting changes in Revenue</b> <ul style="list-style-type: none"> <li>✓ (Maitake) Increase in unit sales price and sales volume</li> <li>✓ (Eryngii) Increase in unit sales price</li> <li>✓ (Buna shimeji) Increase in unit sales price</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Main factors affecting changes in Cost</b> <ul style="list-style-type: none"> <li>✓ Rising raw materials prices and labor costs</li> <li>✓ Increase in sales-related expenses due to higher sales (however, % of revenue is controlled from the previous year)</li> <li>✓ Significantly reduced the degree of increase in kg cost for major products such as maitake</li> </ul> </li> </ul>
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## Revenue by Business Segment

Revenue of all segments increased in the same period of the previous year.

Overseas Business in other mushrooms accounts for about 40%.

(JPY million)	FYE March 2024		FYE March 2025		Increase (Decrease)	
	Actual	Composition Ratio	Actual	Composition Ratio	Amount	Change YoY
<b>Total Revenue</b>	33,443	100.0%	<b>37,102</b>	<b>100.0%</b>	3,658	+10.9%
<b>Mushroom Business</b>	33,133	99.1%	<b>36,779</b>	<b>99.1%</b>	3,646	+11.0%
<b>Maitake</b>	18,461	55.2%	<b>20,055</b>	<b>54.1%</b>	1,593	+8.6%
<b>Eryngii</b>	3,589	10.7%	<b>3,822</b>	<b>10.3%</b>	233	+6.5%
<b>Buna-Shimeji</b>	6,842	20.5%	<b>7,563</b>	<b>20.4%</b>	721	+10.5%
<b>Other Mushrooms<sup>1</sup></b>	4,239	12.7%	<b>5,337</b>	<b>14.4%</b>	1,097	+25.9%
<b>Other<sup>2</sup></b>	309	0.9%	<b>322</b>	<b>0.9%</b>	12	+4.1%

<sup>1</sup> Hon-Shimeji, Hatake-Shimeji, Button-Mushroom, Overseas Business, purchased mushrooms, etc.

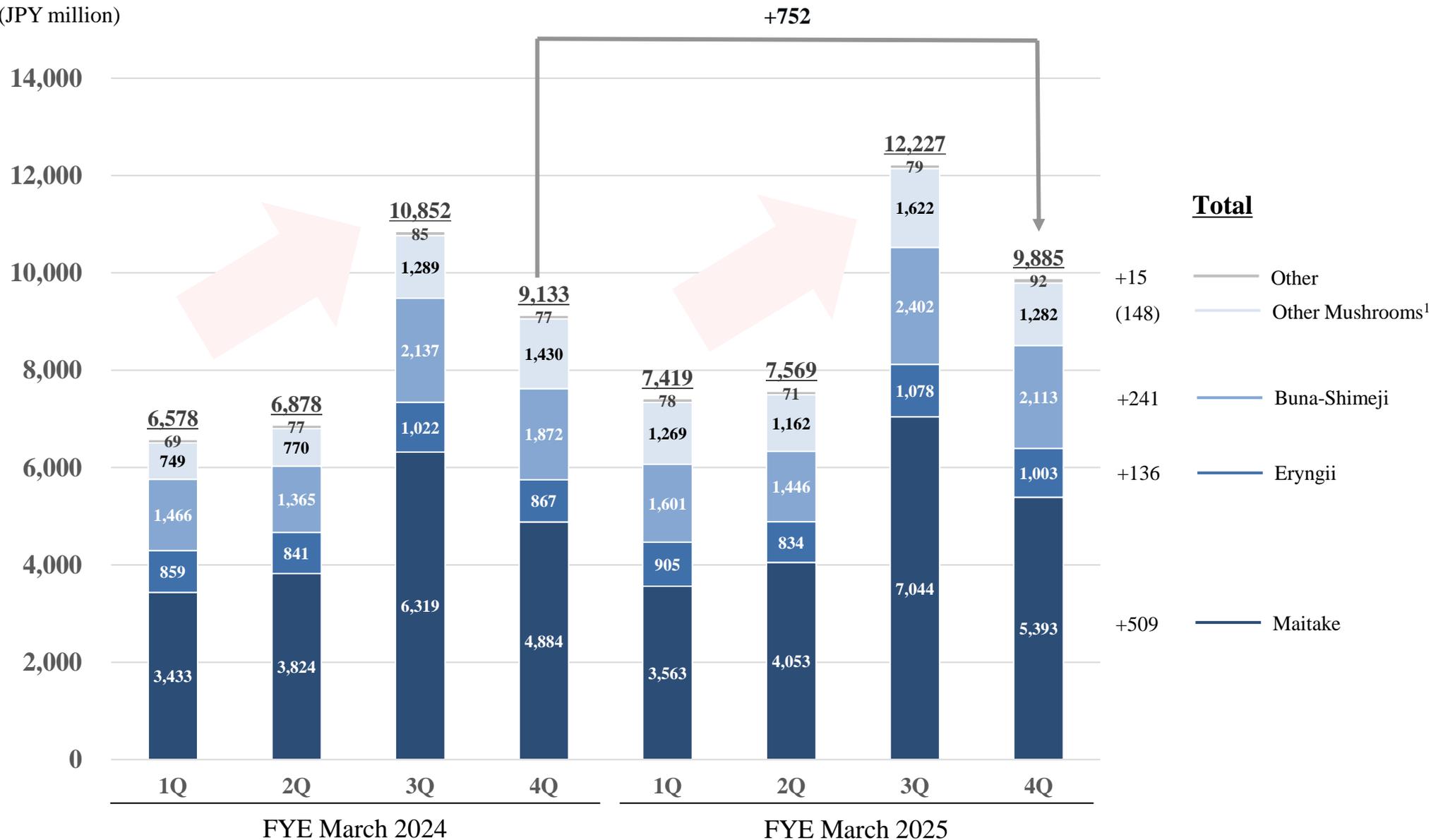
<sup>2</sup> Including new businesses.



# Revenue Trends by Business Segment (Quarterly Trends)

Revenue of all mushrooms including Maitake has been on an upward trend toward the 3<sup>rd</sup> Quarter.

(JPY million)



<sup>1</sup> Hon-Shimeji, Hatake-Shimeji, Button-Mushroom, Overseas Business, purchased mushrooms, etc.

## Status of Mushroom Business (FYE March 2025)

**Sales Volume:** Maitake was flat compared to same period of the previous year but negative compared to the forecast, and Buna-Shimeji was almost flat compared to the same period of the previous year and the forecast.

**Unit Sales Prices:** As for unit sales prices of Maitake, Eryngii and Buna-Shimeji significantly increased both the same period of the previous year and the forecast.

	Sales Volume Comparison <sup>1</sup>		Unit Sales Price Comparison <sup>1</sup>	
	vs FYE Mar 2024	vs Forecast	vs FYE Mar 2024	vs Forecast
(%)				
<b>Maitake</b>	100.8%	94.4%	108.5%	108.7%
<b>Eryngii</b>	95.8%	95.9%	111.6%	114.7%
<b>Buna-Shimeji</b>	99.8%	99.5%	111.0%	113.3%
<b>Other Mushrooms<sup>2</sup></b>	90.0%	83.1%	100.2%	95.7%

<sup>1</sup> Comparison excluding Overseas Business and processed products

<sup>2</sup> Comparison by the total of Hon-Shimeji, Hatake-Shimeji and button mushrooms



# Consolidated Statements of Financial Position

Although the accumulation of current period profits, total assets decreased due to the recording of impairment loss.

(JPY million)	As of Mar 31, 2024	As of Mar 31, 2025	Increase (Decrease)	
	Actual	Actual	Amount	Change YoY
<b>Current Assets</b>	10,615	<b>11,501</b>	+886	+8.3%
<b>Cash and Cash Equivalents</b>	2,797	<b>3,903</b>	+1,105	+39.5%
<b>Trade and Other Receivables</b>	3,211	<b>2,490</b>	(721)	(22.5%)
<b>Inventories</b>	1,476	<b>1,839</b>	+362	+24.5%
<b>Biological Assets</b>	2,939	<b>3,106</b>	+167	+5.7%
<b>Non-current Assets</b>	27,645	<b>26,367</b>	(1,277)	(4.6%)
<b>Property, Plant and Equipment</b>	19,621	<b>17,784</b>	(1,837)	(9.4%)
<b>Goodwill and Intangible Asset</b>	6,025	<b>5,932</b>	(93)	(1.5%)
<b>Total Assets</b>	38,260	<b>37,868</b>	(391)	(1.0%)
<b>Current Liabilities</b>	9,278	<b>9,502</b>	+223	+2.4%
<b>Trade and Other Payables</b>	3,570	<b>2,886</b>	(683)	(19.2%)
<b>Accrued Income Taxes</b>	940	<b>1,370</b>	+430	+45.7%
<b>Short-term Borrowings</b>	-	-	-	-
<b>Current Portion of Long-Term Borrowings</b>	1,422	<b>1,422</b>	0	+0.0%
<b>Non-current Liabilities</b>	17,370	<b>15,841</b>	(1,529)	(8.8%)
<b>Borrowings</b>	16,857	<b>15,435</b>	(1,421)	(8.4%)
<b>Lease Liabilities</b>	196	<b>161</b>	(35)	(18.0%)
<b>Total Liabilities</b>	26,649	<b>25,343</b>	(1,306)	(4.9%)
<b>Total Equity</b>	11,610	<b>12,525</b>	+914	+7.9%
<b>Total Equity Attributable to Owners of Parent</b>	11,446	<b>12,366</b>	+919	+8.0%
<b>Total Liabilities and Equity</b>	38,260	<b>37,868</b>	(391)	(1.0%)



## Consolidated Statements of Cash Flows (Year-on-Year)

**Cash Flows from Operating Activities**···Although Profit before Tax decreased, net cash provided increased due to an increase in non-operating expenses and losses.

**Cash Flows from Investing Activities**··· Net cash used decreased due to lower capital expenditures. The previous term was irregular because of the purchase of shares of subsidiaries.

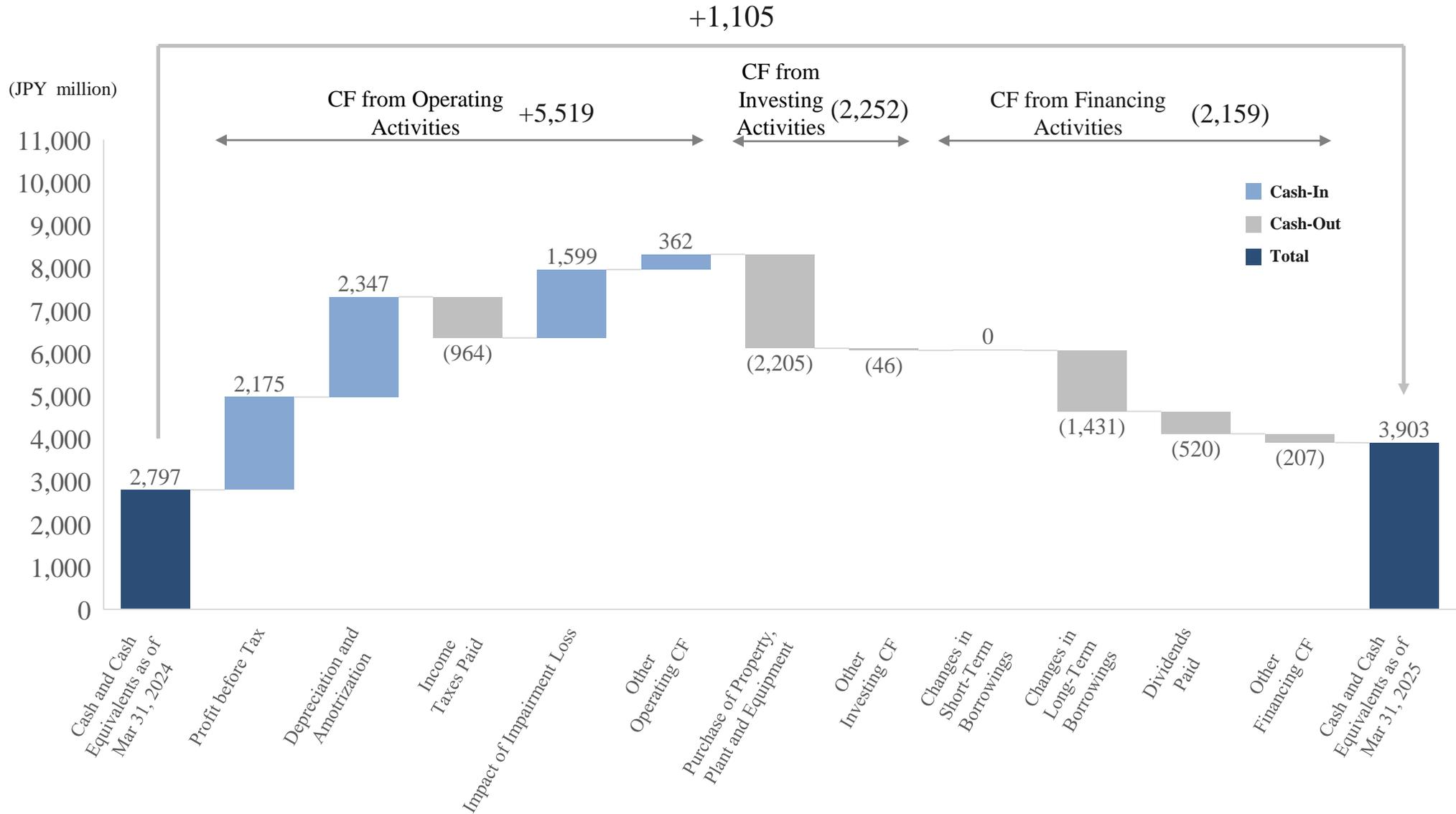
**Cash Flows from Financing Activities**··· Net cash used increased due to a balance decrease in borrowings and increase in dividends paid.

(JPY million)	FYE March 31, 2024	FYE March 31, 2025	Increase (Decrease)
<b>Cash Flows from Operating Activities</b>	5,322	5,519	+197
Profit before Tax	2,227	2,175	(52)
Depreciation and Amortization	2,245	2,347	+102
Decrease (Increase) in Trade and Other Receivables	(1,019)	685	+1,704
Decrease (Increase) in Inventories and Biological Assets	(195)	(530)	(334)
Increase (Decrease) in Trade and Other Payables	1,224	(556)	(1,781)
Income Taxes Paid	(691)	(964)	(273)
Other	1,475	764	(710)
Impairment Loss	55	1,599	+1,543
<b>Cash Flows from Investing Activities</b>	(3,361)	(2,252)	+1,109
Purchase of Property, Plant and Equipment	(2,476)	(2,205)	+270
Purchase of Intangible Asset	0	(18)	(18)
Purchase of Shares of Subsidiaries	(868)	0	+868
Other	(16)	(27)	(11)
<b>Cash Flows from Financing Activities</b>	(227)	(2,159)	(1,932)
Net cash changes by Short-Term Borrowings	0	0	0
Proceeds from Long-Term Borrowings	18,323	-	(18,323)
Repayments of Long-Term Borrowings	(18,064)	(1,431)	+16,633
Dividends Paid	(281)	(520)	(238)
Other	(204)	(207)	(3)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	1,737	1,105	(631)
<b>Cash and Cash Equivalents at the Beginning of the Period</b>	1,060	2,797	+1,737
<b>Cash and Cash Equivalents at the End of the Period</b>	2,797	3,903	+1,105



## Consolidated Cash Flow Analysis (Change from the end of the previous fiscal year)

Net cash provided by operating activities was more than income taxes paid, resulting in JPY 5,519 million increased in CF from operating activities. Cash and cash equivalents increased by JPY 1,105 million due to the repayment of long-term borrowings and dividends paid.



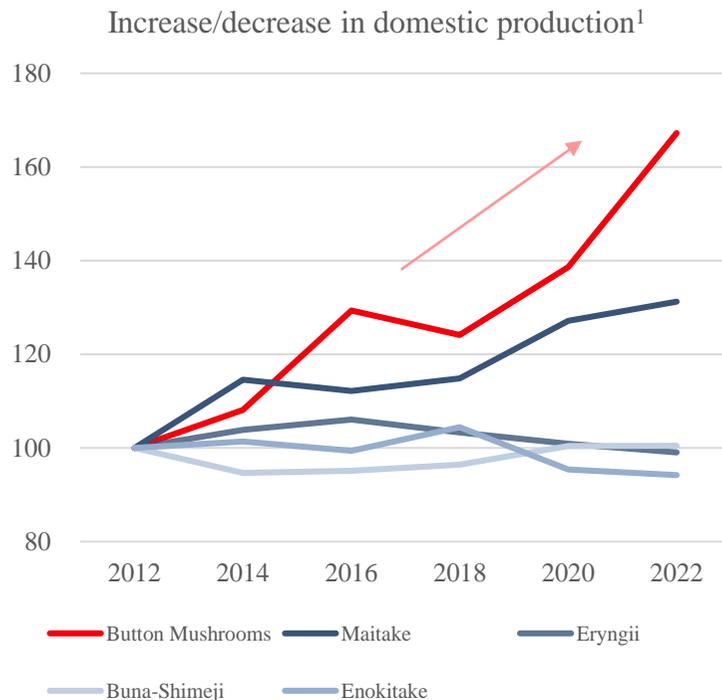


# Impairment Loss

**¥1,599 million impairment loss was recorded due to delay in realization of benefits from increased production in button mushroom business. Signs of improvement are being seen, and we will continue to focus on improving the production process.**

## Background of investment in increased button mushroom production

- Investment in increased production to capture growth opportunities for button mushrooms, which have a high unit sales price and a growing market (announced production increase plan in November 2021)



(Indexed with 2012 production as 100)

## Causes of Impairment Loss, Future Outlook

### 【Cause】

- Increased production that maintained quality and quantity did not proceed easily.
  - ✓ Profit pressure from increased costs due to upfront investment
- Production activities were partially restricted in FY2025 due to damage to the roof of the facility.
  - ✓ The production method previously envisioned needs to be revised.

**Led to a deterioration in profitability**

### 【Current Status and Future Outlook】

- Attempting to improve the production process by seeking guidance and assistance from outside experts (outside of Japan)
  - ✓ Currently, there are signs of improvement in the production situation.

**Stable production and improved work efficiency  
Aiming to improve profits**

<sup>1</sup> Sources: Forestry Agency “Statistical Survey on Production of Minor Forest Products”, Ministry of Agriculture, Forestry and Fisheries “Local Vegetable Production Survey”



# Key Financial Indicators

Due to decreased borrowings and an upward trend in core EBITDA, both the Net D/E ratio and the Net D/Core EBITDA have improved from the levels at the end of the previous fiscal year.

## Changes of Financial Indicator Regarding Goodwill

## Changes in Financial Indicator Regarding Net Debt

### ■ Goodwill to Net Assets Ratio <sup>1</sup>



### ■ Net Debt to Equity Ratio <sup>1</sup>



- Regardless of the sign of impairment, **implement an impairment test once a year**
- Check signs of impairment quarterly and **implement an impairment test if there are any signs of impairment**

### ■ Net Debt to Core EBITDA Ratio <sup>2</sup>



<sup>1</sup> IFRS based consolidated financial figures

<sup>2</sup> Using actual Core EBITDA figures. Core EBITDA=Core Operating Profit+Depreciation and Amortization

<sup>3</sup> Estimated by last 12 months (LTM) cumulative Core EBITDA



## Key Performance Indicators

**Although revenue and profit increased in the current fiscal year, operating profit decreased due to the recording of impairment loss, resulting in a deterioration in key performance indicators.**

	FYE March 2024	FYE March 2025
Operating Margin	<b>5.9%</b>	<b>4.6%</b>
Core EBITDA Margin	<b>14.4%</b>	<b>16.7%</b>
Basic Earnings per Share <sup>1</sup>	<b>JPY 33.87</b>	<b>JPY 37.66</b>
ROE (Return on Equity Attributable to Owners of Parent) <sup>2</sup>	<b>12.4%</b>	<b>12.6%</b>
ROIC (Return on Invested Capital) <sup>3</sup>	<b>6.4%</b>	<b>5.4%</b>

<sup>1</sup> Effective July 30, 2020, the Company split the shares of its common stock on a 100-for-1 basis. Basic Earnings per Share have been restated, as appropriate, on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year

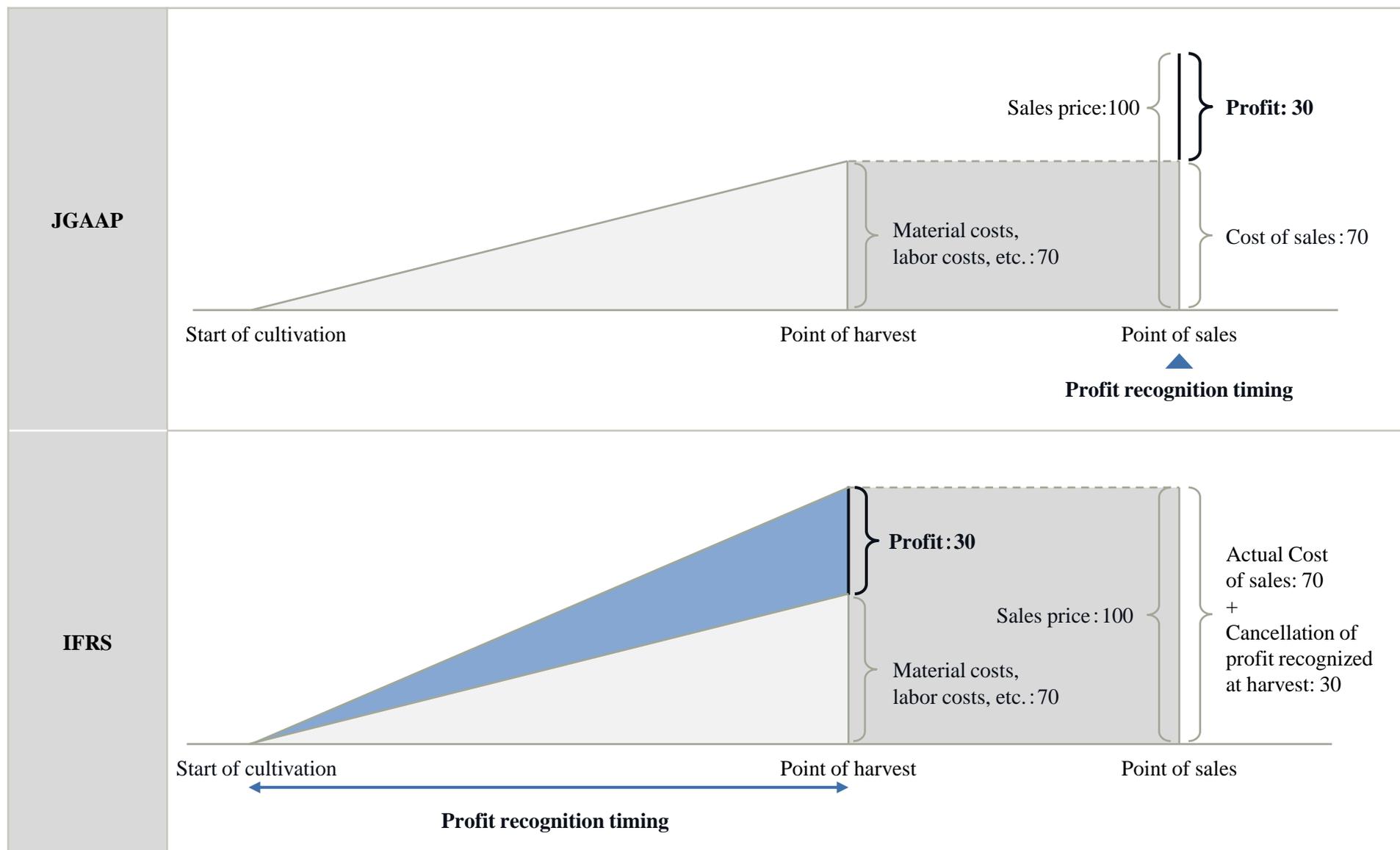
<sup>2</sup> Cumulative actual of the last 12 months (LTM) ROE = Profit Attributable to Owners of Parent / Average Total Equity Attributable to Owners of Parent during the Period

<sup>3</sup> Cumulative actual of the last 12 months (LTM) ROIC = (Operating Profit x (1 - Effective Tax Rate)) / (Average shareholders' Equity + Average interest-bearing Liabilities)



## Overview of Accounting Treatment — IAS 41 “Agriculture”

While profit is recognized at the point of sales under JGAAP, profit is recognized in advance during the period between the start of cultivation and the point of harvest under IFRS.





## Net Impact of Applying Accounting Treatment — IAS 41 “Agriculture”

Net income impact of + JPY 278 million due to the adoption of agricultural accounting, mainly due to the impact of higher inventory levels of work-in-progress of Maitake.

(JPY million)

	Break down	FYE March 2025
<b>Gains Arising from Changes in Fair Value (Income)</b>	Gains in Work-in-Progress (Beg. Bal.)	(1,145)
	Gains in Work-in-Progress (End. Bal.)	1,349
	Harvest for the Current Period	15,805
	Other	27
	<b>Total</b>	<b>16,037</b>
<b>Gains Arising from Changes in Fair Value (Cost of Sales)</b>	Gains in Finished/Semi-finished Goods (Beg. Bal.)	(389)
	Gains in Finished/Semi-finished Goods (End. Bal.)	460
	Harvest for the Current Period	(15,805)
	Other	(24)
	<b>Total</b>	<b>(15,758)</b>
<b>Total Net Impact</b>		<b>278</b>

Gains included in work-in-progress had a positive impact of JPY 204 million due to the higher fair value compared to the beginning of the period.

Gains included in finished and semi-finished goods had a positive impact of JPY 71 million due to the higher fair value compared to the beginning of the period.



## Net Impact of Applying Accounting Treatment — IAS 41 “Agriculture” (Quarterly Trend)

The net impact of gains arising from changes in fair value fluctuates significantly from quarter to quarter, but the net impact for the full-year is limited.

(JPY million)		1Q	2Q	3Q	4Q	Cumulative
<b>Income</b>	<b>Gains in Work-in-Progress (Beg. Bal.)</b>	(1,145)	(959)	(2,184)	(2,310)	(1,145)
	<b>Gains in Work-in-Progress (End. Bal.)</b>	959	2,184	2,310	1,349	1,349
<b>Cost of Sales</b>	<b>Gains in Finished/Semi-finished Goods (Beg. Bal.)</b>	(389)	(469)	(726)	(545)	(389)
	<b>Gains in Finished/Semi-finished Goods (End. Bal.)</b>	469	726	545	460	460
<b>Harvest for the Current Period</b>		±0	±0	±0	±0	±0
<b>Other</b>		29	5	(5)	(25)	3
<b>Total Net Impact</b>		(75)	+1,486	(59)	(1,072)	+278

(JPY million)		1Q	2Q	3Q	4Q	Cumulative
<b>Income</b>	<b>Gains in Work-in-Progress (Beg. Bal.)</b>	(764)	(665)	(1,958)	(2,197)	(764)
	<b>Gains in Work-in-Progress (End. Bal.)</b>	665	1,958	2,197	1,113	1,113
<b>Cost of Sales</b>	<b>Gains in Finished/Semi-finished Goods (Beg. Bal.)</b>	(277)	(278)	(510)	(471)	(277)
	<b>Gains in Finished/Semi-finished Goods (End. Bal.)</b>	278	510	471	369	369
<b>Harvest for the Current Period</b>		±0	±0	±0	±0	±0
<b>Other</b>		28	8	(1)	(12)	22
<b>Total Net Impact</b>		(69)	+1,533	+197	(1,197)	+463

## 2. Forecast of Consolidated Financial Results for FYE March 2026



# Forecast of Consolidated Financial Results for FYE March 2026 / Key figures

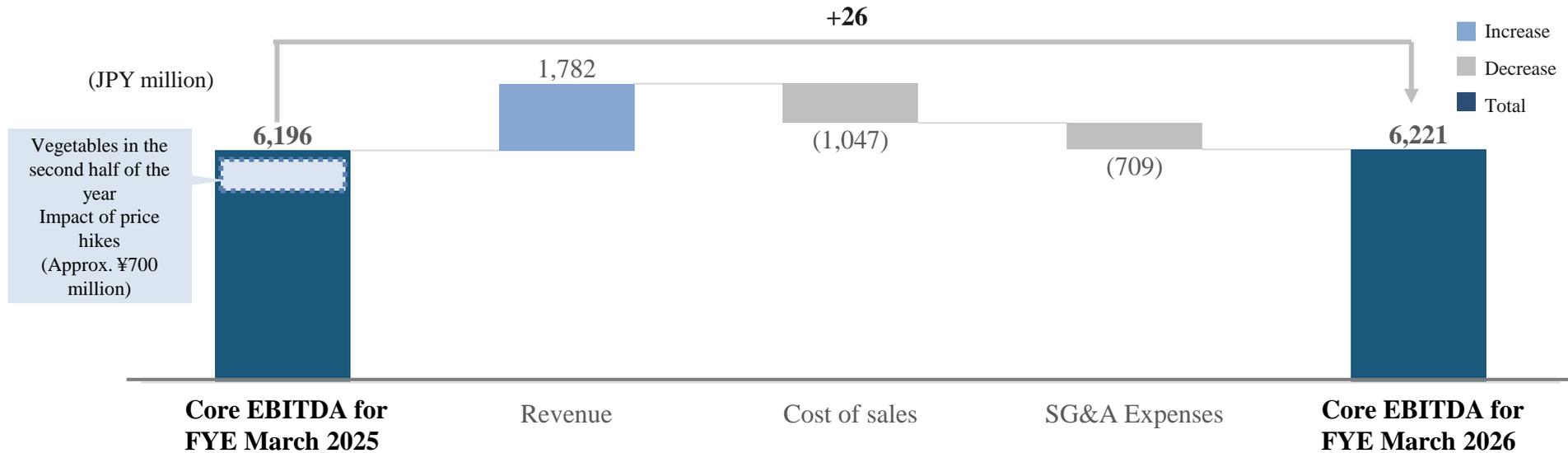
Continue the previous year's trend in line with the renewed Medium-Term Business Plan in 2023 and steadily promote strategies to achieve the plan.

(JPY million)	FYE Mar 2025 Actual (A)	FYE Mar 2026 Forecast (B)	Variance (B-A)	Ratio of variance (%)		Major breakdown
<b>Total Income</b>	53,139	<b>51,970</b>	(1,170)	(2.2%)	Income	<ul style="list-style-type: none"> <li>• <b>Revenue: ¥38.8 billion (+4.8% YoY)</b> <ul style="list-style-type: none"> <li>✓ Revenue of maitake: ¥20.5 billion (+2.4% YoY)</li> <li>✓ Revenue of Eryngii: ¥3.8 billion (+1.4% YoY)</li> <li>✓ Revenue of Buna-Shimeji: ¥7.4 billion (-1.3% YoY)</li> <li>✓ Revenue of Other mushroom: ¥5.8 billion (+10.1% YoY)</li> </ul> </li> <li>• Gains Arising from Changes in Fair Value: ¥13.0 billion (-18.4% YoY)</li> <li>• <b>Total Income: ¥51.9 billion (-2.2% YoY)</b></li> </ul>
<b>Revenue</b>	37,102	<b>38,880</b>	+1,778	+4.8%		Cost of Sales & Gross Profit
<b>Operating Profit</b>	2,419	<b>3,270</b>	+850	+35.1%	SG&A Expenses & Operating Profit	
<i>vs Revenue</i>	6.5%	<b>8.4%</b>	+1.9%	-		Finance income / expenses & Net income
<b>Profit before Tax</b>	2,175	<b>3,070</b>	+895	+41.1%		
<b>Profit Attributable to Owners of Parent</b>	1,502	<b>2,010</b>	+508	+33.8%		
<b>Basic Earnings per Share (JPY)</b>	37.66	<b>50.39</b>	+12.73	+33.8%		
<b>Core Operating Profit<sup>1</sup></b>	3,858	<b>3,730</b>	(128)	(3.3%)		
<b>Core EBITDA<sup>1</sup></b>	6,196	<b>6,220</b>	+24	+0.4%		
<i>Core EBITDA margin<sup>1</sup></i>	16.7%	<b>16.0%</b>	(0.7%)	-		

<sup>1</sup> Core Operating Profit = Operating Profit - the effect of applying IAS 41 "Agriculture" - Other income and expenses - One-time income and expenses  
 Core EBITDA = Core Operating Profit + Depreciation and Amortization      Core EBITDA margin = Core EBITDA / Revenue

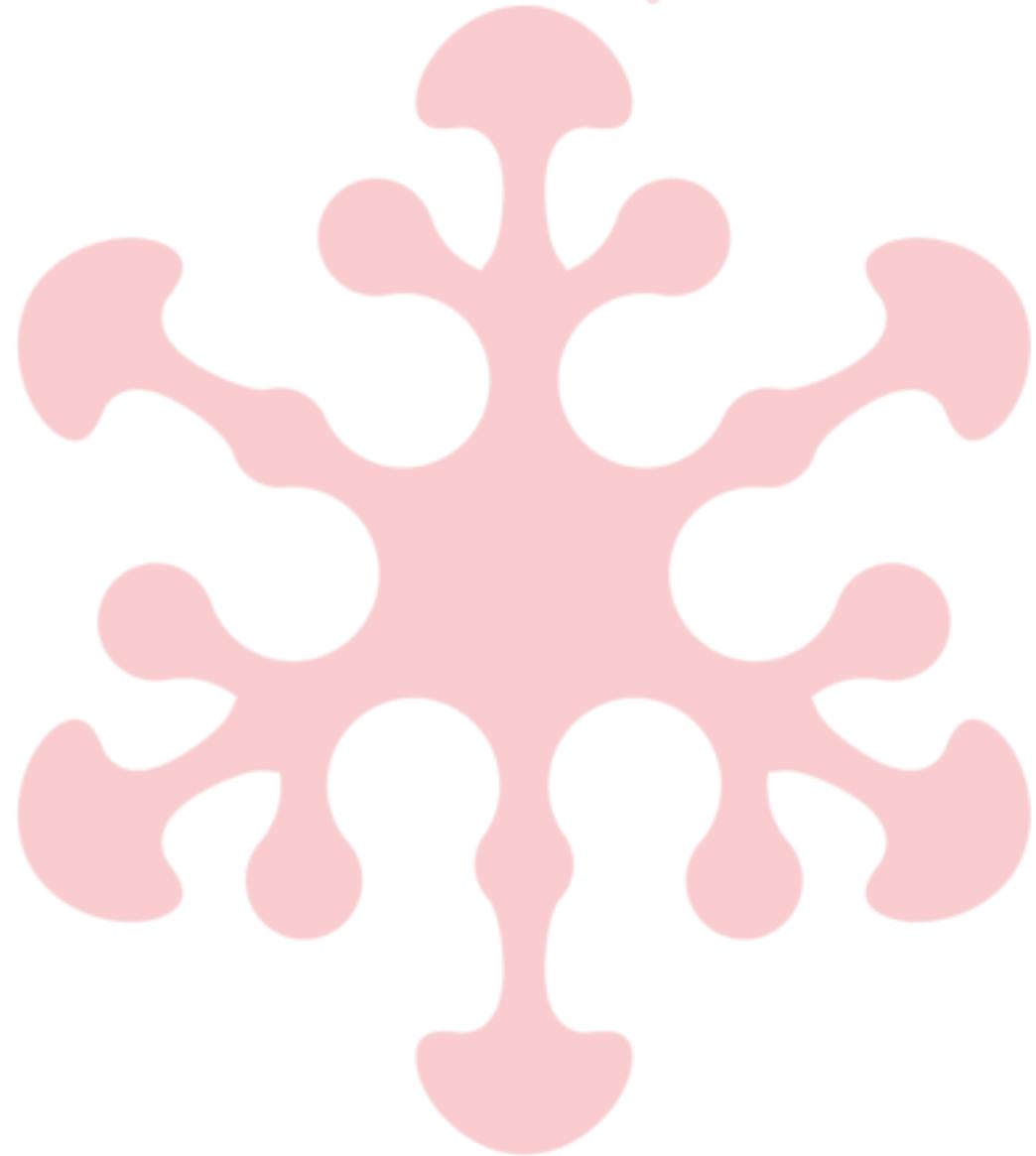
# Year-on-Year Comparison and Key Assumptions

In the FYE Mar 2026, growth is expected to be higher than the previous year, excluding the impact of irregularities in the previous fiscal year. Strengthen business foundation to achieve medium- to long-term growth.



Environment outlook	<ul style="list-style-type: none"> <li>• <b>Market supply is expected to remain stable</b> <ul style="list-style-type: none"> <li>✓ Unit sales prices will remain at the same level as the previous year based on stable market supply</li> <li>✓ Consumers tend to be selective in an inflationary environment</li> </ul> </li> <li>• <b>Assumption is that the upward trend will continue due to uncertainty over the economic outlook</b> <ul style="list-style-type: none"> <li>✓ Continued geopolitical risks around the world</li> <li>✓ Uncertainty in the economic situation, although the likelihood of a sharp rise is low</li> <li>✓ Continued trend of higher labor costs to improve employee engagement</li> </ul> </li> </ul>							
	<table border="0"> <tr> <td style="background-color: #e6f2ff; padding: 5px;"><b>Sales</b></td> <td style="padding: 5px;"><b>Generate profit by promoting premium strategy</b></td> <td style="background-color: #e6f2ff; padding: 5px; width: 50px;">Production / Sales Administration</td> <td style="padding: 5px;"><b>Promote BPR and production efficiency improvement</b></td> </tr> <tr> <td colspan="2"> <ul style="list-style-type: none"> <li>✓ Gradual expansion of existing businesses through profit-oriented strategies</li> <li>✓ Attracting customers with new product specifications</li> <li>✓ Further strengthen niche and premium businesses and promote sales expansion</li> <li>✓ Cooperate with Dutch subsidiary to consider capturing markets in surrounding areas</li> </ul> </td> <td colspan="2"> <ul style="list-style-type: none"> <li>✓ Improve Mushroom Production Processes to Improve Profitability</li> <li>✓ Cost containment by improving efficiency through BPR, etc.</li> <li>✓ Lower utility costs through long-term contracts</li> </ul> </td> </tr> </table>	<b>Sales</b>	<b>Generate profit by promoting premium strategy</b>	Production / Sales Administration	<b>Promote BPR and production efficiency improvement</b>	<ul style="list-style-type: none"> <li>✓ Gradual expansion of existing businesses through profit-oriented strategies</li> <li>✓ Attracting customers with new product specifications</li> <li>✓ Further strengthen niche and premium businesses and promote sales expansion</li> <li>✓ Cooperate with Dutch subsidiary to consider capturing markets in surrounding areas</li> </ul>		<ul style="list-style-type: none"> <li>✓ Improve Mushroom Production Processes to Improve Profitability</li> <li>✓ Cost containment by improving efficiency through BPR, etc.</li> <li>✓ Lower utility costs through long-term contracts</li> </ul>
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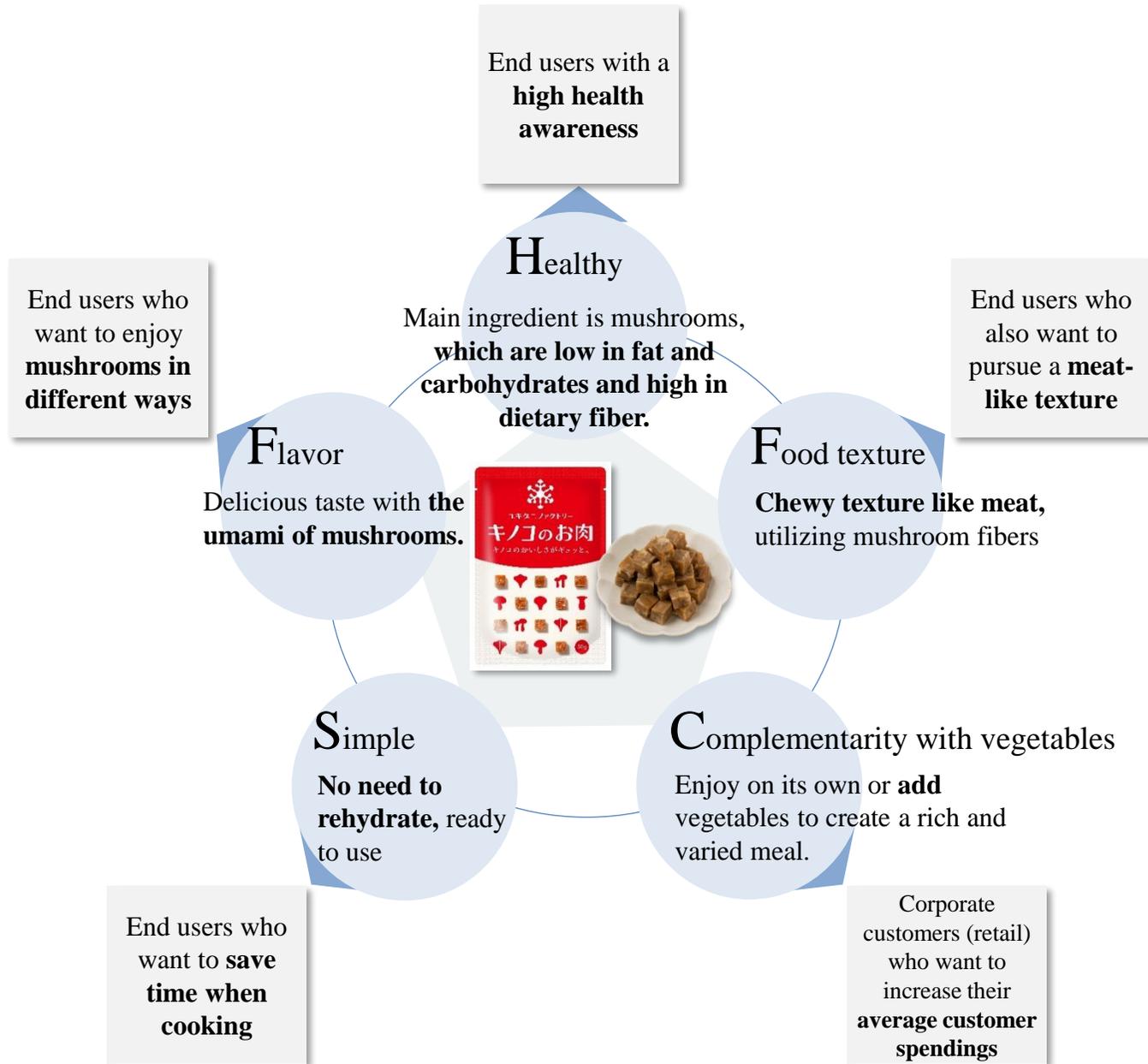
### 3. New Business





# Features of "Mushroom Meat" and points of appeal to customers

Mushroom Meat" made from "Yukiguni-Maitake Kiwami" with a meat-like texture will be launched on February 18, 2025. Responding to customer needs by proposing new food products that are both tasty and functional, using healthy mushrooms.





# Business model and anticipated scale of new business

By utilizing our strengths in sales networks in the fruit and vegetable section, we will be able to enter market with a high degree of certainty and increase our presence in the markets that have not yet been fully explored by competitors.

## Business Model Overview

### Utilize existing channels

Since we already have a sales area on the fruit and vegetable shelves, we can expect a **high distribution rate**.

### High exposure to shoppers

The rate of customers stopping by the fruit and vegetable section of the supermarket is over 90%, so **high exposure effects** can be expected.

Utilizing our sales network in the fruit and vegetable section, we aim to enter the market quickly and reliably.

By selling our new products with vegetables, expect an increase in the average amount spent per customer.

### Benefits for retail customers

As a main or side dish, it can meet **consumers' needs for 'one more dish'**.

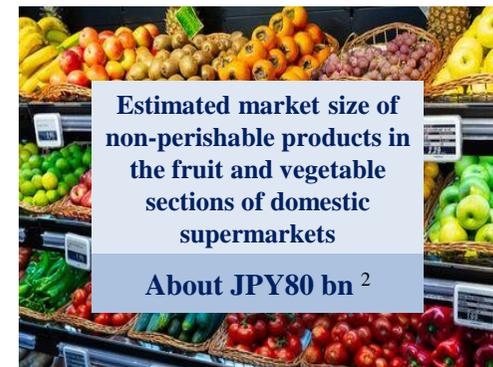
### Capture consumer needs

## Estimated size of related markets



**Alternative Meat Markets in Japan (2030)<sup>1</sup>**

About JPY78 bn



**Estimated market size of non-perishable products in the fruit and vegetable sections of domestic supermarkets**

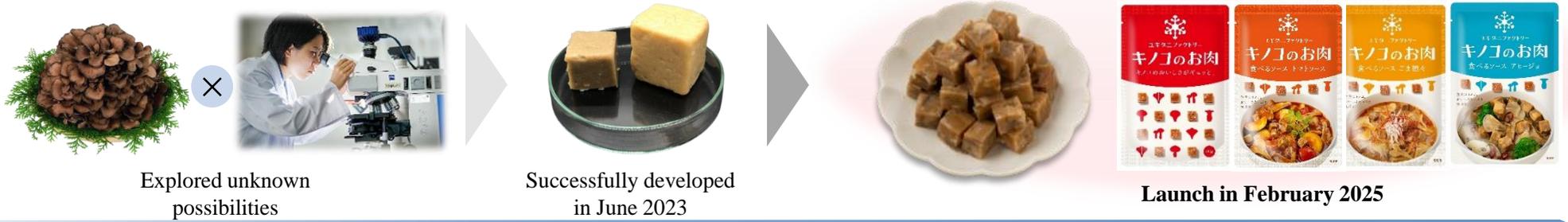
About JPY80 bn <sup>2</sup>

**Aiming for over JPY1 billion sales through sales synergy between mushroom meat and vegetable.**

1. According to Seed Planning  
2. Estimated by the Company based on the Supermarket White Paper 2023.

# Media Exposure

Since the development of mushroom alternative meat, there has been a lot of media interest, and it has been featured in newspapers, magazines, and on the web.



*Increasing media attention*



ORICON NEWS  
(August 24, 2023)



「Nikkei MJ」(January 24, 2024)  
「The Nikkei Newspaper」(January 27, 2024)

Published in a fashion magazine (May 2024)



The Yomiuri  
KODOMO Newspaper  
(June 13, 2024)

**TV TOKYO “Dawn of Gaia”**  
(Broadcast scheduled on February 7, 2025)



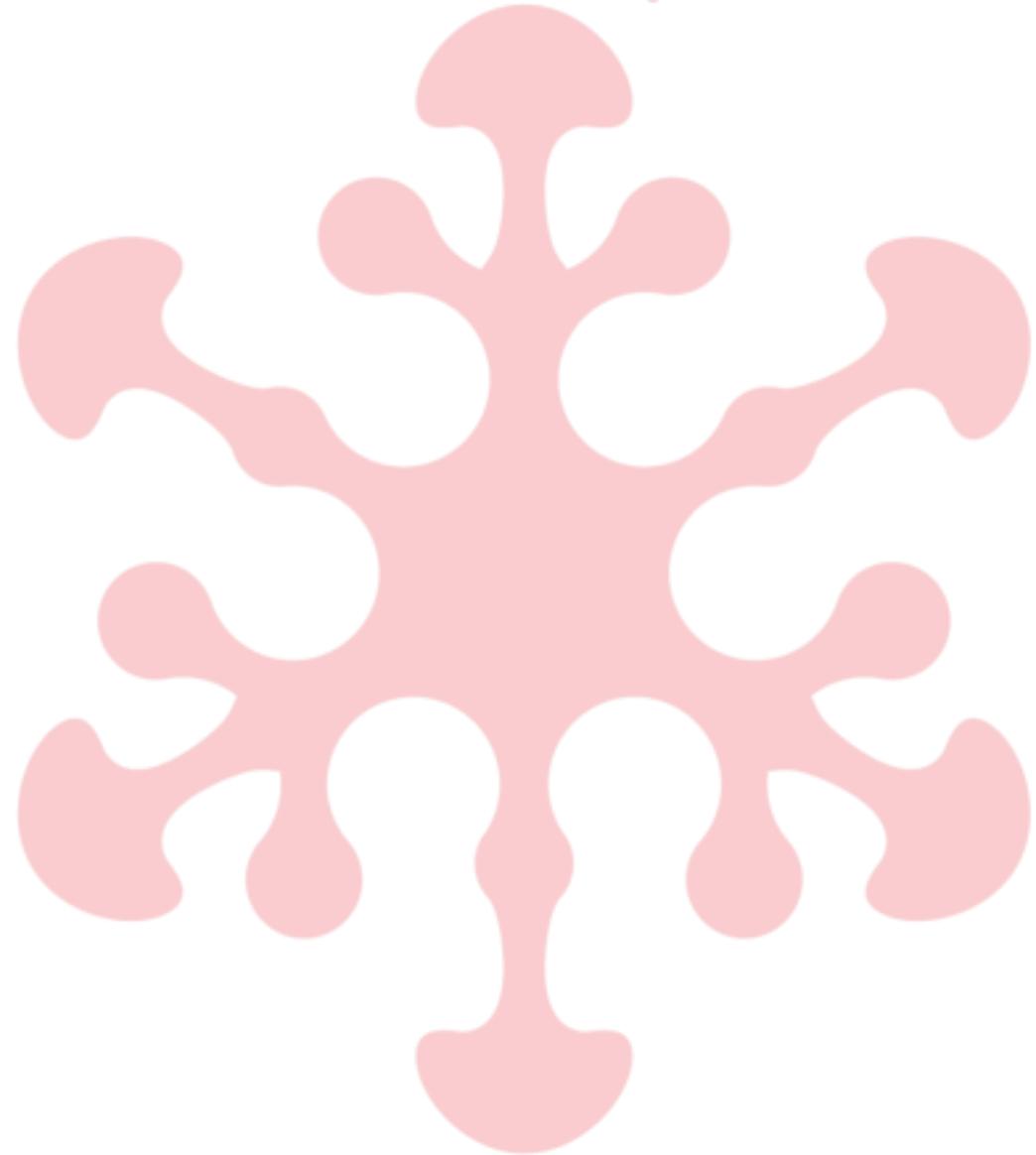
Nippon Television “Sekaiichi uketai jugyo”  
(The class people want to take the most in the world)  
(January 6, 2024)



TBS「THE TIME」  
(February 1, 2024)

Satellite TV  
Special feature on a business news program  
(June 10, 2024)

## 4. Sustainability





# Initiatives to Sustainability

Sustainability is an important management issue for improving corporate value over the mid- to long-term, and we will establish an internal structure to proactively address ESG issues and promote specific initiatives.

## Formulate a value creation process



- Demonstrate how we will create value and develop through our business activities in response to changes in the external environment.
- Continue to grow sustainably with society by leveraging our value chain and strong brand power.

## Identify material issues



- Identify material issues that are important and prioritized for sustainable growth and resolution of social issues.
- Establish policy direction and goals for identified each of the seven material issue and manage the progress of those initiatives.

## Disclose in line with TCFD recommendations



- In November 2021, indicated support for TCFD recommendations.
- Disclose information on "Governance", "Strategy", "Risk Management", and "Metrics and Objectives" as recommended in the TCFD Recommendations.
- After conducting scenario analysis, we published it on our company website in May 2023.

## Set GHG emission reduction targets



- Calculate GHG emissions for the entire Yukiguni-Factory Group.
- Targeting "Net Zero Emissions" by FYE March 2051, we will work to reduce greenhouse gas emissions throughout the entire value chain.
- In June 2022, publicly available on the Company's website.

## Proactive Sustainability Initiatives



- Focusing on harmony with nature, people, and society, we will work to solve social issues and promote sustainable growth.
- In July 2024, the company will be selected as a constituent of the "FTSE Blossom Japan Sector Relative Index".

## Support for balancing work and childcare



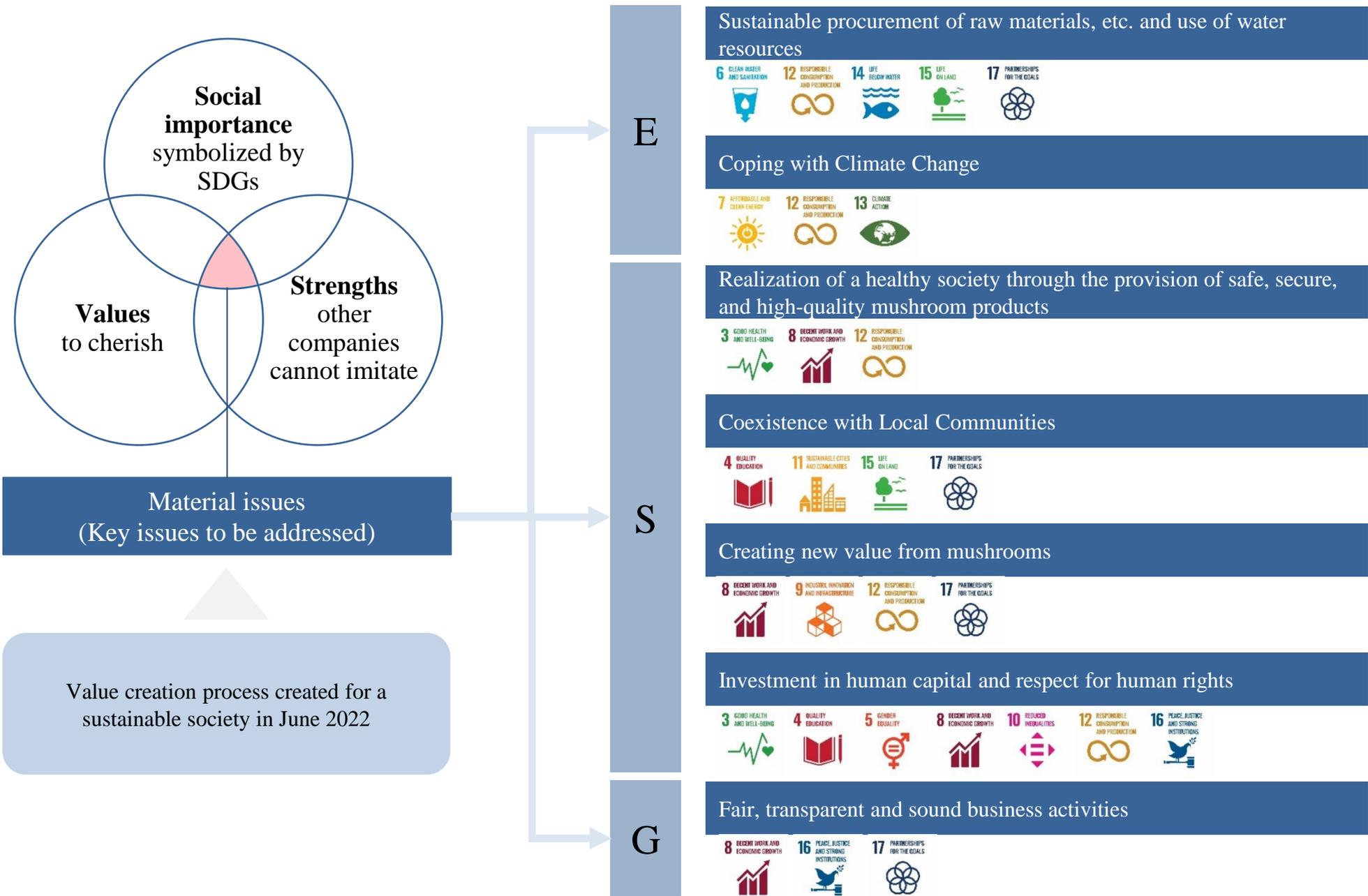
- Create a safe work environment for employees at various life stages, and obtained various certifications.
- Ministry of Health, Labor and Welfare "Kurumin Certification" (June 2023), Niigata Prefecture "Happy Partner Company" (February 2024), Ministry of Health, Labor and Welfare "Eruboshi Certification (Third Stage)" (August 2024).

1 Include generally collected recycled materials and reused of scrap from tray manufacturing plants.



# Identifying Material Issues

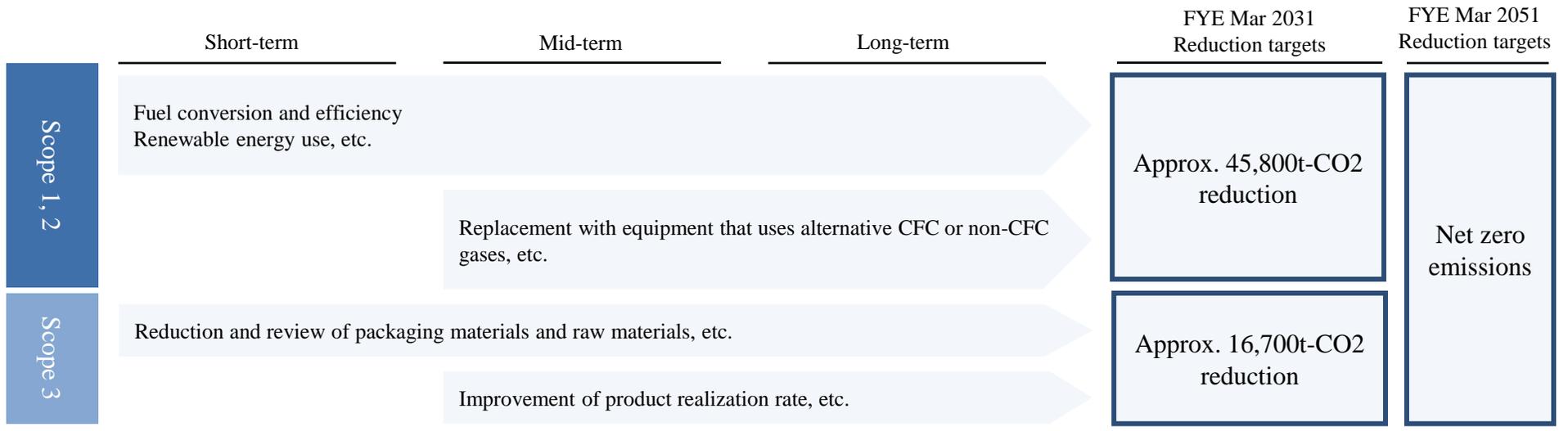
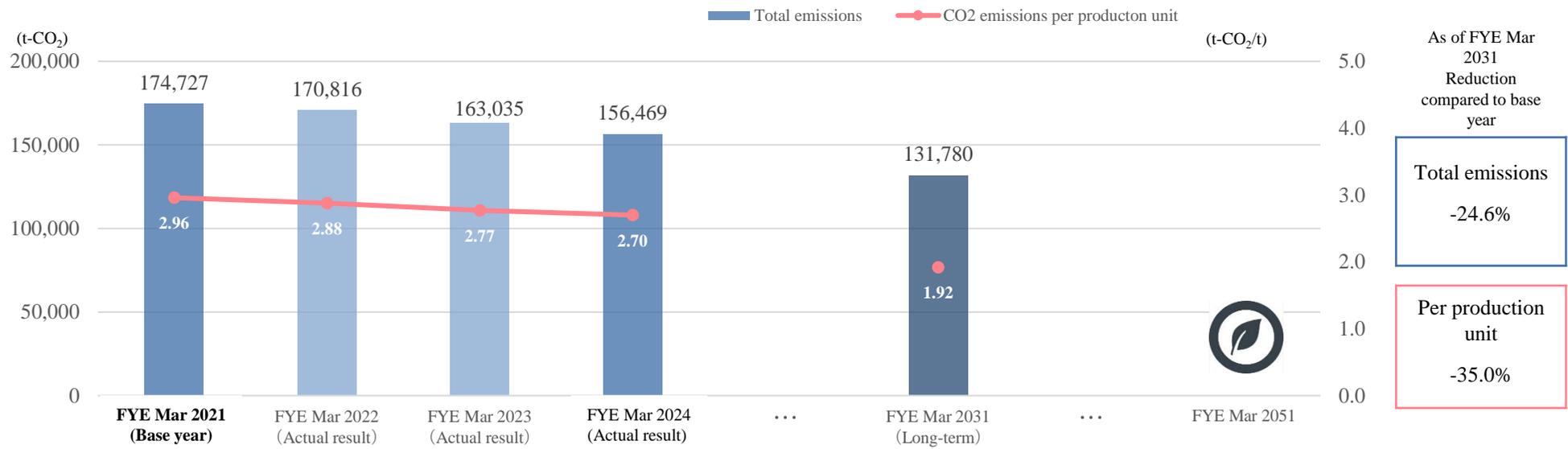
Identified seven material issues as important themes to be addressed for the company's sustainable growth and resolution of social issues. Set policy direction and targets for each material issue and manage the progress of initiatives.



# GHG Emissions Reduction Targets and Results

GHG emissions in FYE Mar 2024 were reduced by 10.4% from the base year of FYE Mar 2021. Toward targets in FYE Mar 2031 which is milestone proceed actions for Net zero emissions in FYE Mar 2051.

## GHG Emission Reduction Targets and Results<sup>1</sup>

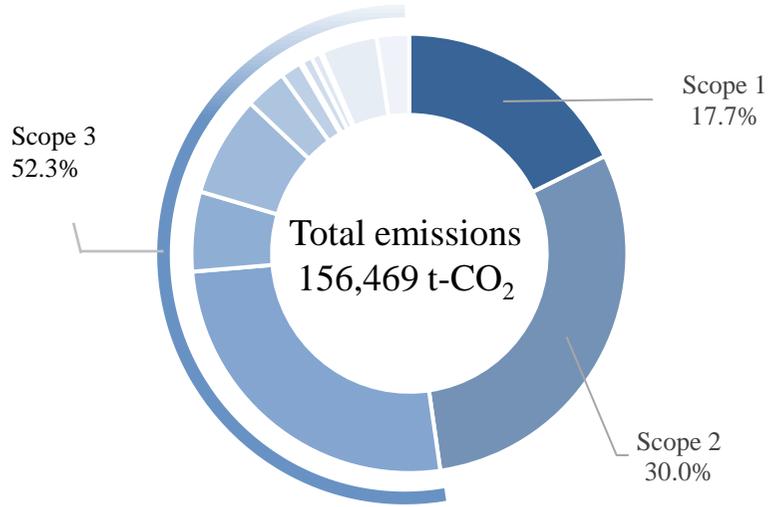


<sup>1</sup> The scope of the project includes Yukiguni Factory and Mizuho Norin. Calculations were made using the IDEA and Ministry of the Environment databases. For those for which no database exists, scenarios were created and calculations were made.

# GHG Emissions Reduction Results and Actions

GHG emissions in FYE Mar 2024 were reduced by 4.0% from the FYE Mar 2023.  
New initiatives will be promoted in a planned manner.

GHG Emissions by Scope (Results for FYE March 2024)<sup>1</sup>



## Scope 1



### Switching to LNG

- LNG installations completed at Gosen Bio Center (January 2021) and Bio Center 3 (October 2022)
- Promoting GHG reduction through the use of next-generation energy

## Scope 2



### Production efficiency

- Reviewing and improving the sterilization method for the culture medium and existing equipment has enabled efficient production that also reduces GHGs

## Scope 3 (Category 4)



### Promoting a modal shift

- Modal shift to long-distance transportation using rail transport
- Compared to truck transportation, expecting an approx. 80% reduction in CO<sub>2</sub>

	FYE Mar 2023	FYE Mar 2024	Change YoY
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<b>Scope 1~3 Total</b>	<b>163,035 t-CO<sub>2</sub></b>	<b>156,469 t-CO<sub>2</sub></b>	<b>-4.0%</b>
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<sup>1</sup> The scope of the project includes Yukiguni Factory and Mizuho Norin. Calculations were made using the IDEA and Ministry of the Environment databases. For those for which no database exists, scenarios were created and calculations were made.



# “Forest Creation Activities”

Ongoing activities to develop a forest park where people and forests can coexist in harmony by clearing trees and planting broadleaf trees to create a healthy forest.

## History of Forest Creation Activities

**2020** Signed an agreement with the representatives of Minamiuonuma City, Minamiuonuma Forestry Association, and the Minamiuonuma Regional Promotion Bureau of Niigata Prefectural Government to develop a forest park. Opened “Yukiguni Maitake Forest”.



**2021** Periodic clearing of underbrush and thinning of trees to make it easier for trees to grow (Conduct every year).

**2022** Created a mixed forest similar to a natural forest by planting broadleaf trees (cherry trees). Recognized as a "Green Partner 2022" in the "Forest x Decarbonization Challenge 2022"<sup>1</sup> sponsored by the Forestry Agency.



**2023** Planted mountain maples and hydrangea. Continuing from last year, Recognized as a "Green Partner 2023".

**2024** Laid wooden walkways.

**2025** Changed name to “Yukiguni Forest for the Future”

**20xx** Aiming to be the forest park where people gather.



## Activities for FYE March, 2025

- Laid wooden walkways
- Thinned and weeded cedar trees for maintenance
- Sowed seeds of Hollyhocks



### Laid wooden walkways

Wooden walkways are being laid out. Developing forest parks that are easy for people to visit.



### Sowed seeds of Hollyhocks

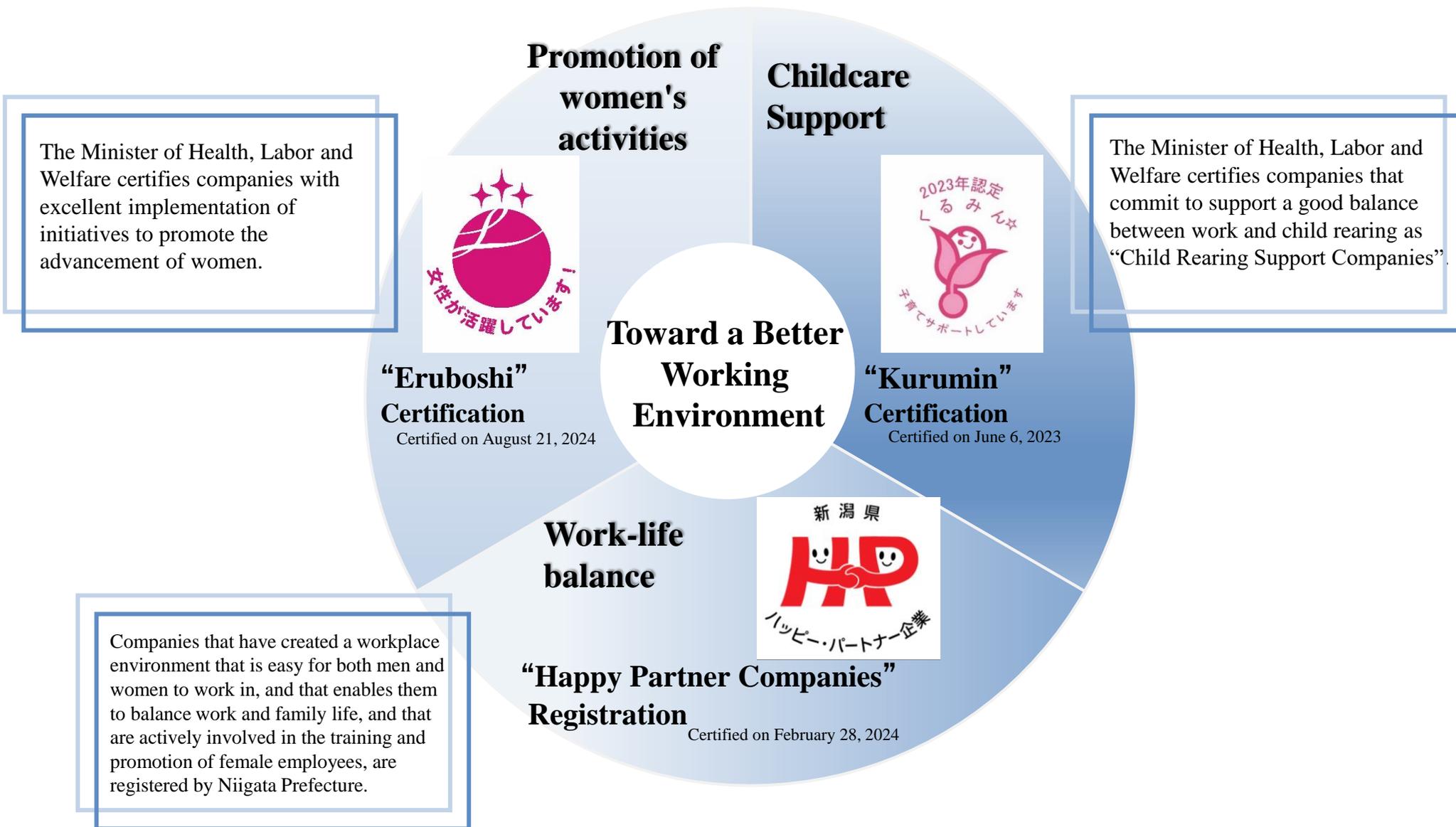
Seeds were planted along the wooden walkways. Gorgeous flowers will bloom from spring to summer.

<sup>1</sup> A system to recognize the efforts of companies that contribute to securing and enhancing carbon dioxide absorption by forests in order to achieve carbon neutrality by 2050.



# Create a good working environment for employees

Support the child-rearing generation and work to achieve a work-life balance that allows employees to thrive.



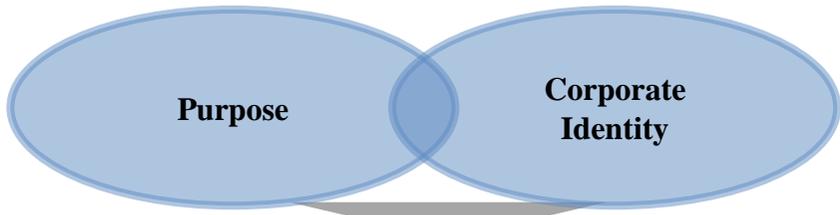


# Selected as a constituent of the ESG investment index

## “FTSE Blossom Japan Sector Relative Index”

Selected for inclusion in an index that reflects the performance of Japanese companies that excel in Environmental (E), Social (S) and Governance (G) initiatives.

Working to solve social issues and achieve sustainable growth by placing importance on harmony with nature, people, and society.



**FTSE Blossom Japan Sector Relative Index**<sup>1</sup>

**Sustainability Policies**

As a company not only benefitting from the blessings of nature but also fostering nature, we are working hand-in-hand with our stakeholders in our pursuit of protecting natural environments and enriching people’s lives and society, in order to achieve sustainable growth and co-habitation with fruitful nature.

Contribute to the Protection of Fruitful Nature

Contribute to People’s Health

Contribute to the Development of Society

**E**nvironment

- Disclose in line with TCFD recommendations
- Procure Raw Materials and Use Water Resources
- Conserve Biodiversity
- Reduce Waste and Prevent Environmental Pollution

**S**ocial

- Promote DE&I
- Invest in Human Capital
- Promote Occupational Health and Safety
- Coexist with Local Communities

**G**overnance

- Focus on continuing “thorough compliance with internal rules and laws and regulations” as a key theme
- Promote CSR procurement cooperation and other initiatives among business partners in order to develop responsible business activities throughout the supply chain

1. FTSE Russell (a registered trademark of FTSE International Limited and Frank Russell Company) hereby certifies that YUKIGUNI FACTORY CO. LTD. has met the requirement for inclusion in the FTSE Blossom Japan Sector Relative Index as a result of a third party investigation and has become a constituent stock of this index. FTSE Blossom Japan Sector Relative Index is widely used to create and evaluate sustainable investment funds and other financial products. URL: :<https://www.lseg.com/en/ftse-russell/indices/blossom-japan>

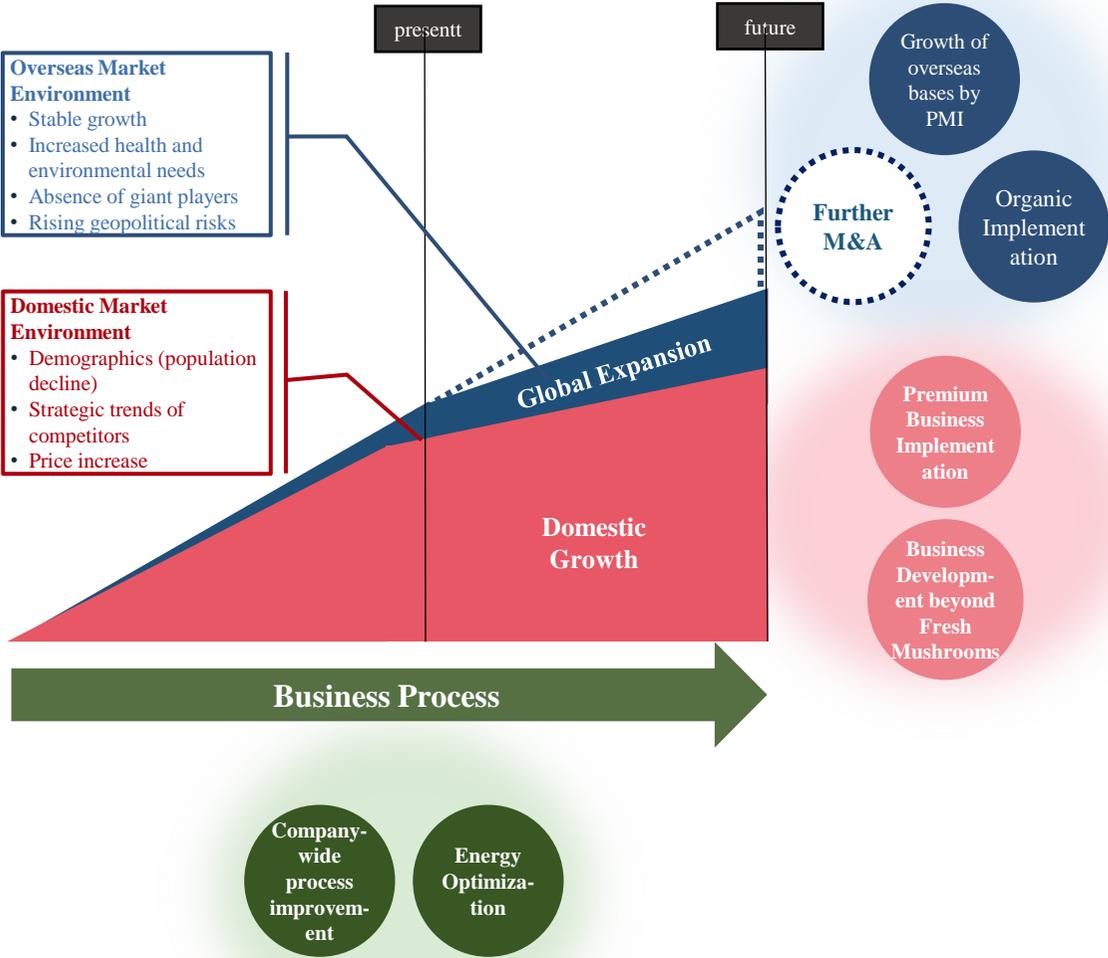
## 5. Medium- Term Business Plan for FYE March 31, 2024 to FYE March 31, 2028

"Update of the Medium-Term Business Plan" (Excerpts from  
the December 19, 2023 disclosure)



# Diagram of the Medium-Term Business Plan (FYE March 2024 – FYE March 2028)

Based on the current Medium-Term Business Plan, respond appropriately to changes in the business environment and continue to seek growth opportunities on a global basis



Strengthen and promote the business base in Japan and integration of new bases and further business development in global markets

**A**

**Domestic Mushroom Market: Strengthen existing premium businesses and create new businesses**

- Further strengthen our domestic business by enhancing our existing premium positioning, differentiate ourselves from other production areas, and steadily capture the quality-oriented needs of consumers.
- Strengthen sales of premium items that are not available in other production areas, and launch new businesses other than the fresh mushroom business in earnest.

**B**

**Business Processes: Streamline all processes without sanctuary**

- Improve business processes and reduce costs through company-wide BPR
- Promote labor savings and energy conservation through new investments

**C**

**Global expansion: PMI of newly acquired overseas companies and search for other targets**

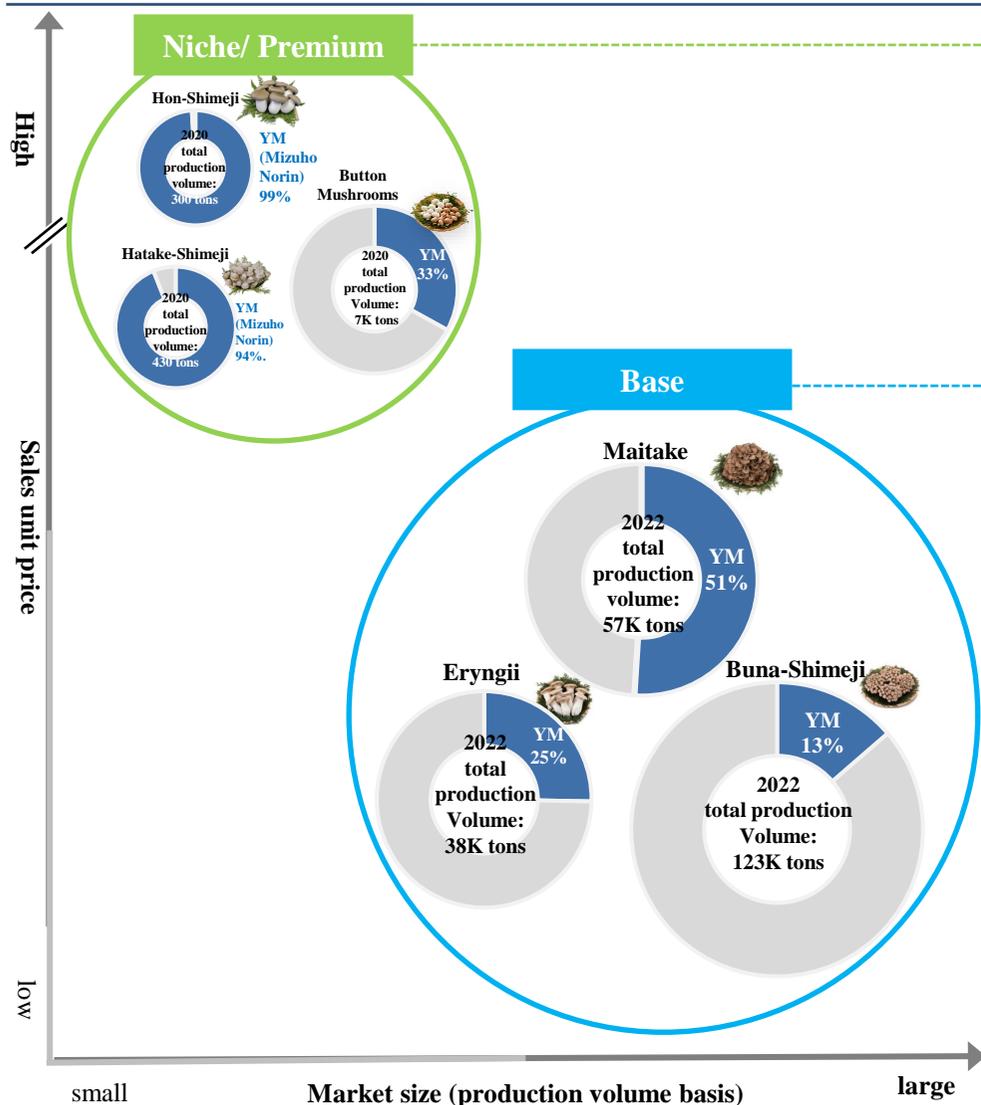
- Utilize our expertise to further expand the performance of acquired overseas companies
- Pursue additional acquisition possibilities in light of progress in strengthening domestic operations and geopolitical risks
- As for the organic strategy, we will consider sales of our products in Europe and the U.S. in addition to Asia.



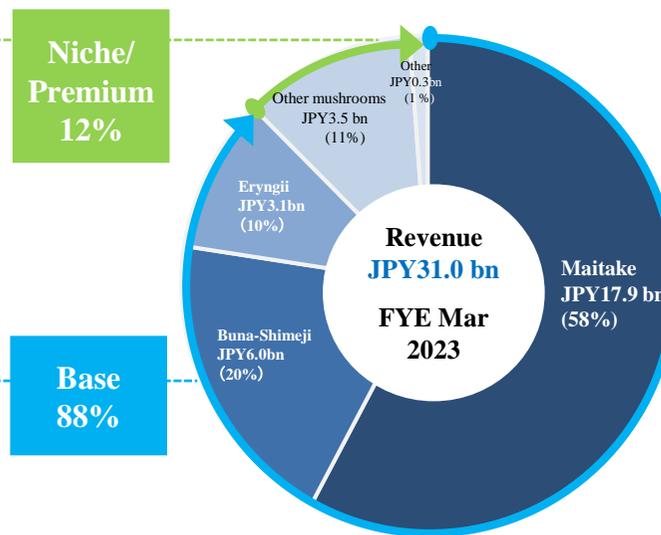
# Basic Policy A. Domestic Mushroom Market (Our Premium Position)

Our business portfolio consists of 80% base business including Maitake mushrooms, and the remaining 20% is niche/ premium business with high unit sales price, which enables us to realize premium margins compared to other companies.

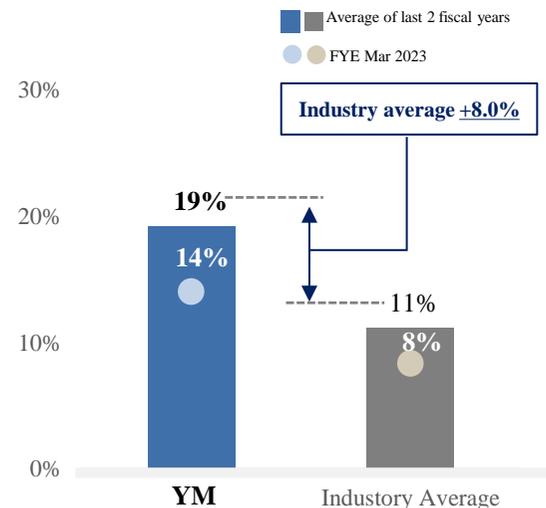
Mushroom market size (production basis) and share



Composition of revenue



Comparison of EBITDA margins between the Company and the mushroom industry



Note: Market share of each mushroom is calculated using domestic production volume (Our company's production / Total domestic production)  
 Sources: Forestry Agency "Statistical Survey on Production of Minor Forest Products", Ministry of Agriculture, Forestry and Fisheries "Local Vegetable Production Survey"

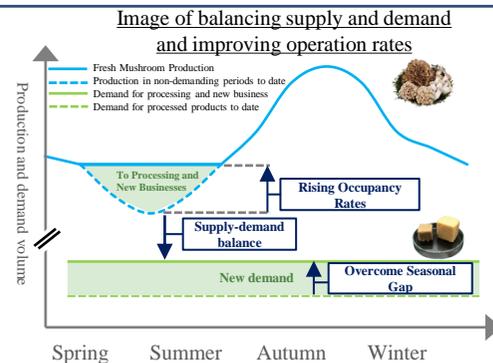


# Basic Policy A. Domestic Mushroom Market (Base Business Strategy)

In the base business, steadily capture quality-oriented needs and aim to simultaneously achieve high profitability and increase market share

## Recompose product allocation to achieve even higher profitability

- Review item mix while also expanding newly designed products with added convenience, to achieve both customer satisfaction and improved profitability
- Overcome the seasonal gap by balancing supply and demand and improving operation rates through a combination of fresh mushroom distribution and input into processing and new businesses



## Strengthen premium brands

- Continue to develop a high-end, three-dimensional promotion that links commercials, digital, and packaging to further refine the premium image
- Introduce using results in high-end restaurants and chefs' voices on our website

“Kiwami Specialties”, which introduces high-end restaurants that use white maitake mushrooms

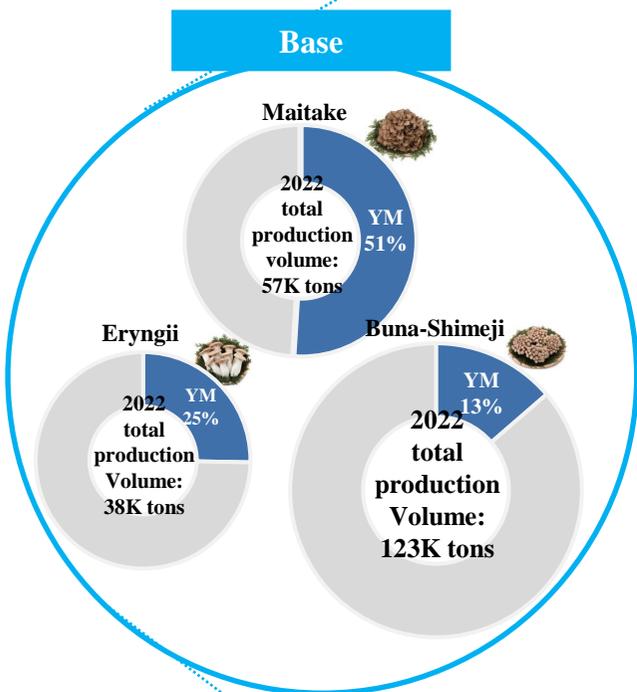


\*Picture menu may be subject to change in the future.

## Further utilization of sales channels

- Continue to leverage our unique, wide-ranging, and robust direct transactions, which are less susceptible to turbulent market conditions.
- Expand win-win sales channels by leveraging the above strengths to invest sales resources and promote value-proposition type sales floor presentation.

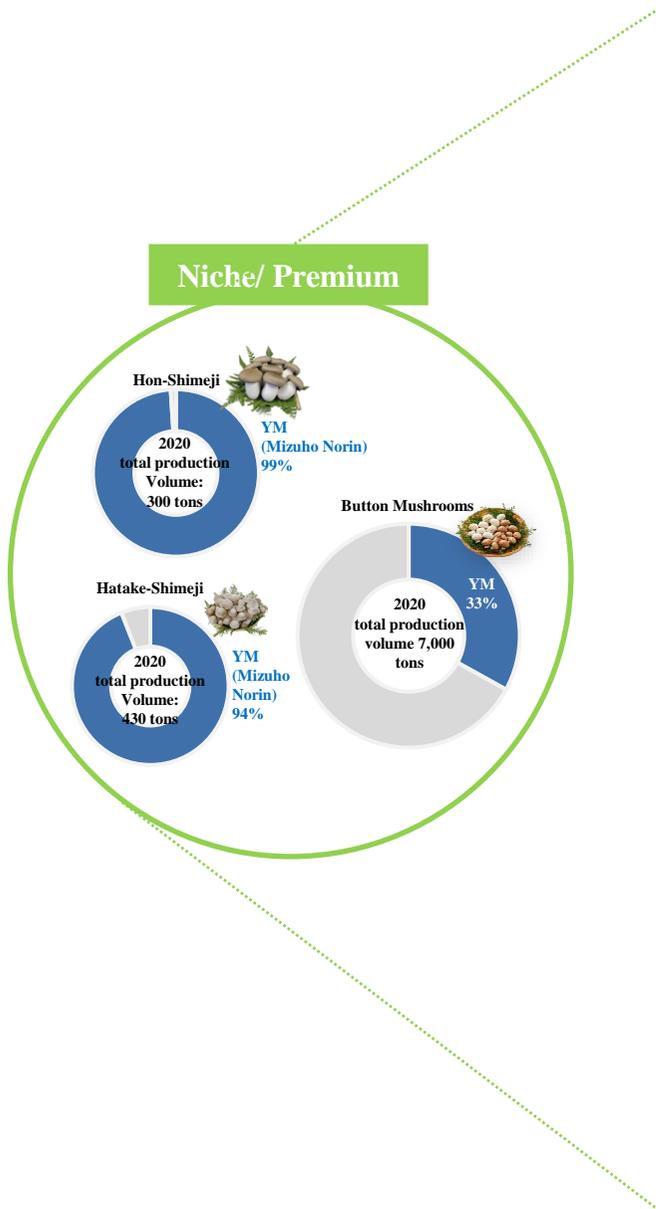
Our unique black-and-white maitake mushroom shelf configuration





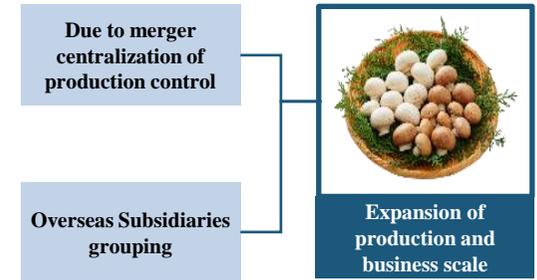
# Basic Policy A. Domestic Mushroom Market (Expansion of Niche/ Premium Business)

Build a new growth driver by expanding scarce items and fully expanding new business areas.



## Expansion of Button mushroom business

- Button mushrooms are an attractive market with room for growth, as they are produced in smaller quantities and have a higher unit sales price than maitake mushrooms
- Expand the scale of our business by strengthening our domestic production base and collaborating with our overseas subsidiaries



## Full-scale expansion of new business areas

- Expand alternative meat products that not only reduce environmental impact, but also provide a solution to health issues and good taste
- In addition, we will launch a new proprietary product that combines mushrooms and alternative meat as raw materials
- Utilize existing sales channels with a high percentage of consumers via the sales floor, and expect to acquire and establish space, as well as achieve steady expansion

Alternative meat material (under development)



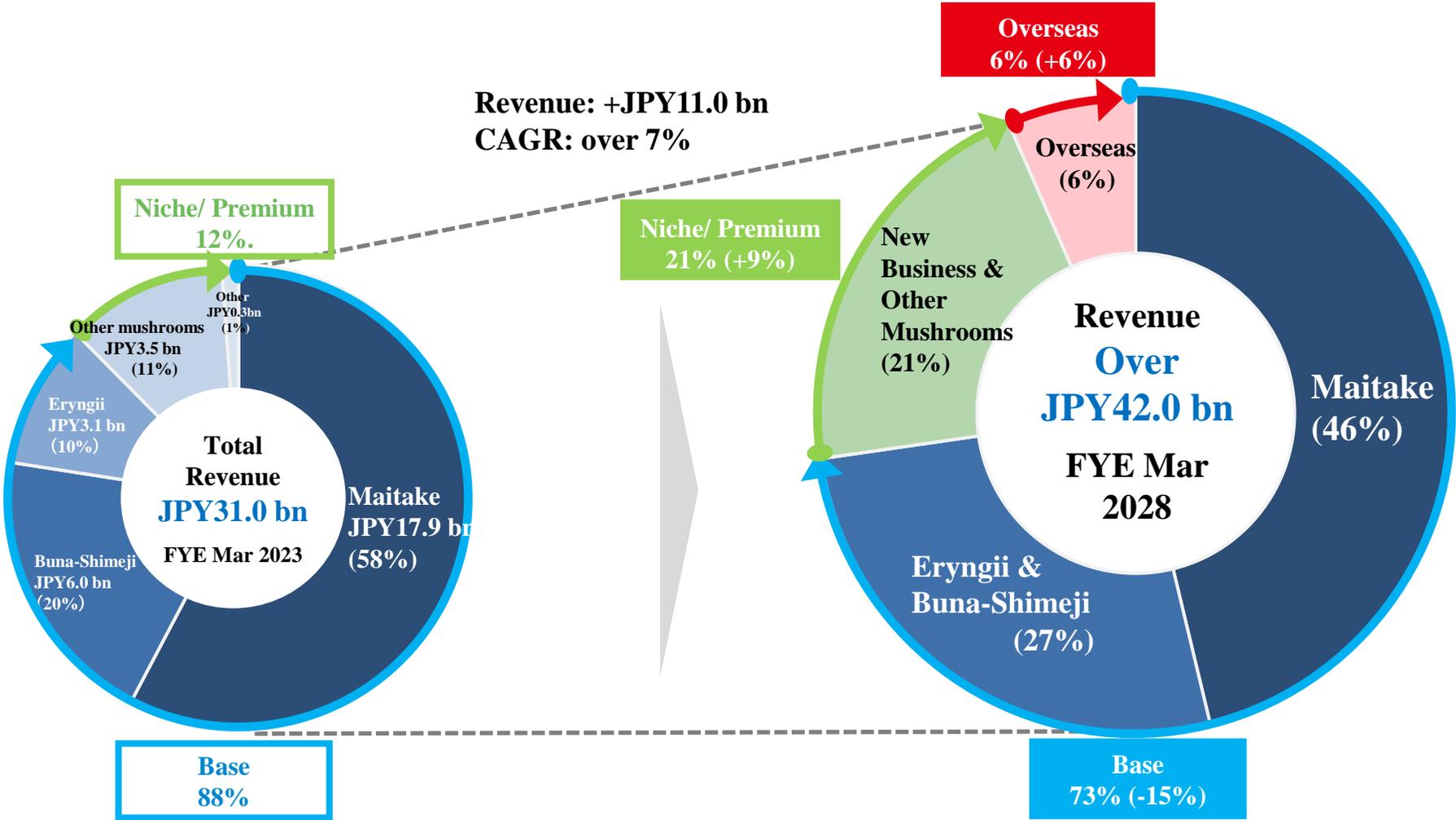
Image of distribution product composition by new business





# Basic Policy A. Domestic Mushroom Market (Future Portfolio)

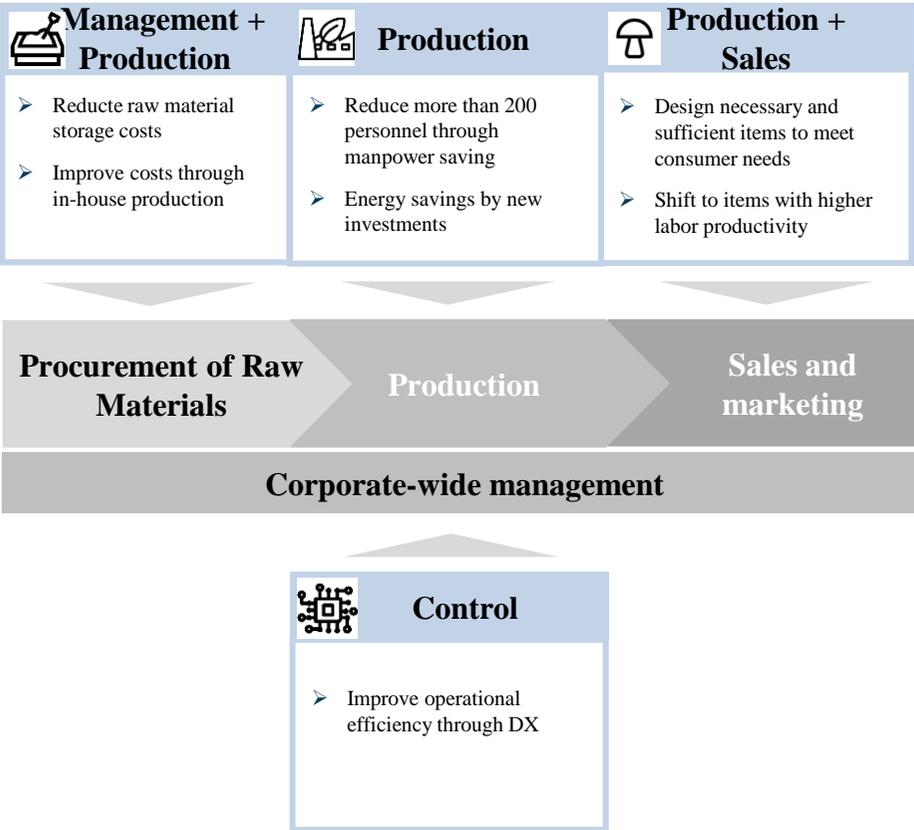
Aim to expand business to over JPY11 billion by expanding two segments, Niche/ Premium and overseas, while maintaining the base business as the mainstay.



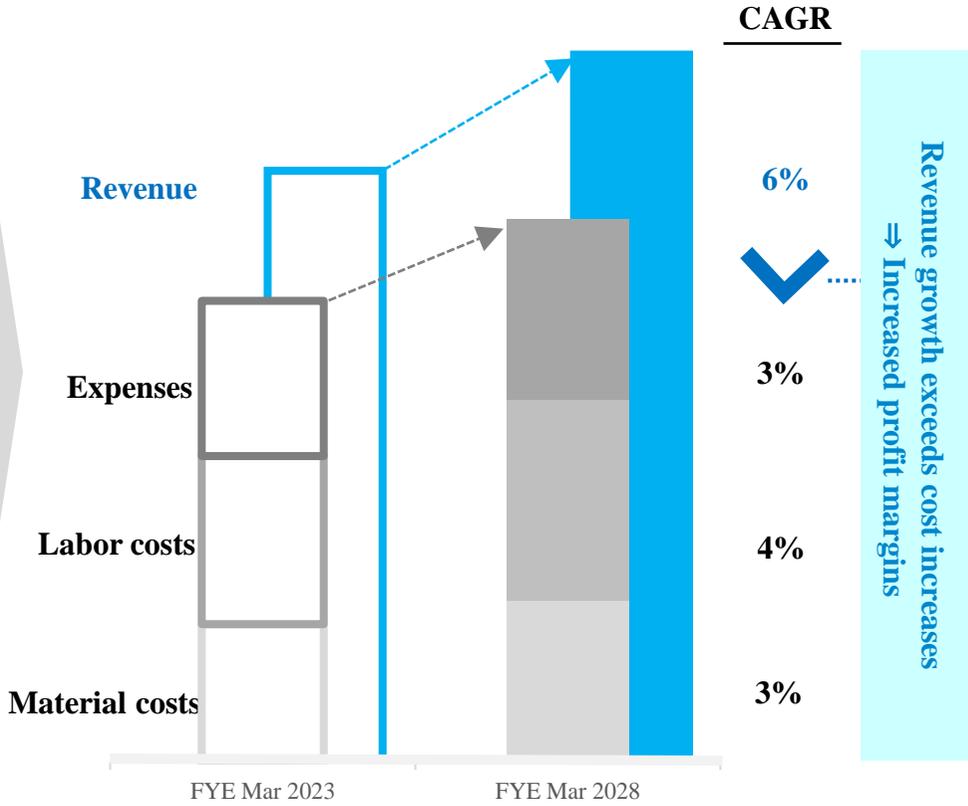


# Basic Policy B: Streamline All Processes without Sanctuary

Improve business processes through company-wide BPR to build a business structure in which higher revenue exceeds higher costs.



## Changes in Revenues and Cost of Sales\*



\* Excluding inorganic



# Basic Policy C: Global Expansion (Further Target Exploration)

While promoting global market development in Europe, the U.S., and ASEAN countries, mutually share management resources with comparative advantages among regions to strengthen the competitiveness of the entire group

### Japan → Europe, U.S., ASEAN

- Our Premium Mushrooms
- Our proprietary model (production and sales)
- Know-how and technology for stable production of mushrooms with high degree of difficulty

### Europe and the U.S. regions → Japan

- Competitive western mushrooms (Button mushrooms etc.)
- Raw materials
- Others (know-how and technology)

Japan

Basic Policy	Organic Strategy		
	North America	Europe	ASEAN
			
<p>■ Basic strategies</p> <ul style="list-style-type: none"> <li>➢ In addition to ASEAN, broad consideration of <b>Europe and the U.S. as targets</b></li> <li>➢ Accelerating the speed of sales channel development with a <b>unique channel model</b> cultivated in Japan while also considering alliances</li> <li>➢ In addition to our own channels, we also consider the use of <b>other companies' channels overseas</b></li> </ul>			

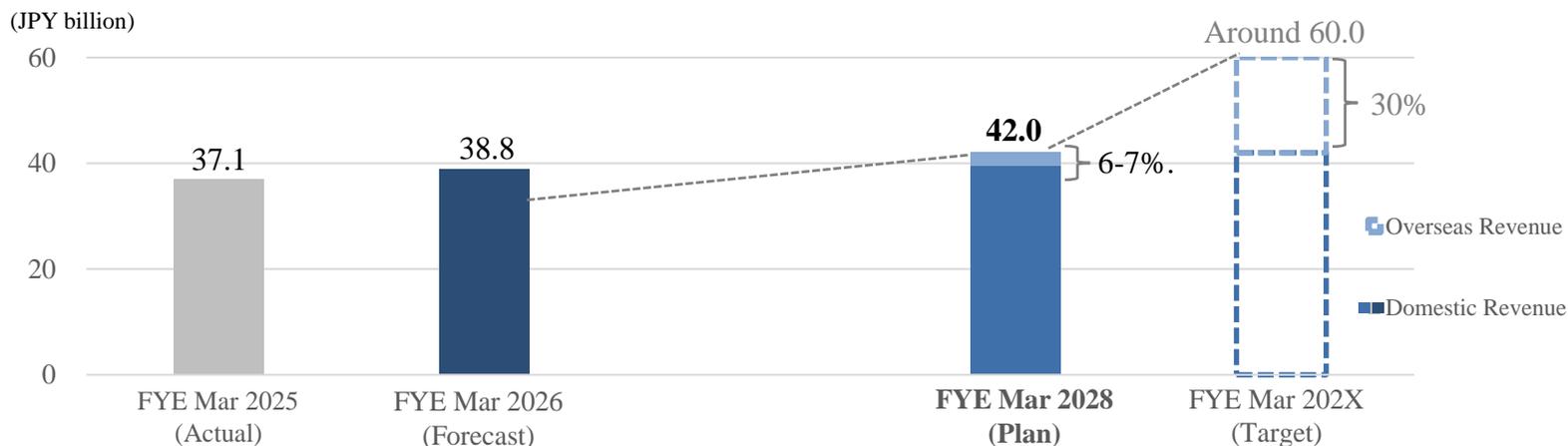
Basic Policy	Inorganic Strategy	
	Europe	North America
		
<p>■ Basic strategies</p> <ul style="list-style-type: none"> <li>➢ <b>Integrate</b> acquired Dutch companies to promote <b>further business expansion</b></li> <li>➢ <b>Share superior technologies and products across borders</b> to improve the competitiveness of the entire group</li> <li>➢ Explore <b>additional acquisition possibilities</b> as strategies develop</li> </ul>		



# Quantitative Targets of the Medium-Term Business Plan

While rebuilding the business base in Japan and pursuing steady growth through the integration of new overseas bases as the basic strategy, the Company will also pursue the possibility of further overseas business expansion if the conditions are met.

	FYE Mar 2025 (Actual)	FYE Mar 2026 (Forecast)	FYE Mar 2028 (Plan)	Upside
1. Revenue	JPY37.1 bn	JPY38.8 bn	Over JPY42.0 bn	Around JPY60.0 bn
2. Overseas Revenue Ratio <sup>1</sup>	-	-	Around 6-7%	Around 30%
3. Core EBITDA margin <sup>2</sup>	16.7%	16.0%	Around 18%	Around 18%
4. ROIC	5.4%	-	Around 10%	



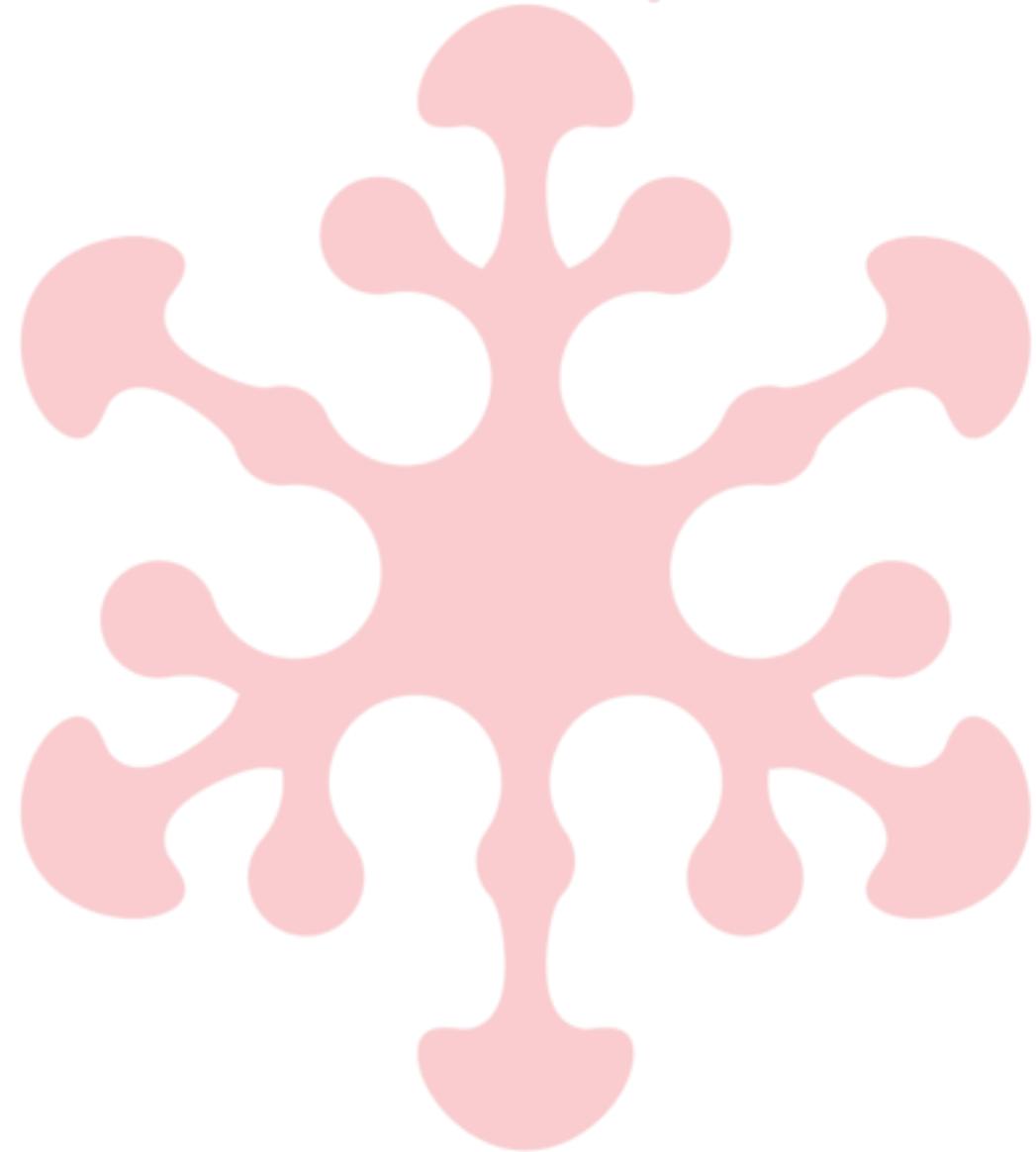
Core EBITDA Margin	16.7%	16.0%	Around 18%	Around 18%
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<sup>1</sup> Overseas Revenue Ratio = Overseas revenue / Revenue

<sup>2</sup> Core EBITDA margin = Core EBITDA / Revenue

Core EBITDA: IFRS operating profit excluding the effect of applying IAS 41 "Agriculture", other income and expenses, and one-time income and expenses, plus depreciation and amortization

## 6. Financial Policies and Shareholder Returns





## Financial Policies for Future

With acquired cash flows through operating activities, plan to keep balance among investment for growth, strengthening financial structure, and shareholder return policy.

### Enhancing Investment for Growth

- Continuously strengthen production and supply capacities
- In the medium-to long-term, consider expanding overseas business and constructing new plants
- Further strengthening the business portfolio through M&A is also under consideration



### The Company's Financial Policy

#### Strengthening Financial Structure

- Continue to strengthen the balance sheet by reducing interest-bearing debt
- Improve financial indicators such as Net Debt to Equity Ratio and Net Debt to EBITDA Ratio

#### Shareholder Return Policy

- Implement a flexible profit return policy in line with free cash flow each year
- Continue stable dividends with a target of around 30% payout ratio
- Implement an annual shareholder benefit program



## Dividend policy

Considering the recent business performance and cash flow status, the Company aims to improve corporate value by balancing sustainable shareholder return and investments necessary for medium-term growth.

FYE Mar 2025	Annual DPS	JPY 15.00 <sup>1</sup>	
	Dividend per share (DPS)	Interim DPS	JPY 3.00
		Year-End DPS	JPY 12.00
	<b>Dividends Payout Ratio</b>		<b>39.8%</b>
FYE Mar 2026 (Forecast)	Annual DPS	JPY 16.00	
	Dividend per share (DPS)	Interim DPS	JPY 4.00
		Year-End DPS	JPY 12.00
	<b>Dividends Payout Ratio</b>		<b>31.8%</b>

<sup>1</sup> Taking into account temporary factors (negative and positive elements), the Company has comprehensively considered the situation and set the annual dividend ¥3 higher than the initial forecast.

### Our Cash Allocation Policy

『 Achieve a balance between increasing corporate value through growth investments and sustainable shareholder returns 』

- **Execute strategies and necessary investments to increase corporate value**
  - ✓ Necessary investments to further improve efficiency of existing businesses
  - ✓ Investments to realize non-existing areas (overseas inorganic, new businesses)
- **Sustainable shareholder returns**
  - ✓ Consider cash flow after required investments, contractual repayments for borrowings and net income
  - ✓ Dividend levels for each fiscal year are set based on the dividends payout ratio (30% or more) at the time the current medium-term business plan was formulated
  - ✓ Aim further profit return to shareholders by increasing corporate value in the medium term

# Shareholder Benefit Program

**This fiscal year, the Company will renew its content and continue to return profits to shareholders.**

## Shareholder Benefit Program

### Eligible Shareholders

The shareholder benefit program is available to shareholders whose names are recorded in the shareholders' register on the record date (March 31 of each year) and who have held one unit (100 shares) or more of the Company's shares for six months or longer. (Shareholders are deemed to "have continuously held the Company's shares for 6 months or longer" if they are kept registered in the Company's shareholder registry with the same shareholder identification numbers consecutively as of the applicable record date of March 31, and September 30 of the previous year.)

### Benefit Details<sup>1</sup>

Depending on the number of shares held, the following sets of the Company's products<sup>1</sup> will be presented.

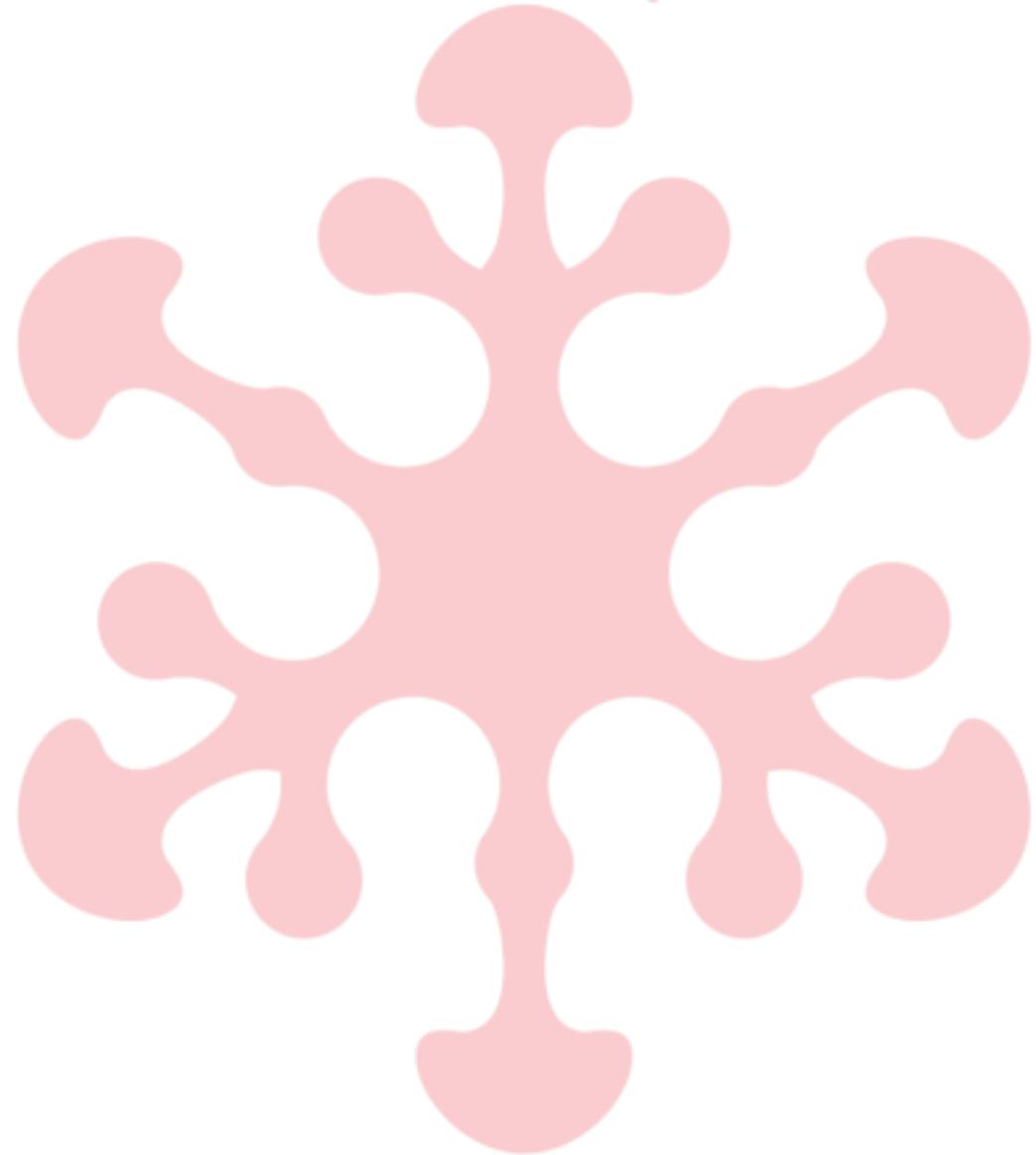
		
Equivalent to JPY 3,000	Equivalent to JPY 5,000	Equivalent to JPY 7,000
More than 100 shares to less than 300 shares	More than 300 shares to less than 1,000 shares	More than 1,000 shares

<sup>1</sup> The products in the photos are draft at this time, and the composition of the products equivalent to each tier amount will be posted on our website etc., going forward.

### Delivery Schedule and Method

Products are scheduled to be delivered from June to July every year to eligible shareholders as of the end of previous March.

## 7. Reference Materials

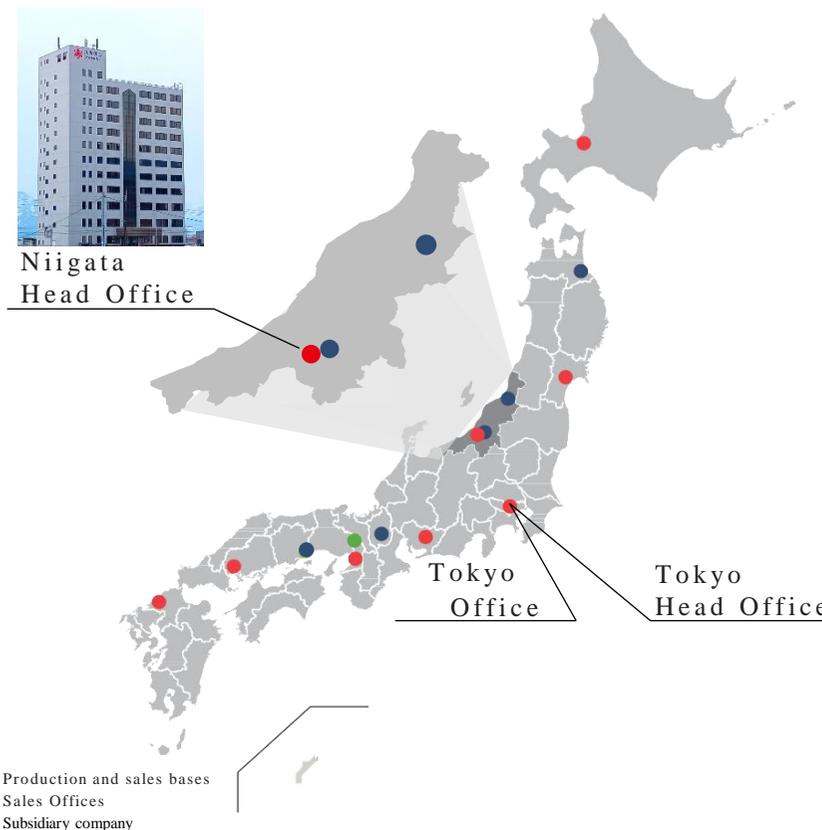


# Overview of Yukiguni Factory Group

Produce and package mushrooms, mainly in Niigata Prefecture, for shipment nationwide. In addition, we have established a unique direct sales route to retailers and a sales network covering the entire country through eight sales offices.

## Outline of Yukiguni Factory Group

Representative	Masafumi Yuzawa
Established	July 1983
Head Office Location	【Niigata Head Office】 Minamiuonuma City, Niigata 【Tokyo Head Office】 Chuo-ku, Tokyo
Number of Employees <sup>1</sup>	Full-time: 1,065, Part-time: 1,426 (as of March 31, 2025)
Office	Production plants : 8 Laboratory : 1 Sales office : 8
Business Description	Production and sale of mushrooms, including maitake, and production and sale of processed mushroom foods
Subsidiary company	Mizuho Norin Co., Ltd. Yukiguni Factory Netherlands Holdings B.V.



### Subsidiary company

#### 《Kyoto》

Mizuho Norin Co., Ltd.

( Production and sale of Hon-Shimeji and Hatake-Shimeji )



#### 《Netherlands》

Yukiguni Factory Netherlands Holdings B.V.

( Production and sale of button mushrooms and exotic mushrooms )



<sup>1</sup> The number of employees consists of the number of full-time employees (excluding those seconded from the Company to outside, including those seconded from outside to the Company) and the average number of temporary employees over the previous one year (part-timers, temporary staff from human resources companies, and seasonal workers)

# Renewal of the Company Name (Corporate Brand)

On April 1, 2025, the company name will be changed to Yukiguni Factory Co., Ltd. We will continue to maximize the potential of mushrooms through the technologies and quest for excellence established at Yukiguni, leading to sustainable growth.

## Concept behind the New Company Name

Aiming to be a factory that creates new value, free from geographical limitations, while inheriting the tradition and trust honed in Yukiguni era.

- Inheritance of "YUKIGUNI" identity
- Free from geographical limitations

**YUKIGUNI FACTORY CO., LTD.**

- Expresses our corporate identity and purpose of "creating" a world of future (global health) by drawing out the power of mushrooms.
- In addition to the existing "safety and security", imaging an exciting company.

## Purpose and Corporate Identity (CI)

Purpose

**"The World of the Future, with the Power of Mushrooms"**

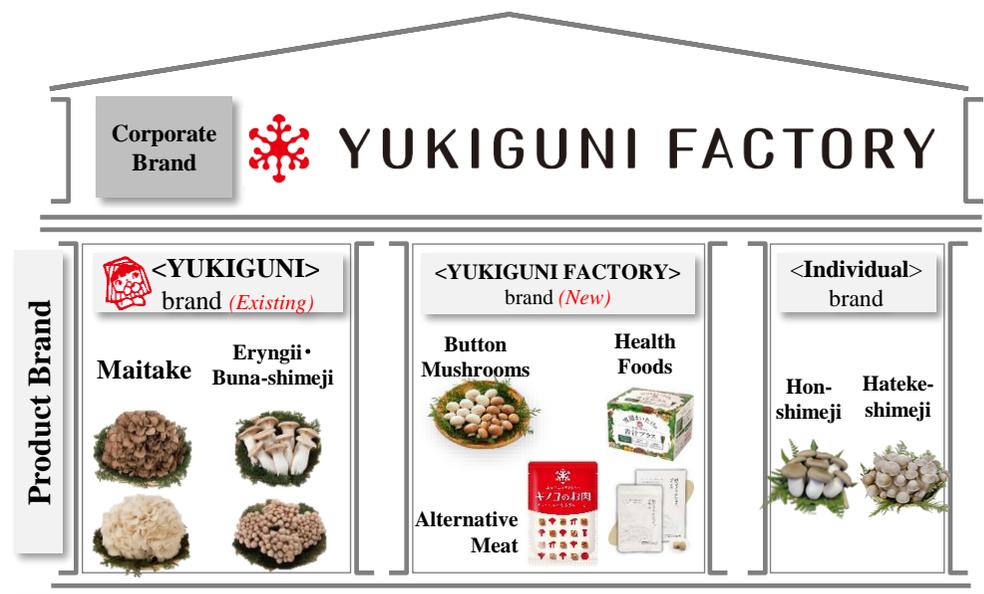
Corporate Identity

**"We are a company dedicated to promoting health worldwide**

- Not only with our Existing "Technologies & Quest for Excellence" established at "Yukiguni"
- But also by fully utilizing the "New Potential" of mushrooms"

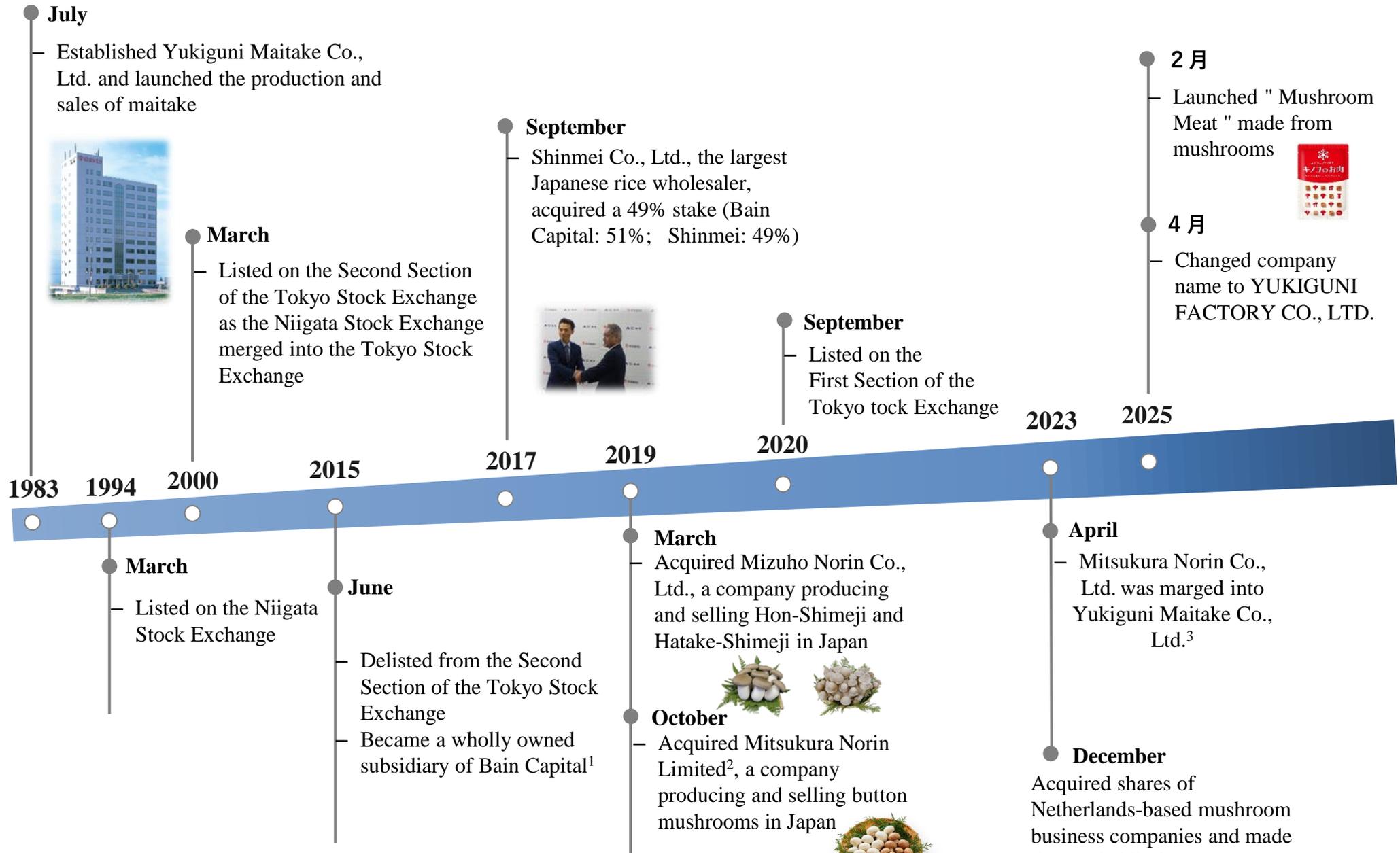
## Future Brand Structure image

As a family brand, we will continue using the existing "YUKIGUNI" brand under the new corporate name.





# Corporate History



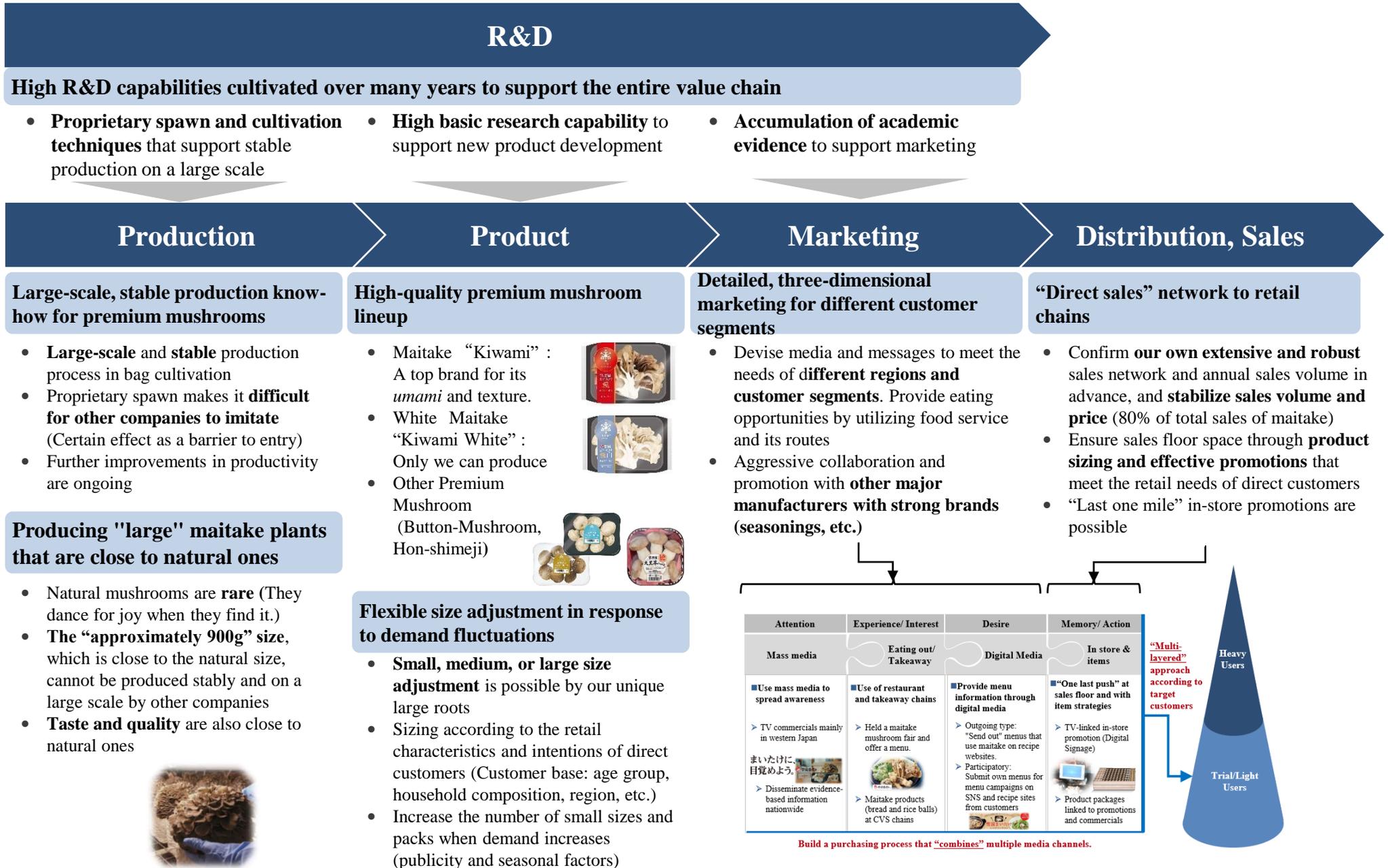
<sup>1</sup> "Bain Capital" mentioned above is the generic term of the fund which Bain Capital Private Equity, LP provides investment advice

<sup>2</sup> Changed the trade name from Mitsukura Norin Limited to Mitsukura Norin Co., Ltd. on March 2, 2020

<sup>3</sup> Merged with Okayama Bio Center effective April 1, 2023 and changed its name to Okayama Bio Center.

# Our Strengths in the Value Chain (Maitake)

Realize a stable production and supply system, and establish high barriers to entry and a stable revenue base centered on premium mushrooms. Develop complex and multifaceted marketing customized for each target customer segment by region.

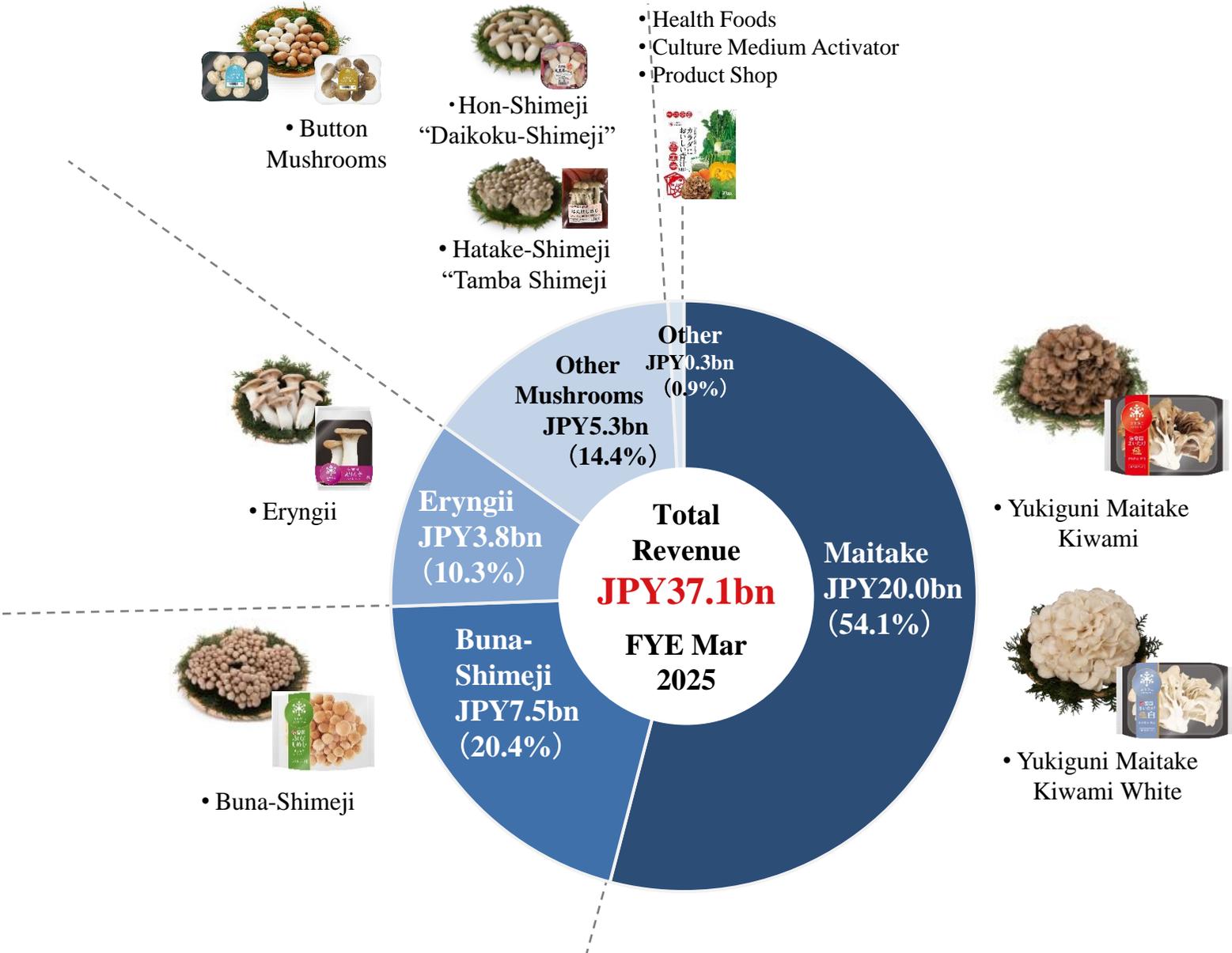




# Main Products and Composition Ratio of Each Product to Revenue

The top share manufacturer of “premium mushrooms” that was the first in the world to successfully mass-produce Maitake mushrooms.

In addition to mushrooms such as Maitake, develop health foods, processed foods, etc. that utilize our mushroom portfolio.



A pioneer in artificial cultivation and mass production of Maitake, and a leading company engaged in factory based mass production of mushrooms. Launched " Mushroom Meat " in February 2025.

Maitake “Kiwami”



Eryngii



Buna-Shimeji



Button Mushrooms<sup>1</sup>



Hon-Shimeji <sup>1</sup>  
“Daikoku Hon-Shimeji”



Hatake-Shimeji <sup>1</sup>  
“Tamba Shimeji”



Processed Foods <sup>2</sup>



Health Foods <sup>3</sup>



1 Classified as “other mushrooms” business segment

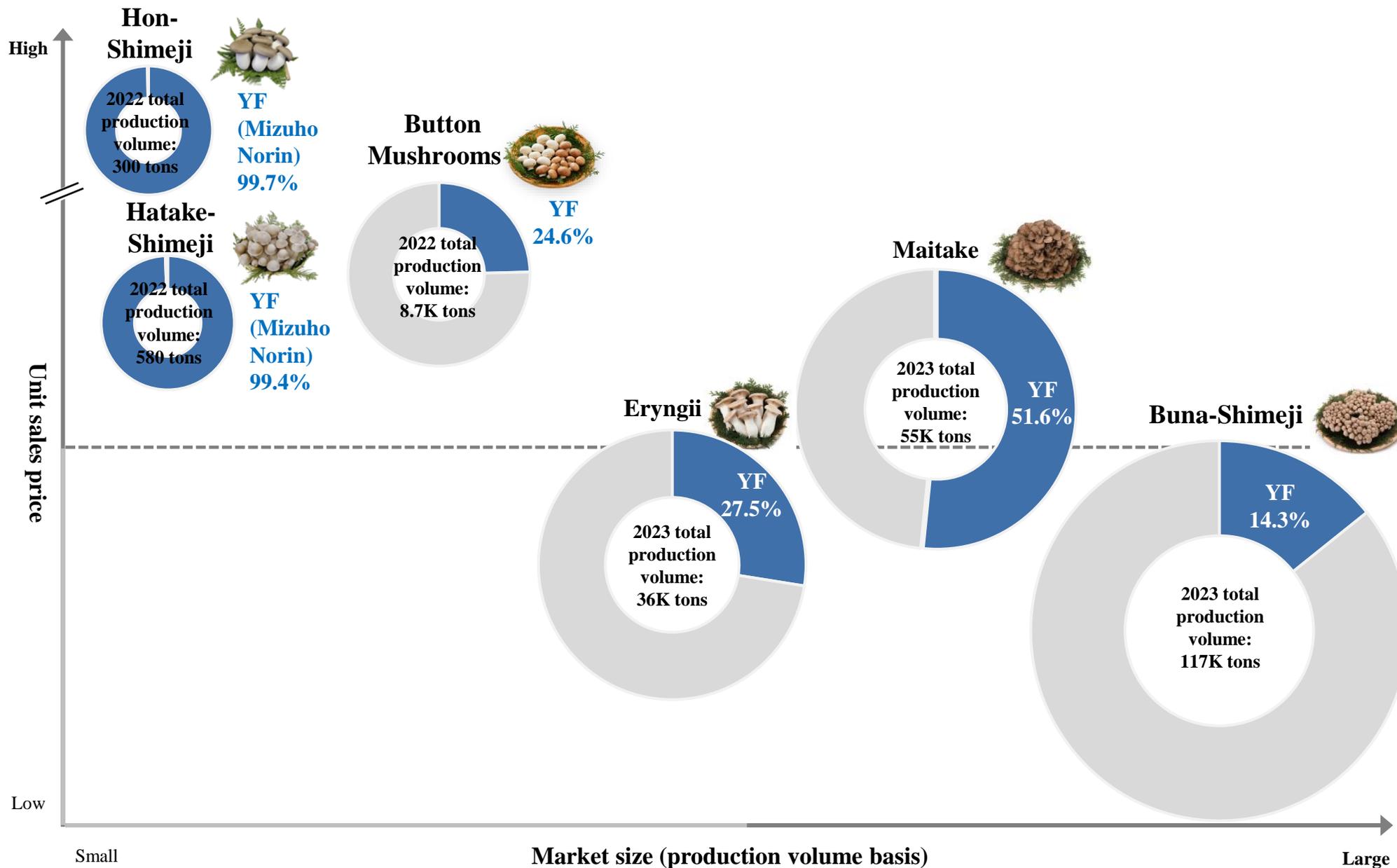
2 Each processed food is classified into its original mushroom business segment

3 Health foods, etc. are classified into “other” business segment



# Market sizes and Mushroom Production Share of Yukiguni Factory Group (YF)

High market share in the premium mushroom market, including maitake mushrooms and button mushrooms

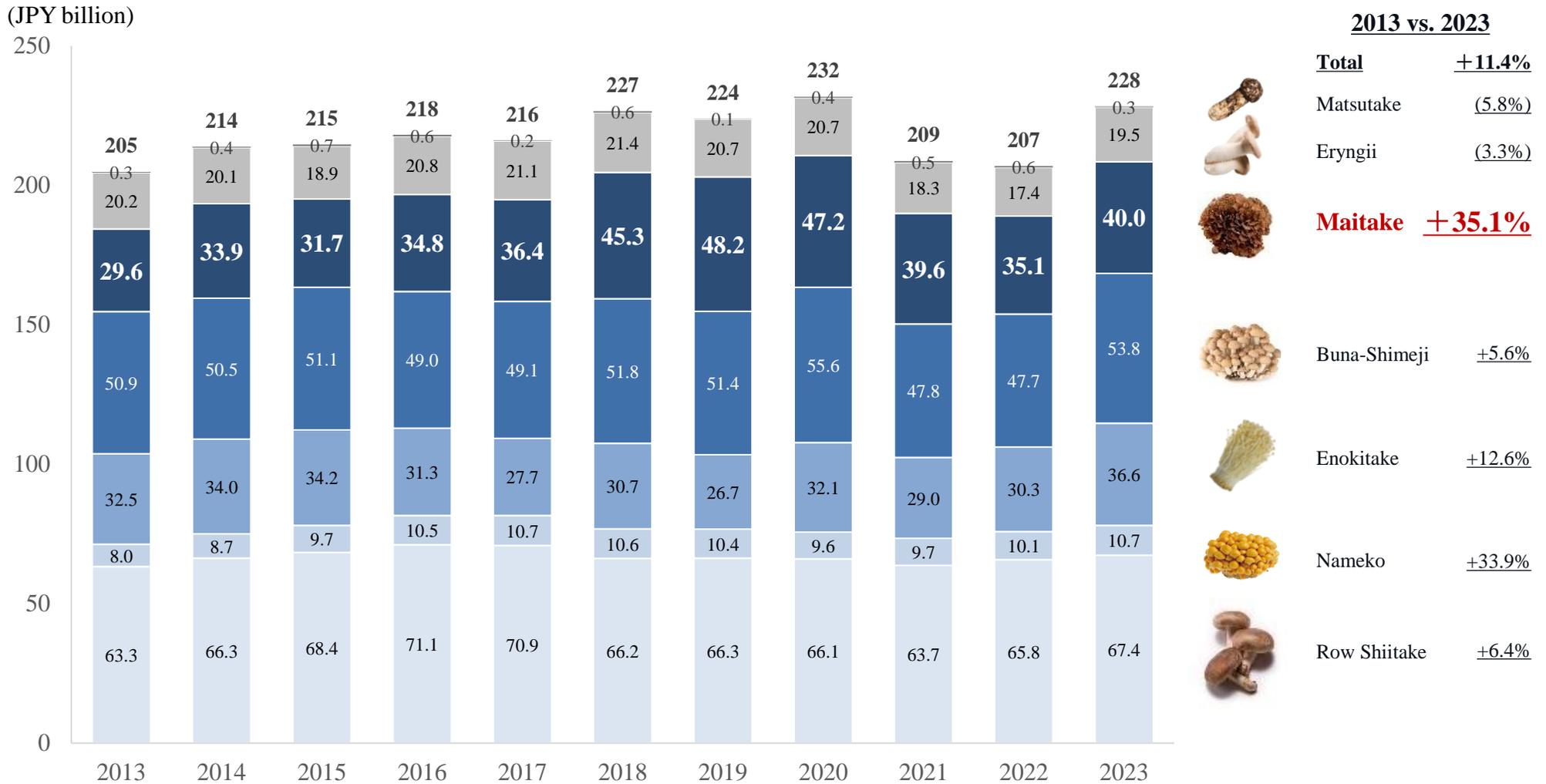


Note: Market share of each mushroom is calculated using domestic production volume (Our company's production / Total domestic production)

Sources: Forestry Agency "Statistical Survey on Production of Minor Forest Products", Ministry of Agriculture, Forestry and Fisheries "Local Vegetable Production Survey"

# Breakdown of Major Mushroom Markets

Market unit sales price of each mushroom is increasing, and the overall market size of mushrooms is recovering.



Note 1: The mushroom market is the total market size of raw Shiitake, Nameko, Enokitake, Buna-Shimeji, Maitake, Eryngii, and Matsutake  
 Note 2: Market size is calculated as "annual average wholesale unit sales price at Tokyo Central Wholesale Market (Jan.-Dec.) x domestic production volume"  
 Note 3: Average unit sales price of Buna-Shimeji is calculated using average unit sales price of Shimeji  
 Sources: Statistics Data by Ministry of Agriculture, Forestry and Fisheries, and by Tokyo Central Wholesale Market

# ❄️ Features of Our Maitake

Apply package cultivation to be able to grow maitake as large as those grown naturally, and still have rich texture, which is successfully achieved in factory based production by large-scale cultivation.

## Cultivation System

- **Apply package cultivation**



## Product Features

- High-quality maitake with well-balanced umami and flavor
- Our maitake has a large “**stem**” which has rich and meaty texture



- Offer products with large roots in various volumes to meet customer demands



“Small pack”  
Small Volume



“Gourmet pack”  
Medium Volume



“LL Pack”  
Extra large volume

50g   80g   100g   120g   150g   200g   300g

- **Approximately 900 grams** per root →

※approximate weight

# Production / Packaging Process

World's first manufacturer to achieve factory based production of maitake which is difficult to cultivate, and establish a stable production and supply system for maitake.

Actively pursue AgriTech to improve productivity and reduce manual labor.

## Stable production capacity / harvest / quality

### Creating Culture Media



- Differentiate recipes for blending culture media that use no agricultural chemicals
- Sterilize the culture media under high temperature and high pressure

### Inoculation



- Inoculate the culture media with fungi originally developed in-house
- Automation of inoculation process
- Clean rooms for avoiding germs

### Cultivation and Growing



- Environmental management based on data science at extensive cultivation rooms
- Mass production realized by control of lightning, temperature, and humidity

### Harvesting / Packaging



- Almost all automation realized in Eryngii and Buna-Shimeji production





# Health Functionalities of Maitake

Focusing our efforts on the research to reveal the nutrients of Maitake that are expected to have high health functionalities. It also has a variety of functions, and its proteolytic enzyme and umami make food taste even better.

## Functionality of Maitake

A type of polysaccharides “glucans”

### Beta-Glucans

Beta-glucan, one of the major polysaccharides contained in maitake, is being studied and expected for maintaining and improving immunity.<sup>1-3</sup>

1 He et al. 2017 Int. J. Biol. Macromol. 101: 910-921.

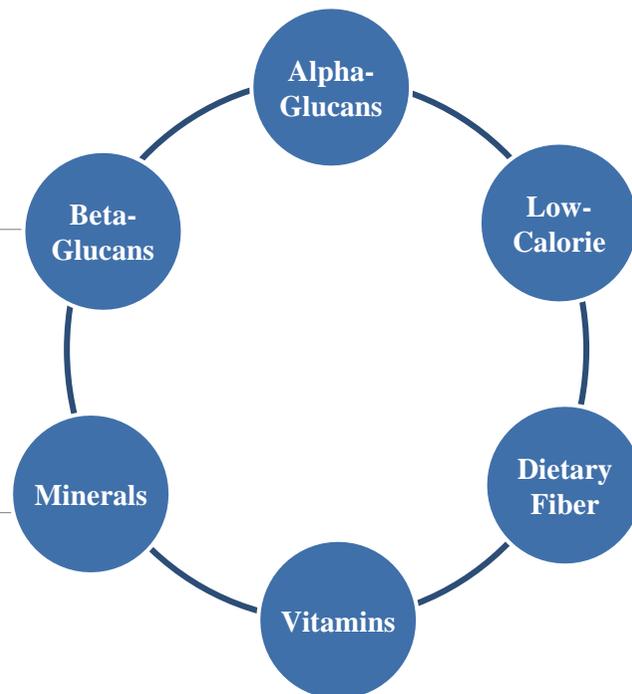
2 Wesa et al. 2015 Cancer Immunol Immunother 64: 237-247.

3 Masuda et al. 2013 Int. J. Cancer 133: 108-120.

Essential nutrients for the body

### Minerals

Minerals are essential nutrients for the body, but they cannot be produced by the body. Therefore, it should be taken from food. Maitake contains potassium, which works to get excess salt out of the body, and magnesium, which regulates the body.



Expected to have various effects

### Maitake Dietary Fiber

Dietary fiber is expected to have the effect of suppressing the rise in postprandial blood glucose level. In addition, Maitake has been confirmed to have a “second meal effect” that moderates the rise in blood sugar level after the first meal is eaten<sup>2</sup>.

In addition, dietary fiber is said to have the function of adsorbing lipids and sugars and discharging them to the outside of the body. Dietary fiber contained in maitake increases the amount of stool and shortens the transit time of the digestive tract.

<sup>2</sup> The Effects of Maitake on the Elevation of Blood Sugar Levels and the Second Meal Effects of Maitake (2010, 64th Annual Meeting of Japanese Society of Nutrition and Food Science)

## Other Functionality

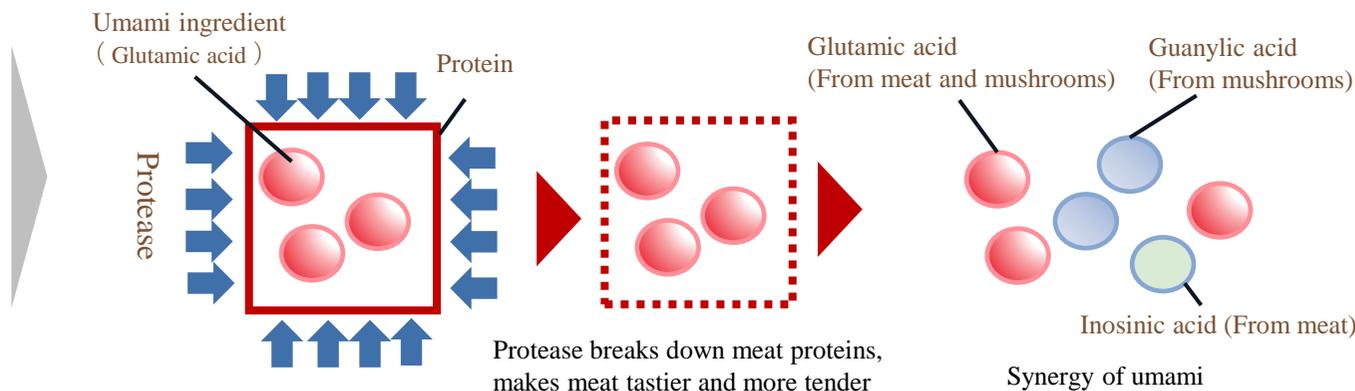
Tenderize meat with a little effort before cooking  
**Proteolytic enzymes (proteases)**

Proteolytic enzymes (proteases) break down proteins and tenderize meat. The amount of “Glutamic acid”, which is umami ingredients, also increases.

Synergistic effects of umami

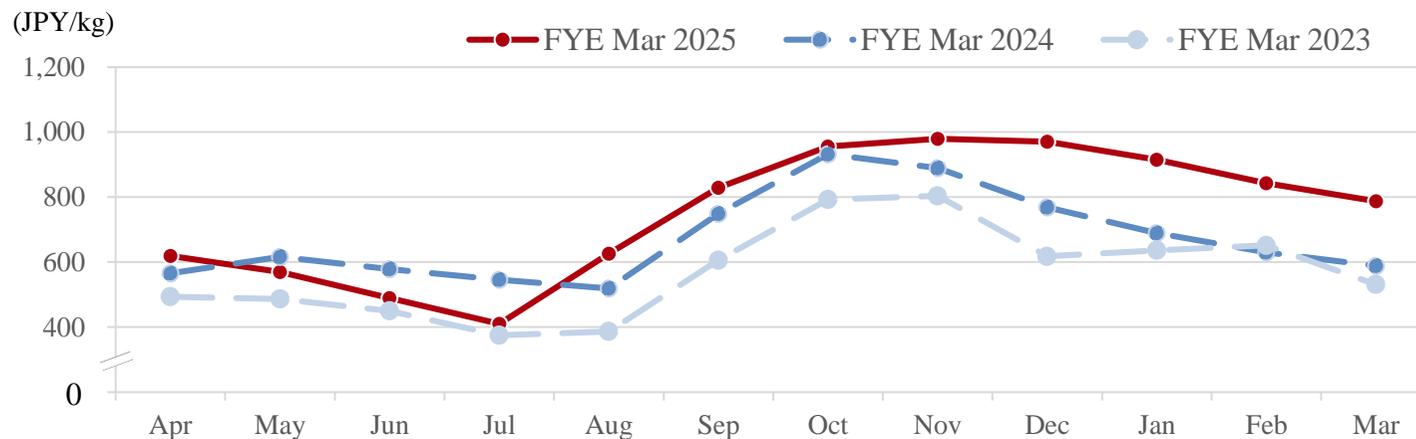
### Guanylic acid and glutamic acid

Guanylic acid and glutamic acid are the main umami ingredients of mushroom, and they combine with inosinic acid in meat to produce a synergistic effect of umami. Adding this to regular dishes will further enhance the deliciousness of food.



# Changes in Market Transaction Unit Sales Price

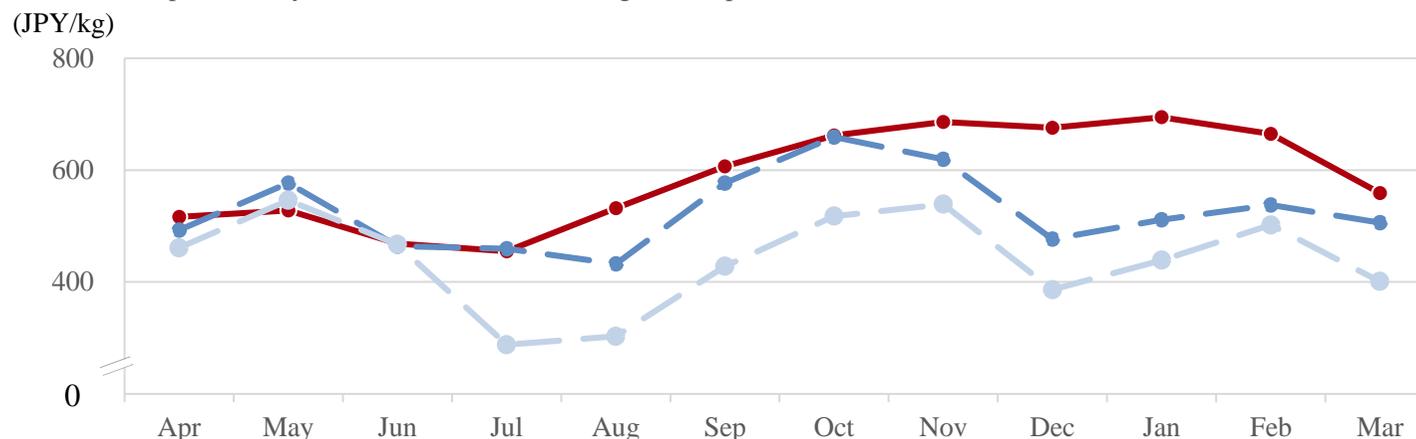
Maitake



### Weighted Average Unit Sales Price

(JPY)	Year-round
FYE Mar 2025	757
FYE Mar 2024	679
FYE Mar 2023	582

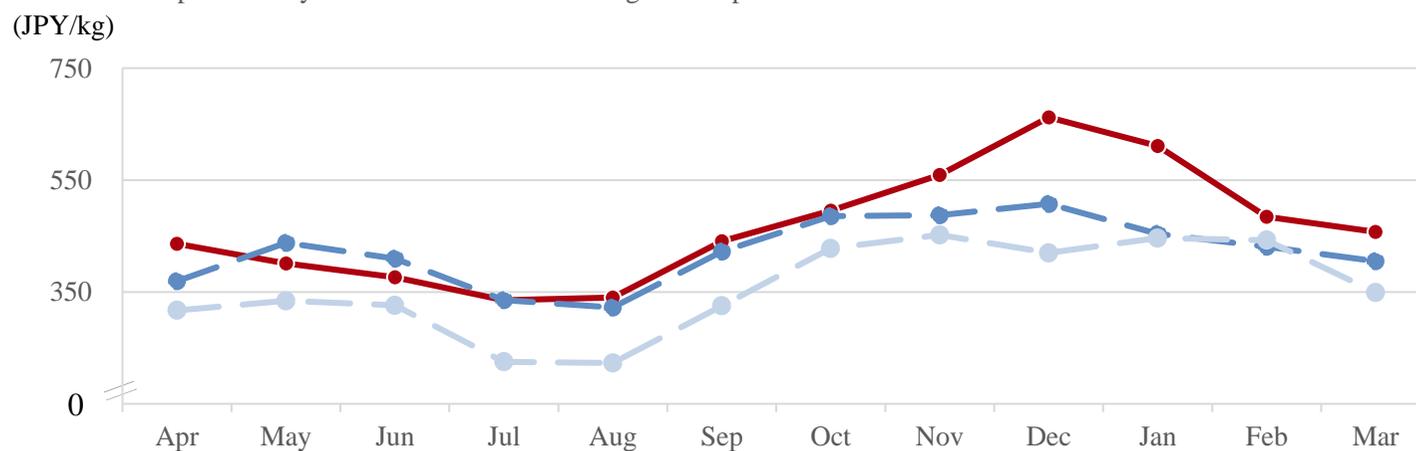
Eryngii



### Weighted Average Unit Sales Price

(JPY)	Year-round
FYE Mar 2025	586
FYE Mar 2024	525
FYE Mar 2023	434

Buna-Shimeji



### Weighted Average Unit Sales Price

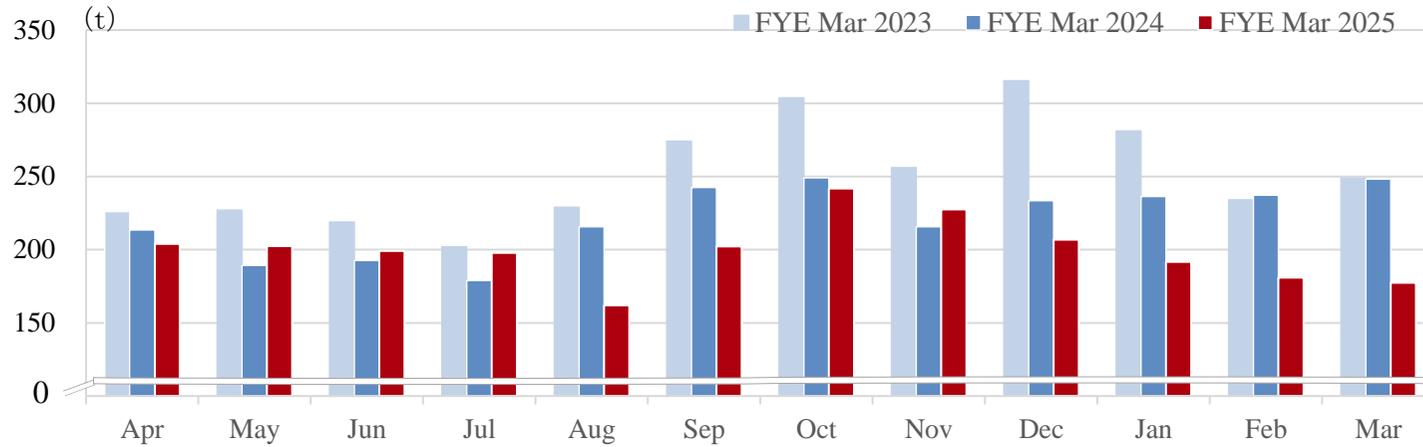
(JPY)	Year-round
FYE Mar 2025	470
FYE Mar 2024	427
FYE Mar 2023	363

Sources: The Company created the chart based on the Market Statistics Data from Metropolitan Central Wholesale Market



# Changes in Market Sales Volume

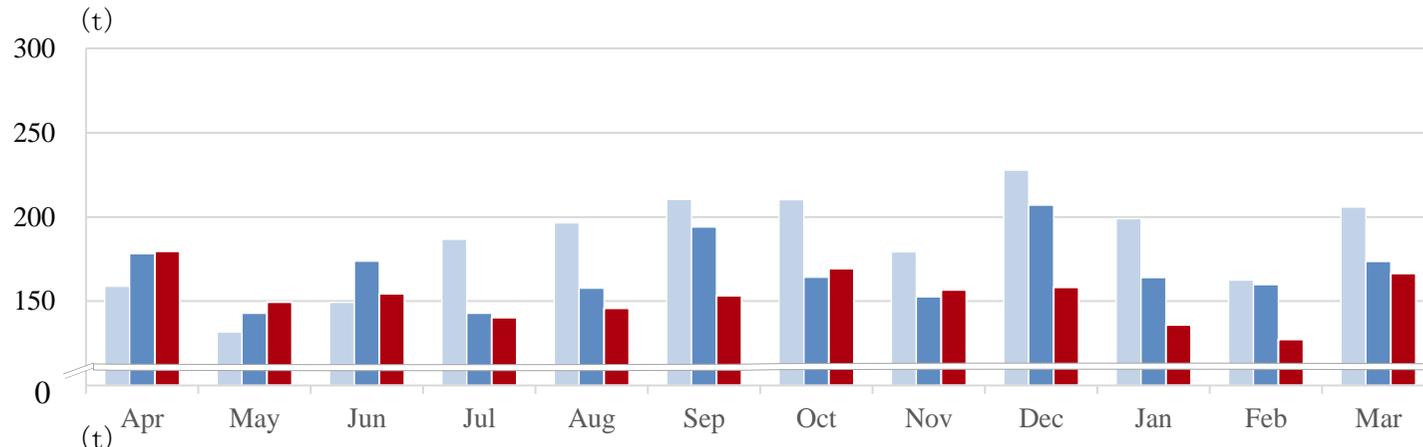
Maitake



## Sales Volume

(t)	Year-round
FYE Mar 2025	2,393
FYE Mar 2024	2,652
FYE Mar 2023	3,016

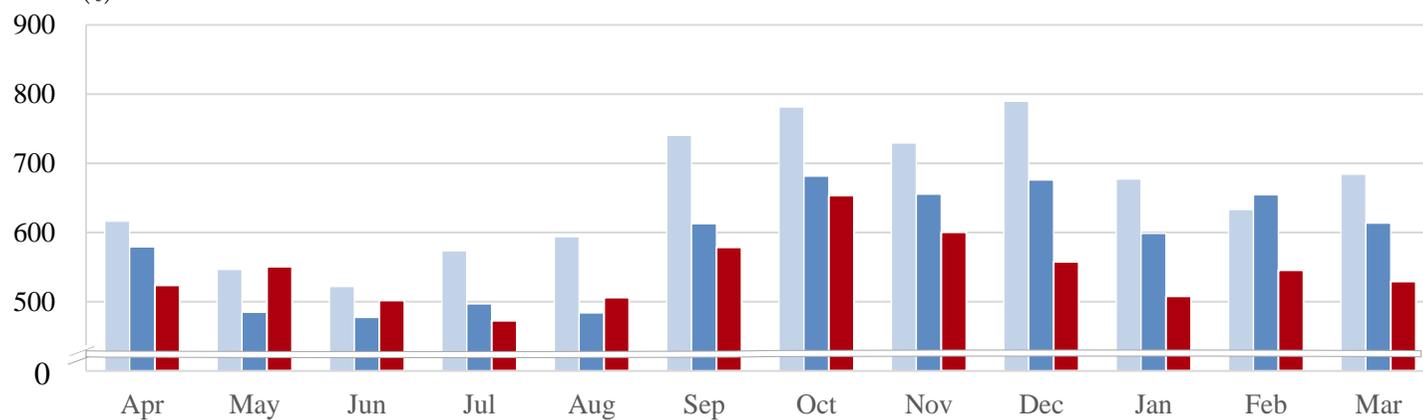
Eryngii



## Sales Volume

(t)	Year-round
FYE Mar 2025	1,837
FYE Mar 2024	2,011
FYE Mar 2023	2,217

Buna-Shimeji

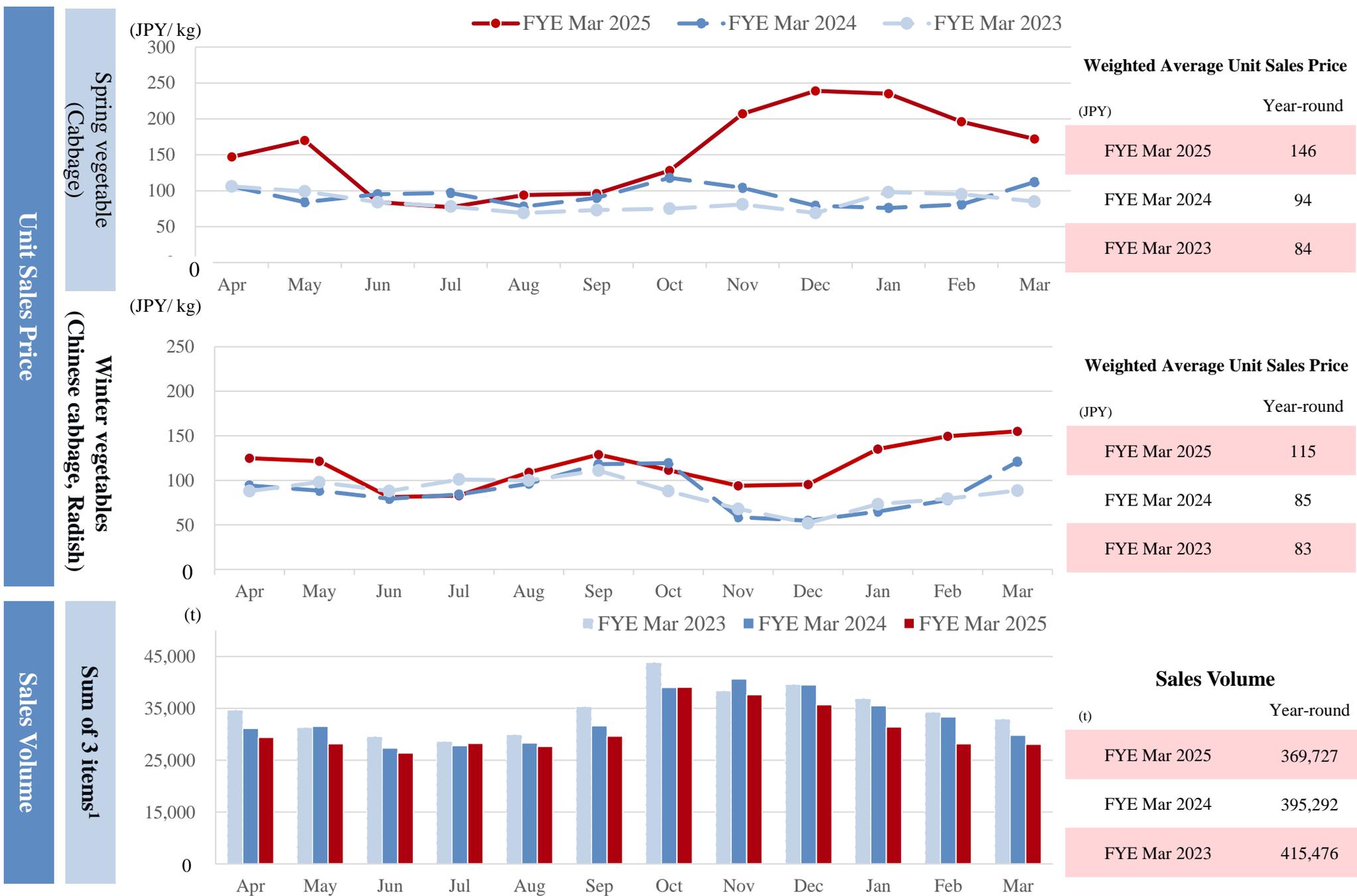


## Sales Volume

(t)	Year-round
FYE Mar 2025	6,529
FYE Mar 2024	7,014
FYE Mar 2023	7,887

Sources: The Company created the chart based on the Market Statistics Data from Metropolitan Central Wholesale Market

# Market Transactions of Seasonal Vegetables



<sup>1</sup> Refers to cabbage, Chinese cabbage, and radish

Sources: The Company created the chart based on the Market Statistics Data from Metropolitan Central Wholesale Market



## Disclaimer

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*Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.*

**The forward-looking statements, such as forecasts of financial results, included in this document are based on the information available to the management as of the date of this 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.**

**Please also note that this document contains managerial accounting figures that have not been audited by independent certified public accountants or audit firms and are not based on historical financial statements.**

 **YUKIGUNI FACTORY**

Securities Code: 1375