



YUKIGUNI MAITAKE CO., LTD.

**Financial Results for 1st Quarter of
Fiscal Year Ending March 2025**

August 8, 2024

Tokyo Stock Exchange,
Prime Market: 1375



AGENDA

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



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Summary of Consolidated Financial Results for 1Q of FYE March 2025



Summary of Financial Results for 1st Quarter Fiscal Year Ending March 2025

In the three months of the current period, revenue and Core EBITDA outperformed both year-on-year and the plan.

External Environment


- In the mushroom market, although there were differences among mushroom species, overall volume and unit prices remained stable.
- Weather conditions caused prices of some leafy greens to rise, and the vegetable market as a whole exceeded the previous year's levels.
- Consumers continued to be thrifty and selective in their spending due to high prices and high vegetable prices.
- High crude oil prices and continued inflation were driving up unit costs, and changes in the labor environment were driving up labor costs.

Our Response

- Utilizing multiple SKUs, the company proposed products that fit the external environment and needs, and achieved a unit price level that exceeded both the previous year and the plan.
- The company improved visibility and increased sales by proposals that stimulate consumers' desire to buy, and by sales area expansion in collaboration with retailers.
- The company increased media exposure and promoted its products and itself to raise awareness during the non-demand season.
- Cost increases were controlled as a result of diversification and optimization in the procurement of raw materials and other items, as well as utility reductions through improved production efficiency.

Summary

Revenue JPY 7.4 billion

- YoY
JPY +0.8 billion
(+12.8%)
- vs Forecast 

Core EBITDA JPY 0.6 billion

- YoY
JPY +0.3 billion
(+93.3%)
- vs Forecast 



Consolidated Statements of Income (1st Quarter)

In the three months of the current fiscal year, revenue and profits increased compared to the same period of the previous fiscal year.

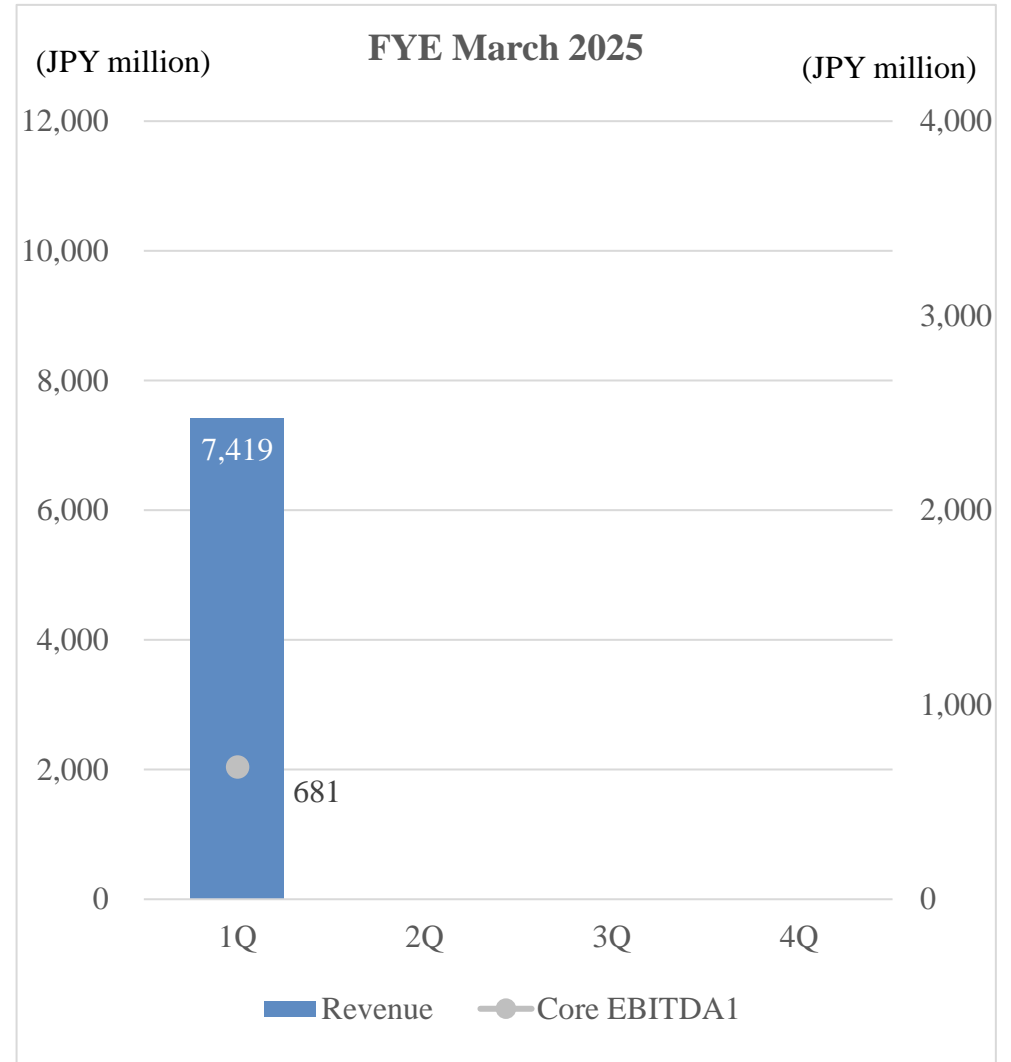
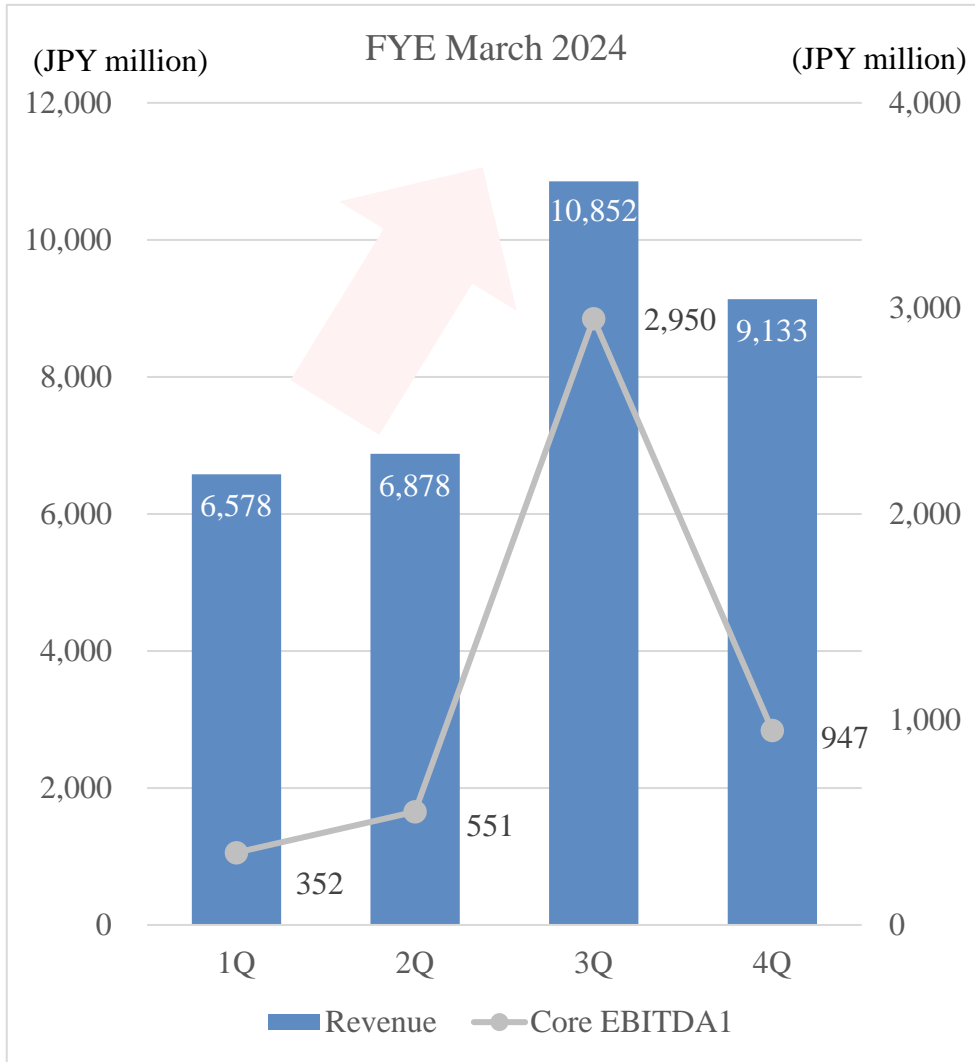
(JPY million)	1Q FYE March 2025	1Q FYE March 2024	
	Actual	Actual	Change Amount %
Revenue	7,419	6,578	+841 +12.8%
Gains Arising from Changes in Fair Value	2,752	1,696	+1,056 +62.3%
Total Income	10,172	8,274	+1,897 +22.9%
Material Costs, Labor Costs, etc.	5,328	4,930	+397 +8.1%
Gains Arising from Changes in Fair Value	2,828	1,766	+1,062 +60.2%
Cost of Sales	8,156	6,696	+1,460 +21.8%
Gross Profit	2,015	1,578	+437 +27.7%
SG&A Expenses	2,074	1,883	+190 +10.1%
Other Income	8	23	(14) (62.2%)
Other Expenses	27	32	(5) (17.3%)
Operating Profit	(77)	(315)	+237 -
<i>vs Revenue</i>	<i>(1.0%)</i>	<i>(4.8%)</i>	
<i>vs Total Income</i>	<i>(0.8%)</i>	<i>(3.8%)</i>	
Profit before Tax	(90)	(413)	+322 -
Profit Attributable to Owners of Parent	(92)	(283)	+190 -
[Reference]			
Core Operating Profit¹	115	(181)	+297 -
Core EBITDA¹	681	352	+328 +93.3%
Core EBITDA margin¹	9.2%	5.4%	

¹ 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



Consolidated Operating Results (Quarterly Trends)

Both Revenue and Core EBITDA were higher in this first quarter than those in the same period of the previous year.

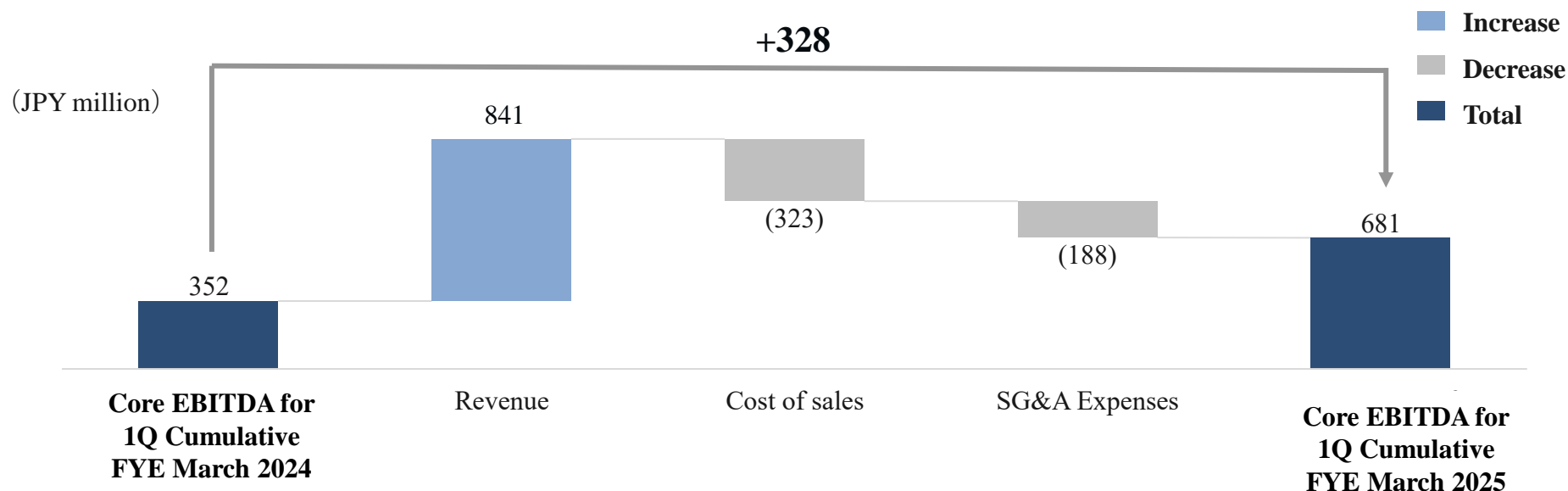


1 Core EBITDA = Core Operating Profit + Depreciation and Amortization



Analysis of Core EBITDA (1Q Cumulative Year-on-Year)

Core EBITDA also increased due to revenue increased.



External environment	<ul style="list-style-type: none"> • Factors affecting Revenue <ul style="list-style-type: none"> ✓ Calmed down of supply of mushroom market as a whole ✓ Tailwind for high-priced sales in an inflationary environment ✓ Rising market prices due to poor vegetable production ✓ Consumers continue to be thrifty • Factors affecting Cost of sales <ul style="list-style-type: none"> ✓ Uncertainty due to unstable global conditions ✓ Continuing trend of yen's depreciation ✓ Rising prices due to inflation ✓ Rising trend in wages
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Core EBITDA variable factors	<ul style="list-style-type: none"> • Main factors for increase in Revenue <ul style="list-style-type: none"> ✓ (Maitake) Increase in unit sales price ✓ (Eringi) Increase in unit sales price ✓ (Buna shimeji) Increase in unit sales price • Main factors for increase in Cost of sales <ul style="list-style-type: none"> ✓ Rising material (raw materials, packaging materials) prices ✓ Rising labor costs ✓ However, cost to revenue ratio declined
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Revenue by Business Segment (1Q Cumulative)

Revenue of all segments increased in the same period of the previous year.
Overseas Subsidiaries in other mushrooms accounts for about 40%.

(JPY million)	1Q FYE March 2024		1Q FYE March 2025		Increase (Decrease)	
	Actual	Composition Ratio	Actual	Composition Ratio	Amount	Change YoY
Total Revenue	6,578	100.0%	7,419	100.0%	841	+12.8%
Mushroom Business	6,509	99.0%	7,340	98.9%	831	+12.8%
Maitake	3,433	52.2%	3,563	48.0%	130	+3.8%
Eringi	859	13.1%	905	12.2%	46	+5.4%
Buna-Shimeji	1,466	22.3%	1,601	21.6%	134	+9.1%
Other Mushrooms¹	749	11.4%	1,269	17.1%	520	+69.4%
Other	69	1.0%	78	1.1%	9	+14.0%

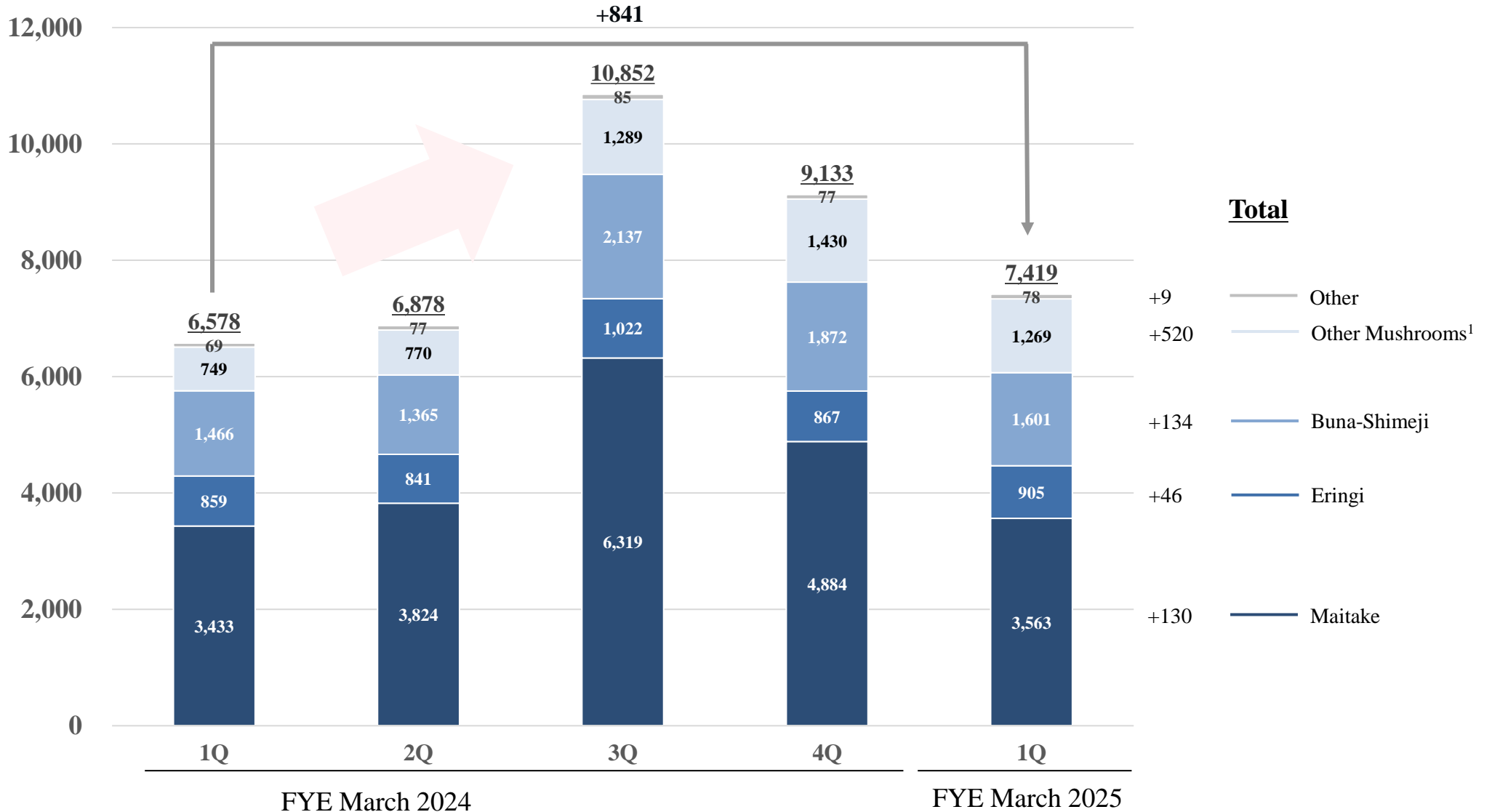
¹ Hon-Shimeji, Hatake-Shimeji, Button-Mushroom, Overseas Subsidiaries, purchased mushrooms, etc.



Revenue Trends by Business Segment (Quarterly Trends)

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

(JPY million)



¹ Hon-Shimeji, Hatake-Shimeji, Button-Mushroom, Overseas Subsidiaries, purchased mushrooms, etc.



Status of Mushroom Business (1Q Cumulative FYE March 2025)

Unit sales prices of Maitake, Eringi and Buna-Shimeji increased significantly both the same period of the previous year and the plan.

As for sales volume, Maitake, Eringi and Buna-Shimeji declined slightly from the same period of the previous year and the plan.

Sales Volume Comparison ¹

(%)	vs 1Q FYE	vs Forecast
	Mar 2024	
Maitake	96.3%	93.1%
Eringi	95.1%	97.5%
Buna-Shimeji	99.3%	98.8%
Other Mushrooms²	99.5%	89.4%

Unit Sales Price Comparison ¹

	vs 1Q FYE	vs Forecast
	Mar 2024	
	108.1%	107.8%
	112.1%	112.4%
	110.2%	114.4%
	101.9%	88.4%

¹ Comparison excluding Overseas Subsidiaries and processed products

² Comparison by the total of Hon-Shimeji, Hatake-Shimeji and button mushrooms



Consolidated Statements of Financial Position

Capital depth decreased due to the negative profit.

(JPY million)	As of Mar 31, 2024	As of Jun 30, 2024	Increase (Decrease)	
	Actual	Actual	Amount	Change YoY
Current Assets	10,615	9,078	(1,536)	(14.5%)
Cash and Cash Equivalents	2,797	1,850	(947)	(33.9%)
Trade and Other Receivables	3,211	2,577	(654)	(20.4%)
Inventories	1,476	1,888	+412	+27.9%
Biological Assets	2,939	2,613	(325)	(11.1%)
Non-current Assets	27,389	27,499	+110	+0.4%
Property, Plant and Equipment	19,424	19,487	+63	+0.3%
Goodwill and Intangible Asset	5,961	5,995	+34	+0.6%
Total Assets	38,004	36,578	(1,426)	(3.8%)
Current Liabilities	9,278	8,423	(855)	(9.2%)
Trade and Other Payables	3,570	3,921	+350	+9.8%
Accrued Income Taxes	940	13	(926)	(98.5%)
Short-term Borrowings	-	700	+700	-
Current Portion of Long-Term Borrowings	1,422	1,422	0	0.0%
Non-current Liabilities	17,205	17,105	(100)	(0.6%)
Borrowings	16,857	16,731	(126)	(0.7%)
Lease Liabilities	196	205	+9	+4.9%
Total Liabilities	26,484	25,528	(955)	(3.6%)
Total Equity	11,520	11,049	(470)	(4.1%)
Total Equity Attributable to Owners of Parent	11,454	10,988	(466)	(4.1%)
Total Liabilities and Equity	38,004	36,578	(1,426)	(3.8%)



Consolidated Statements of Cash Flows (1Q Cumulative Year-on-Year)

Cash Flows from Operating Activities···Increase due to Income Taxes Paid, etc. despite increase in Profit before Tax.

Cash Flows from Investing Activities···Increase due to capital expenditures.

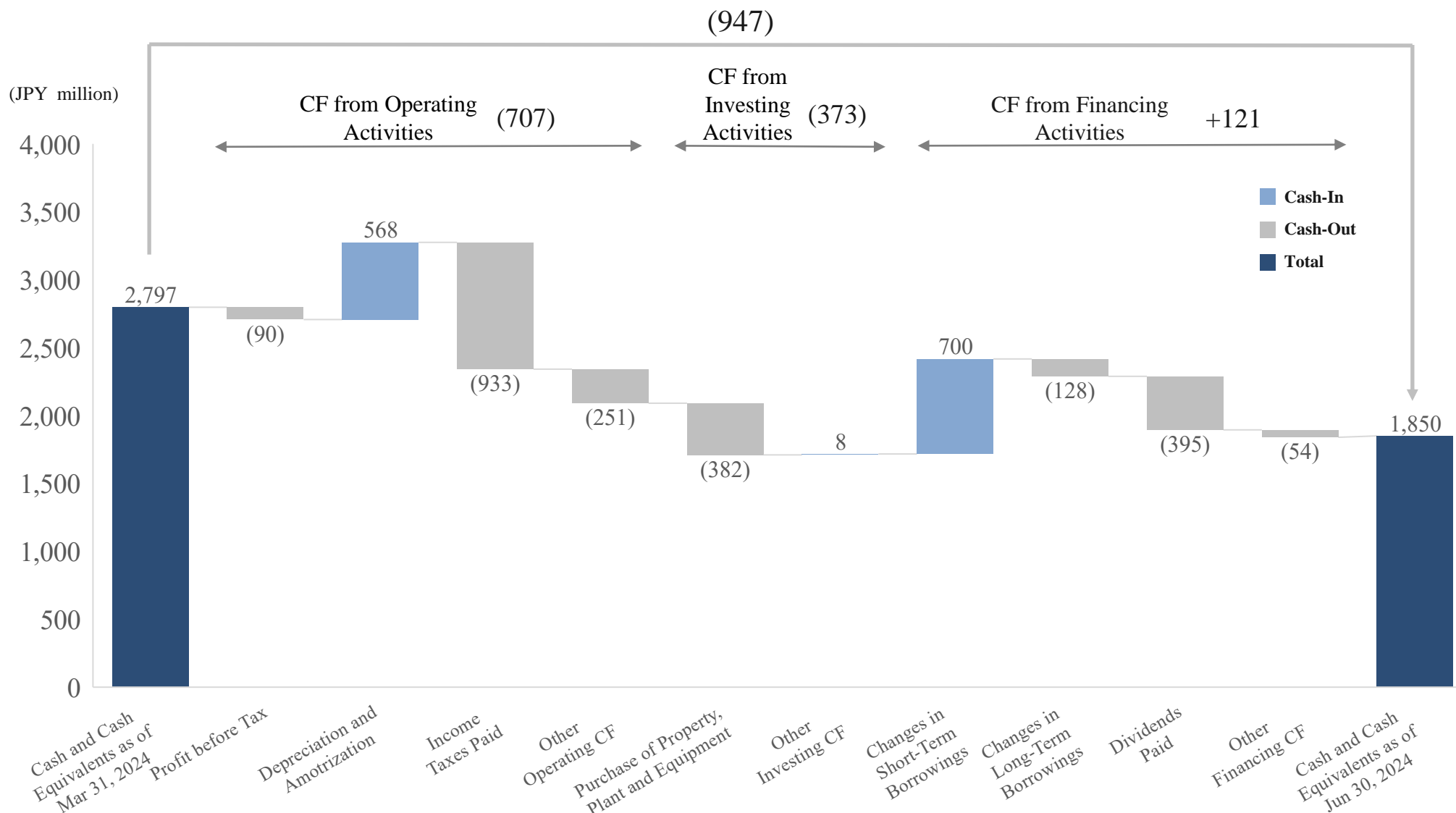
Cash Flows from Financing Activities··· Increase due to decrease in borrowing balance and increase in Dividends Paid.

(JPY million)	1Q FYE March 31, 2024	1Q FYE March 31, 2025	Increase (Decrease)
Cash Flows from Operating Activities	(452)	(707)	(255)
Profit before Tax	(413)	(90)	+322
Depreciation and Amortization	537	568	+31
Decrease (Increase) in Trade and Other Receivables	310	662	+352
Decrease (Increase) in Inventories and Biological Assets	27	(80)	(107)
Increase (Decrease) in Trade and Other Payables	198	83	(115)
Income Taxes Paid	(691)	(933)	(242)
Other	(420)	(915)	(495)
Cash Flows from Investing Activities	(215)	(373)	(158)
Purchase of Property, Plant and Equipment	(201)	(382)	(180)
Purchase of Intangible Asset	-	-	-
Purchase of Shares of Subsidiaries	-	-	-
Other	(14)	8	+22
Cash Flows from Financing Activities	836	121	(714)
Proceeds from Short-Term Borrowings	1,900	700	(1,200)
Repayments of Short-Term Borrowings	-	-	-
Proceeds from Long-Term Borrowings	-	-	-
Repayments of Long-Term Borrowings	(770)	(128)	+641
Dividends Paid	(236)	(395)	(158)
Other	(57)	(54)	+2
Net Increase (Decrease) in Cash and Cash Equivalents	168	(947)	(1,116)
Cash and Cash Equivalents at the Beginning of the Period	1,060	2,797	+1,737
Cash and Cash Equivalents at the End of the Period	1,229	1,850	+620



Consolidated Cash Flow Analysis (1Q Cumulative)

Net cash provided by operating activities was less than income taxes paid, resulting in JPY 707 million decreased in CF from operating activities. Cash and cash equivalents decreased by JPY 947 million due to the acquisition of property.





Key Financial Indicators

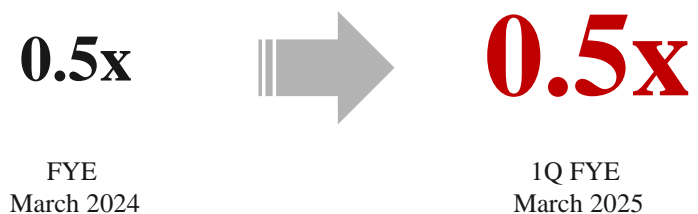
Net D/E ratio deteriorated due to increased borrowings.

Core EBITDA increased, but the Net D/Core EBITDA increased due to increase in borrowings.

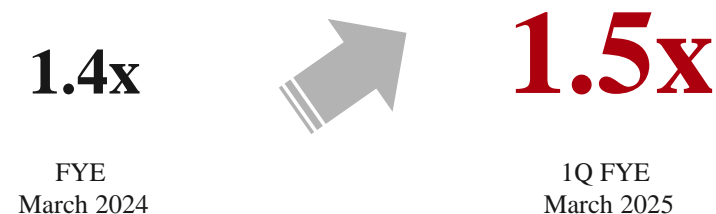
Changes of Financial Indicator Regarding Goodwill

Changes in Financial Indicator Regarding Net Debt

■ Goodwill to Net Assets Ratio ¹

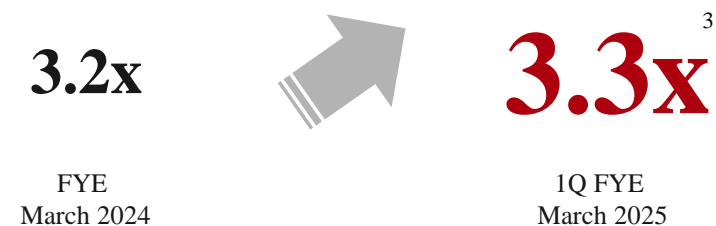


■ Net Debt to Equity Ratio ¹



- 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 ²



¹ IFRS based consolidated financial figures

² Using actual Core EBITDA figures. Core EBITDA=Core Operating Profit+Depreciation + Amortization

³ Estimated by last 12 months (LTM) cumulative Core EBITDA



Key Performance Indicators

In the three months of the current fiscal year, both revenue and profit increased compared to the same period of previous year, and management indicators improved.

	1Q FYE March 2024	1Q FYE March 2025
Operating Margin	(3.8%)	(0.8%)
Core EBITDA Margin	5.4%	9.2%
Basic Earnings per Share ¹	(JPY 7.11)	(JPY 2.33)
ROE (Return on Equity Attributable to Owners of Parent) ²	10.8%	14.8%
ROIC (Return on Invested Capital) ³	4.7%	6.9%

¹ 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

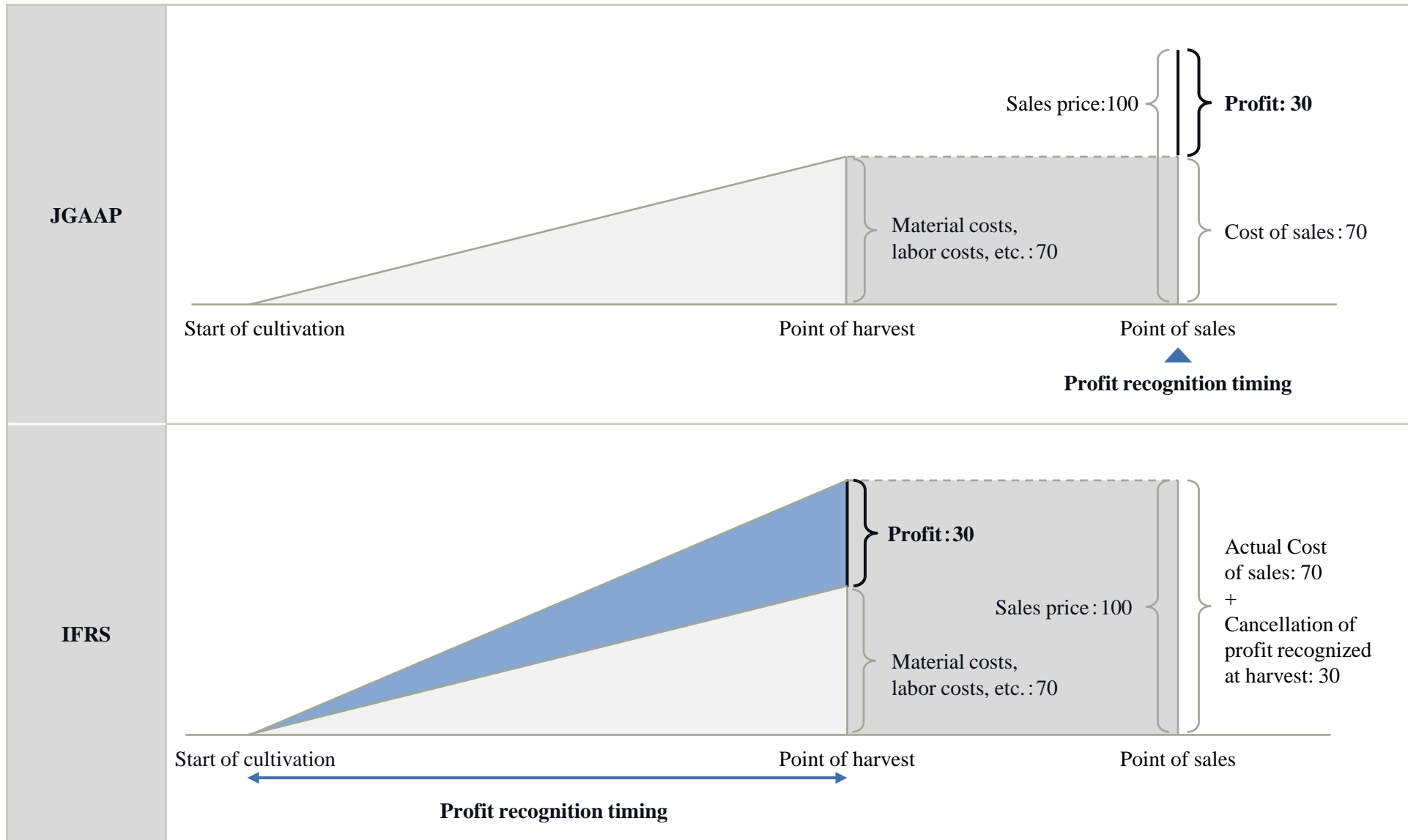
² Cumulative actual of the last 12 months (LTM) ROE = Profit Attributable to Owners of Parent / Average Total Equity Attributable to Owners of Parent during the Period

³ 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” (1Q Cumulative)

Net income impact of - JPY 75 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	1Q FYE March 2025
Gains Arising from Changes in Fair Value (Income)	Gains in Work-in-Progress (Beg. Bal.)	(1,145)
	Gains in Work-in-Progress (End. Bal.)	959
	Harvest for the Current Period	2,856
	Other	81
	Total	2,752
Gains Arising from Changes in Fair Value (Cost of Sales)	Gains in Finished/Semi-finished Goods (Beg. Bal.)	(389)
	Gains in Finished/Semi-finished Goods (End. Bal.)	469
	Harvest for the Current Period	(2,856)
	Other	(52)
	Total	(2,828)
Total Net Impact		(75)

Gains included in work-in-progress had a negative impact of JPY 185 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 80 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
Income	Gains in Work-in-Progress (Beg. Bal.)	(1,145)				(1,145)
	Gains in Work-in-Progress (End. Bal.)	959				959
Cost of Sales	Gains in Finished/Semi-finished Goods (Beg. Bal.)	(389)				(389)
	Gains in Finished/Semi-finished Goods (End. Bal.)	469				469
Harvest for the Current Period		±0				±0
Other		29				29
Total Net Impact		(75)				(75)

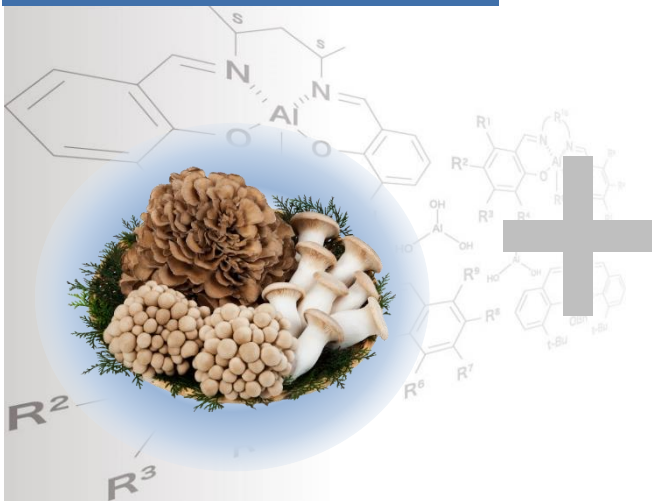
(JPY million)		1Q	2Q	3Q	4Q	Cumulative
Income	Gains in Work-in-Progress (Beg. Bal.)	(764)	(665)	(1,958)	(2,197)	(764)
	Gains in Work-in-Progress (End. Bal.)	665	1,958	2,197	1,113	1,113
Cost of Sales	Gains in Finished/Semi-finished Goods (Beg. Bal.)	(277)	(278)	(510)	(471)	(277)
	Gains in Finished/Semi-finished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



Product Innovation Initiatives: Development of Alternative Meat

June 2023 After successfully developing our mushroom alternative meat, we are exploring various possibilities.
Plan to launch products in FYE March 2025.

Potential of Mushroom



R&D capabilities



Fiscal Year Ending March 2025
Scheduled products launch

Increased media exposure

Exploring new possibilities

Successful development



TBS "THE TIME"
(February 1, 2024)



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 techniques and inquisitiveness honed in the snow country, 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.

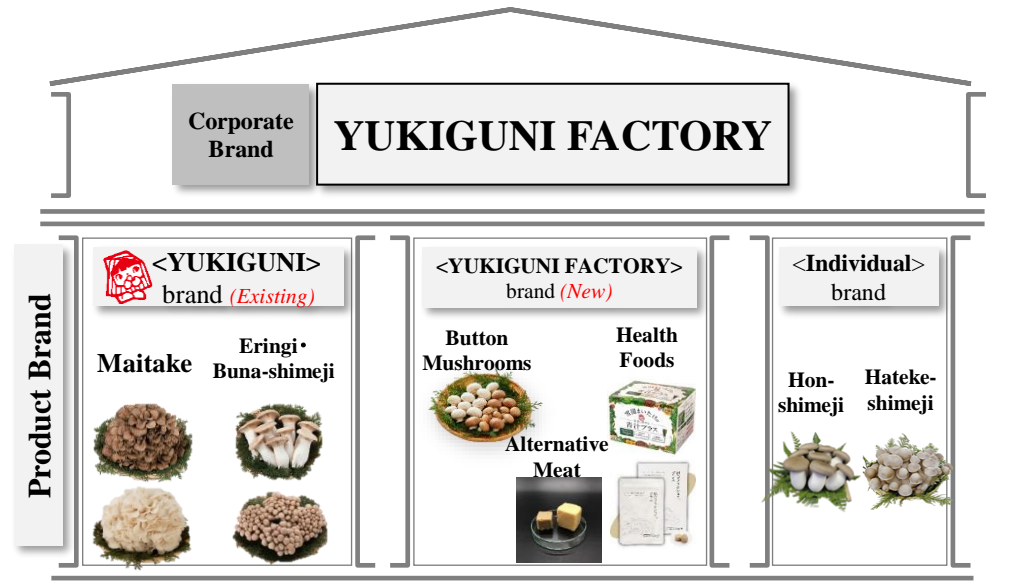
- Inheritance of "YUKIGUNI" identity
- Free from geographical limitations

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.

Future Brand Structure

At the present time, we will continue using the existing "YUKIGUNI" brand under the new corporate name.



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"



2

Forecast of Consolidated Financial Results for FYE March 2025



Forecast of Consolidated Financial Results for FYE March 2025 / Key figures

Continue the previous year's trend in line with the renewed Medium-Term Business Plan in 2024 and steadily promote strategies to achieve the plan.

(JPY million)	FYE Mar 2024 Actual (A)	FYE Mar 2025 Forecast (B)	Variance (B-A)	Ratio of variance (%)	
Total Income	47,476	49,990	2,513	5.3%	Income
Revenue	33,443	36,770	3,327	9.9%	
Operating Profit	2,811	2,620	(190)	(6.8%)	Cost of Sales & Gross Profit
<i>vs Revenue</i>	8.4%	7.1%	(1.3%)	-	
Profit before Tax	2,240	2,370	129	5.8%	SG&A Expenses & Operating Profit
Profit Attributable to Owners of Parent	1,358	1,550	192	14.1%	
Basic Earnings per Share (JPY)	34.06	38.87	4.81	14.1%	Financial income / expenses & Net income
Core EBITDA¹	4,802	5,190	387	8.1%	
<i>Core EBITDA margin¹</i>	14.4%	14.1%	(0.2%)	-	

Major breakdown

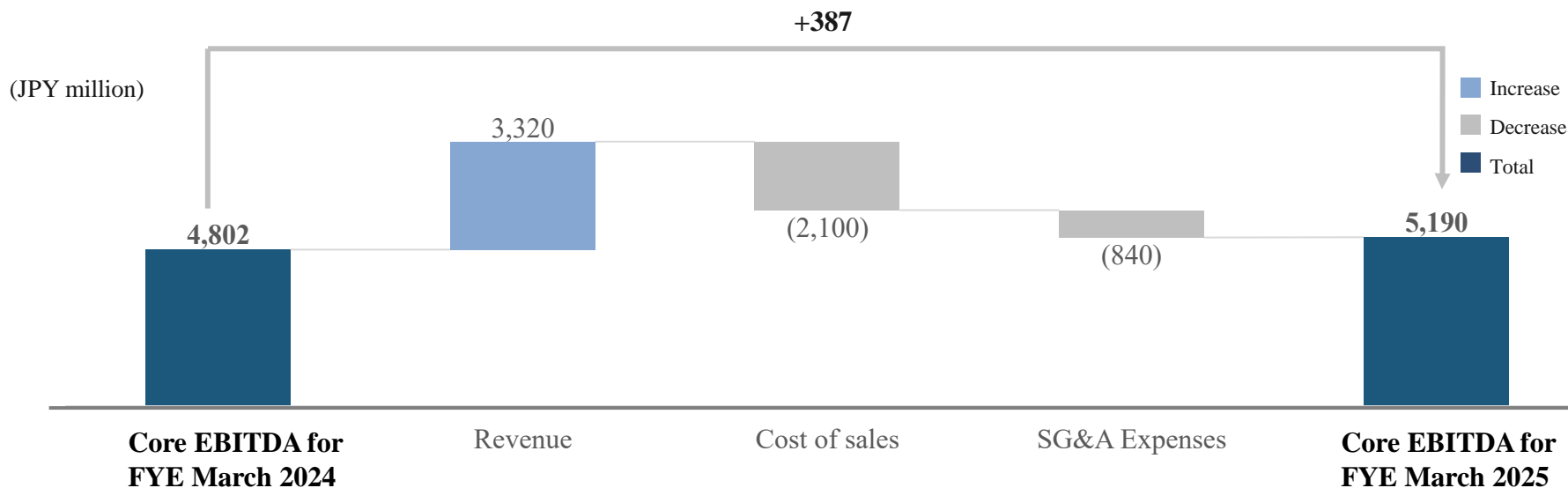
- **Revenue: ¥36.7 billion (+9.9% YoY)**
 - ✓ Revenue of maitake: ¥19.7 billion (+7.2% YoY)
 - ✓ Revenue of Eringi: ¥3.4 billion (-2.8% YoY)
 - ✓ Revenue of Buna-Shimeji: ¥6.7 billion (-1.1% YoY)
 - ✓ Revenue of Other mushroom and Others: ¥6.4 billion (+51.4% YoY)
- Gains Arising from Changes in Fair Value: ¥13.2 billion (-5.7% YoY)
- **Total Income: ¥49.9 billion (+5.3% YoY)**
- **Cost of Sales: ¥37.8 billion (+5.6% YoY)**
 - ✓ Material Costs, Labor Costs, etc.: ¥24.4 billion (+9.6% YoY)
 - ✓ Gains Arising from Changes in Fair Value: ¥13.4 billion (-1.0% YoY)
- **Gross Profit: ¥12.1 billion (+4.5% YoY)**
- **SG&A Expenses: ¥9.4 billion (+7.0% YoY)**
- **Operating Profit: ¥2.6 billion (-6.8% YoY)**
- **Profit before Tax: ¥2.3 billion (+5.8% YoY)**
 - ✓ Financial balance: -¥0.2 billion (Interest expenses, etc.)
- **Profit Attributable to Owners of Parent: ¥1.5 billion (+14.1% YoY)**

¹ 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 2025, we will promote the strengthening of the foundation for growth over the medium to long term, with a performance outlook that firmly captures the Medium-Term Business Plan.



Environment outlook	<ul style="list-style-type: none"> • Market supply is expected to remain stable <ul style="list-style-type: none"> ✓ Unit sales prices will remain at the same level as the previous year based on stable market supply ✓ Consumers tend to be selective amid an inflationary environment 	<ul style="list-style-type: none"> • Assumption is that costs will remain high due to uncertainty over the economic outlook <ul style="list-style-type: none"> ✓ Continued geopolitical risks around the world ✓ High fuel costs and yen's depreciation will affect cost increases ✓ Higher labor costs to improve employee engagement
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Strategy for this term	<p>Sales Generate profit by promoting premium strategy</p> <ul style="list-style-type: none"> ✓ Gradual expansion of existing businesses through profit-oriented strategies ✓ Create demand in niche premium markets by promoting new value through the launch of new businesses ✓ Diversified product offerings combining high value-added products ✓ Complete the business integration with the Dutch subsidiaries to further expand earnings 	<p>Production / Sales Administration Launch BPR and promote production efficiency improvement</p> <ul style="list-style-type: none"> ✓ Increase yield by reviewing production and packaging processes ✓ Cost reduction by adjusting raw materials Improve production efficiency by introducing equipment
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3

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 newly published it on our company website in May 2023.

Set GHG emission reduction targets



- Calculate GHG emissions for the entire Yukiguni-Maitake 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



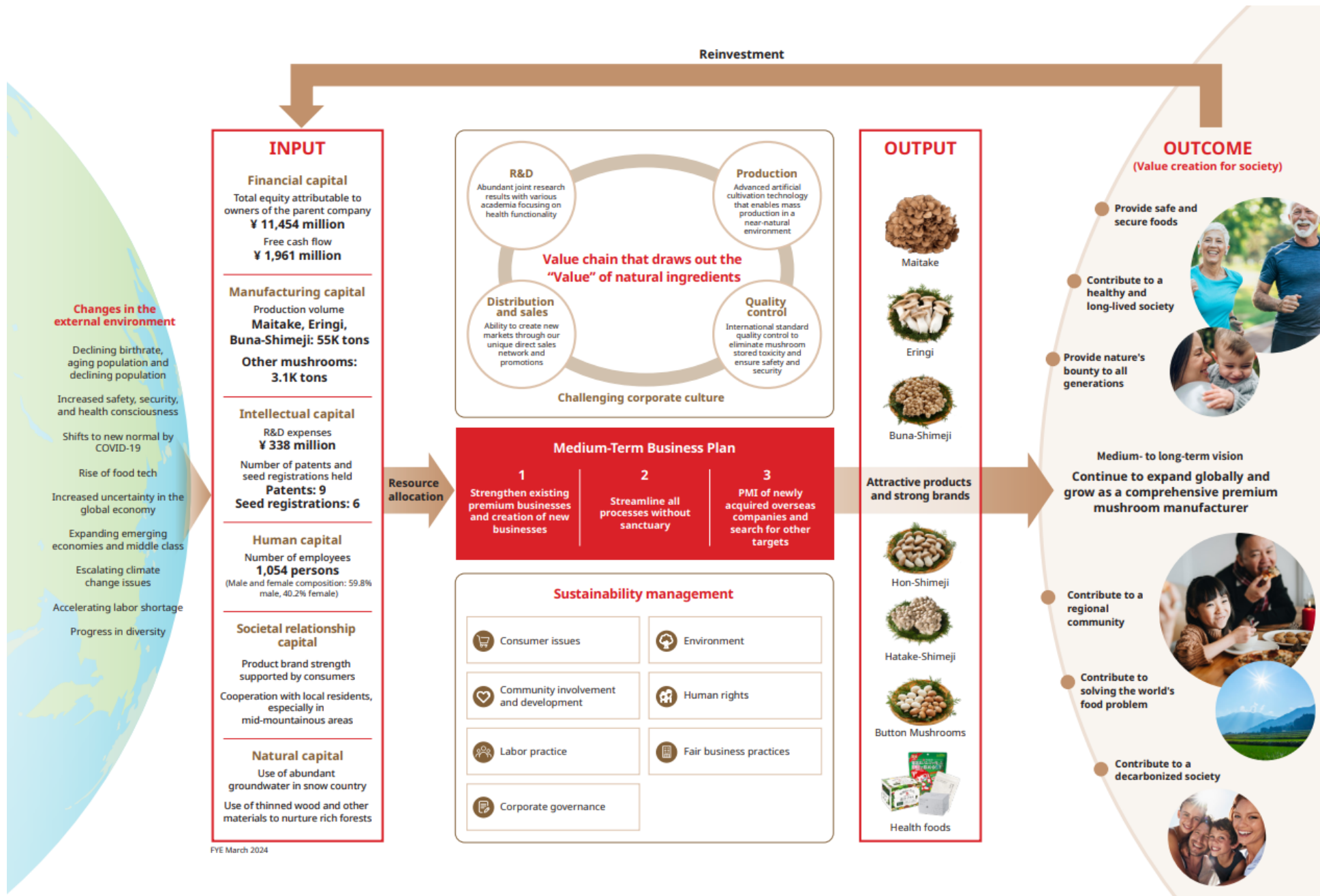
- Create a safe work environment for employees at various life stages
 - Obtained "Kurumin Certification" from the Minister of Health, Labor and Welfare on June 6, 2023 for our efforts to support work and childcare balance.
- Registered as a "Happy Partner Company" in Niigata Prefecture on February 28, 2024

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



Value Creation Process

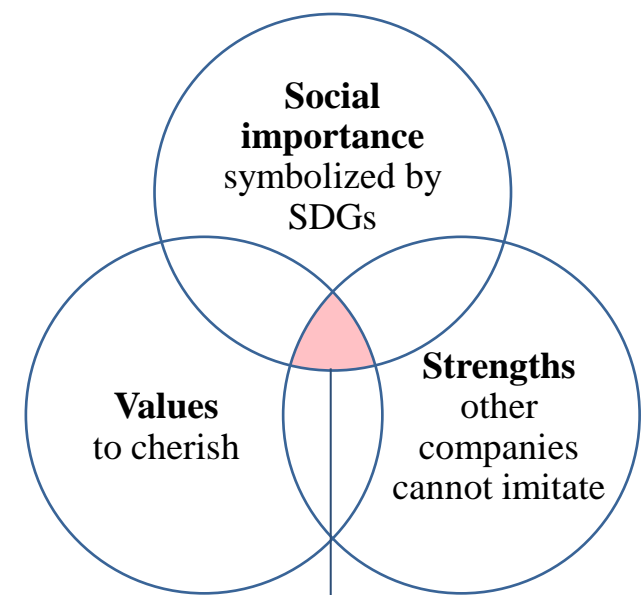
Continue to grow sustainably with society through our business activities by leveraging our value chain and our strengths in the face of changes in the external environment.





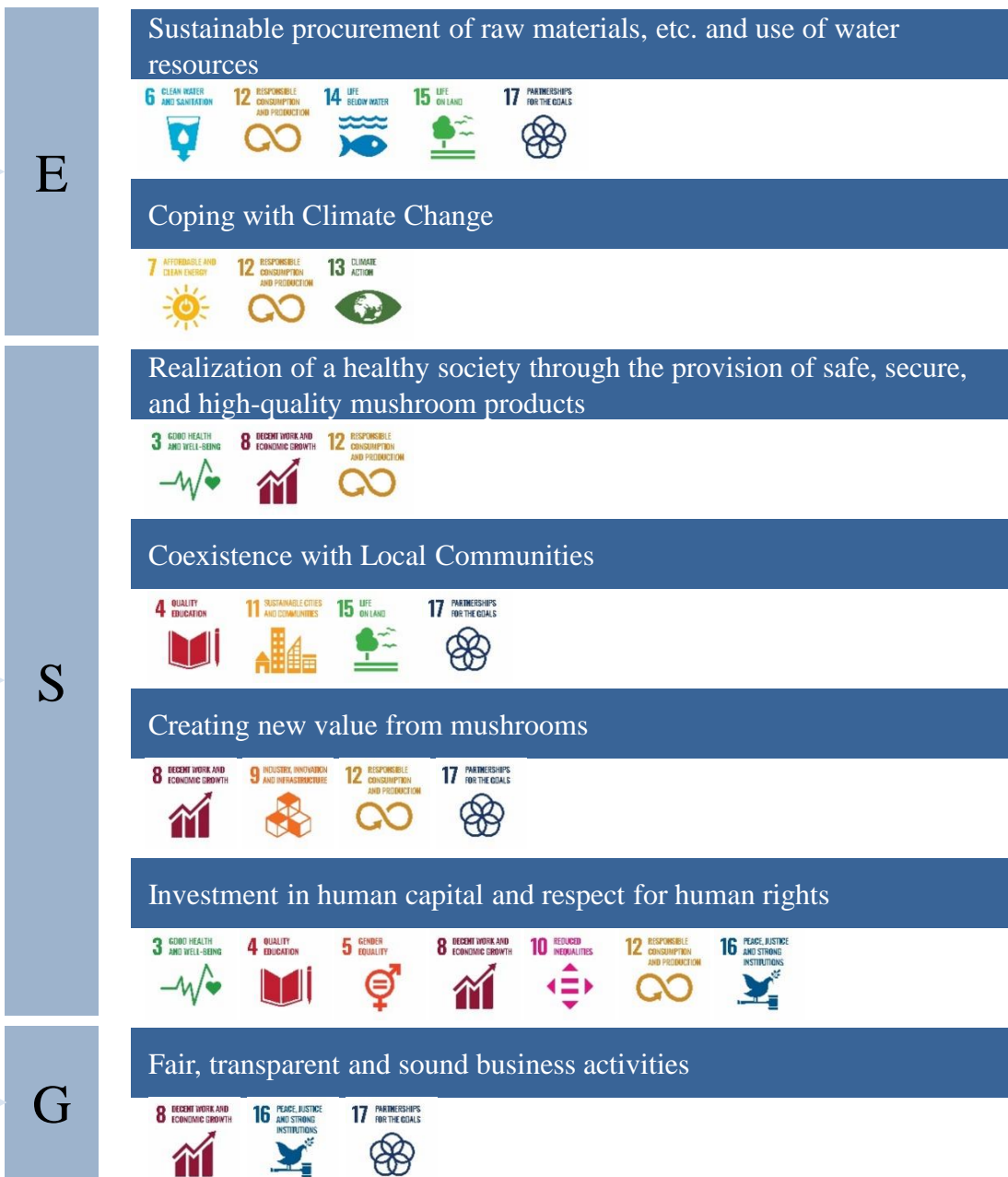
Identifying Material Issues

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.



Material issues
(Key issues to be addressed)

Value creation process created for a sustainable society in June 2022



Disclosure in line with TCFD recommendations

In November 2021, we expressed our support for the TCFD recommendations, and in June 2022, we made disclosures in line with the disclosure framework recommended by the TCFD. In the future, we will further expand the information and conduct scenario analysis to address global warming issues.

Governance

- Established the Sustainability Promotion Committee to address climate change as an important management issue.
- The committee is chaired by a representative director and consists of full-time directors (excluding audit committee members), executive officers, and presidents of group companies.
- Deliberate on important issues regarding basic policies for the environment as a whole, including climate change, and reflect them in management strategies.

Strategy

- Climate change on a global scale may affect our business and finances, such as higher raw material prices due to soaring crude oil prices and changes in consumer preferences.
- Organize countermeasures against possible risks/opportunities from short-, medium-, and long-term perspectives, and promote initiatives.



Endorsement of TCFD
Recommendations
(November 2021)

- Sustainability Promotion Committee reviews risks and opportunities related to climate change in the Group.
- The Board of Directors receives reports from the Committee and supervises the policy, action plans, etc., for addressing environmental issues.

Risk management

- Aim to reduce greenhouse gas emissions by approximately 45,800 t-CO₂ for Scope 1 and 2, and 16,700 t-CO₂ for Scope 3 by FY2030 (compared to FY2021).
- Aim for net-zero emissions by FY2050
- Establish short- to long-term roadmap to achieve goals.

Indicators and Targets



Risks and opportunities based on climate change scenarios

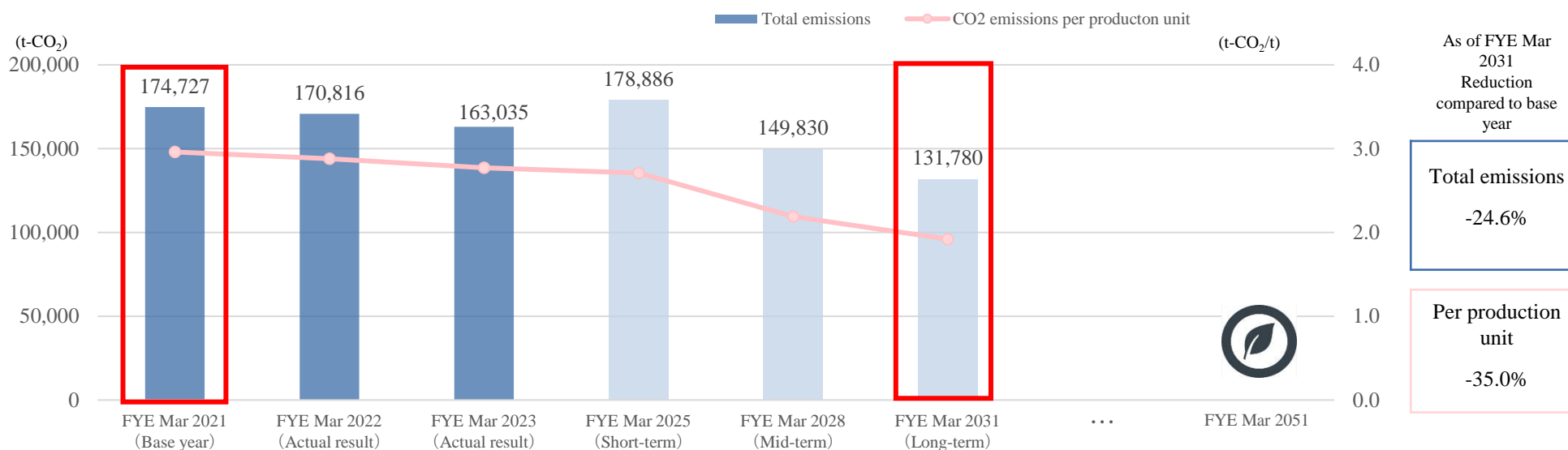
Yukiguni Maitake Group analyzed risks and opportunities associated with climate change in 2030 using 4°C and 1.5°C scenarios. Strive to reduce risks and continuously work to expand opportunities.

	Classification	Event	Anticipated Impact on Business	Expression period	Importance	Measures
Transition risk	Policy	Introduction of carbon tax	<ul style="list-style-type: none"> Increased carbon tax burden on CO2 emissions from production, logistics, and other business activities 	Short Mid & Long	Large	<ul style="list-style-type: none"> Reduce of production costs by streamlining production processes Avoidance of future carbon tax burden through introduction of renewable energy, etc.
			<ul style="list-style-type: none"> Increased procurement costs for plastic packaging materials 	Short Mid & Long	Small	<ul style="list-style-type: none"> Reduce of procurement costs by reducing the volume of plastic packaging materials
Physical risk	Acute	Intensification and frequency of extreme weather events such as typhoons, heavy rains, and heat waves	<ul style="list-style-type: none"> Natural disasters and extreme weather conditions destabilize the procurement of auxiliary materials such as sawdust and bran, which are raw materials for mushroom cultivation, and their prices soar 	Short Mid & Long	Small	<ul style="list-style-type: none"> Reduce of sawdust consumption by increasing the reuse ratio of the culture medium Vibrant forest development and sustainable sawdust procurement through "Yukiguni-Maitake Forest Creation Activities", etc.
	Chronic	Rising temperatures, fluidized precipitation and weather patterns	<ul style="list-style-type: none"> Rising temperatures change the growth environment of mushrooms and increase air conditioning costs for temperature and humidity control 	Short	Small	<ul style="list-style-type: none"> Switch to high-efficiency and energy-efficient air conditioning equipment Development of cultivation techniques and varieties less susceptible to climate change
Opportunity	Products & Services	Development and expansion of products and services that can contribute to low carbon and decarbonization	<ul style="list-style-type: none"> Increasing substitution of plant-based foods for animal-based foods, creating more opportunities to create new commercial products using mushrooms 	Short Mid & Long	Large	<ul style="list-style-type: none"> Research and development to create alternative protein that makes use of the characteristics of mushroom as new products
		Changing consumer preferences	<ul style="list-style-type: none"> Concerns about the risk of infectious diseases due to climate change have increased the need for mushrooms to help improve immunity 	Short	Small	<ul style="list-style-type: none"> Promotion of the habit of eating mushrooms throughout the year by appealing to consumers about the benefits of mushrooms
	Resilience	Actualization of physical risks	<ul style="list-style-type: none"> Expanded marketing opportunities for mushrooms, a crop grown in facilities that is less susceptible to weather changes than open-field cultivation 	Short	Small	<ul style="list-style-type: none"> Stable production and supply of products even in unstable climatic environments

GHG Emissions Reduction Targets and Results

GHG emissions in FYE Mar 2023 were reduced by 6.7% 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.

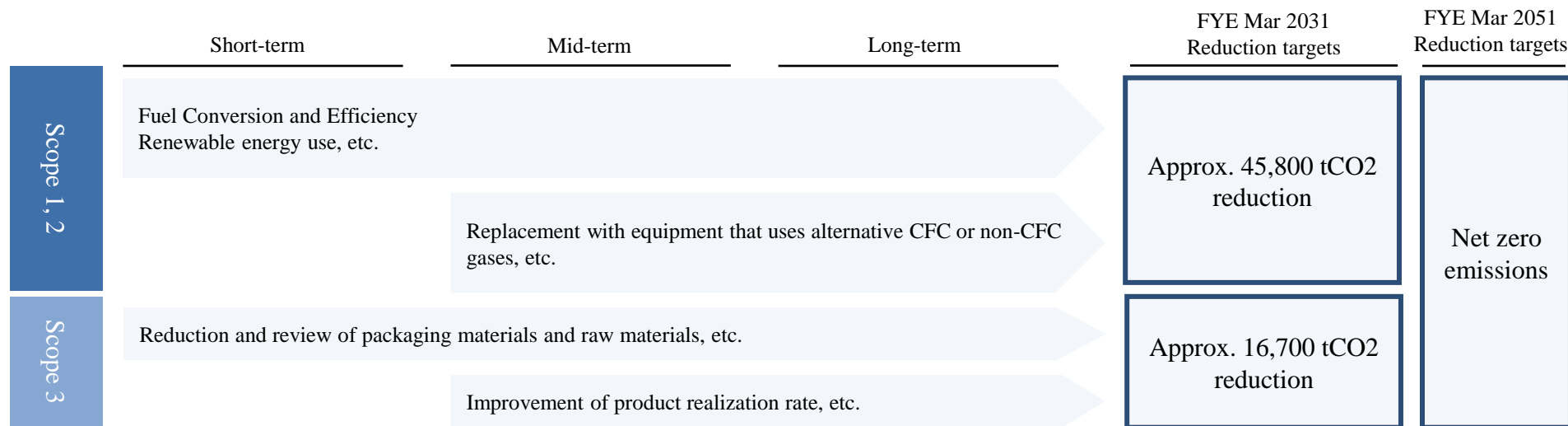
GHG Emission Reduction Targets and Results



As of FYE Mar 2031
Reduction compared to base year

Total emissions
-24.6%

Per production unit
-35.0%

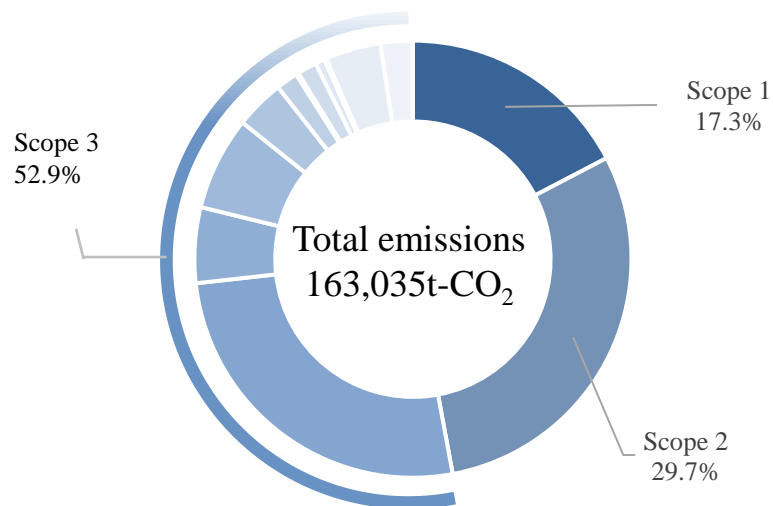


1 The scope of the project includes Yukiguni maitake, Mitsukura Norin, and Mizuho Norin. Calculations were made using the IDEA and Ministry of the Environment databases. For those for which no database exists, scenarios were created and calculations were made.

GHG Emissions Reduction Results and Actions

GHG emissions in FYE Mar 2023 were reduced by 4.6% from the FYE Mar 2022.
New initiatives will be promoted in a planned manner.

GHG Emissions by Scope (Results for FYE March 2023)¹



Scope 1



Switching to LNG

- LNG installation 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 CO₂

	FYE Mar 2022	FYE Mar 2023	Change YoY
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Scope 1~3 Total	170,816 t-CO ₂	163,035 t-CO ₂	-4.6%
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¹ The scope of the project includes Yukiguni maitake, Mitsukura Norin, 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. Mitsukura Norin was merged into Yukiguni maitake on April 1, 2023, and its name was changed to "Okayama Bio Center".

“Yukiguni Maitake 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 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 of “Yukiguni Maitake Forest”



2021～

- Periodic clearing of underbrush and thinning of trees to make it easier for trees to grow
- Creating a mixed forest similar to a natural forest by planting broadleaf trees (cherry trees)



Activities for FYE March, 2024

- Planted mountain maples and hydrangea
- Paved woodchip
- Maintained through weeding and thinning



- Recognized as a "Green Partner 2023" in the "Forest x Decarbon Challenge 2023"¹ sponsored by the Forestry Agency.



In addition to carbon dioxide absorption from forest maintenance activities, the company was certified as a "Green Partner 2023" in recognition of its activities to recycle wood without waste, such as processing wood from thinning into sawdust for use in mushroom culture medium and using used culture medium as fuel for boilers.

¹ 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.

Certifications we have acquired

What is "Kurumin" ?



Acquired
on June 6, 2023

- The Minister of Health, Labor and Welfare certifies companies that are committed to support a good balance between work and child rearing as "Child Rearing Support Companies".
- Companies that have formulated an action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children and meet other requirements, such as achieving targets, may apply for certification.

What is "Happy Partner Companies" ?



Acquired
on February 28, 2024

- Companies that have created a workplace environment that is easy for both men and women to work in, and that enables them to balance work and family life, and that are actively involved in the training and promotion of female employees, are registered by Niigata Prefecture as "Happy Partner Companies" (companies that promote gender equality in Niigata Prefecture).

Our Approach

- Achieve the target (1) "Over 50% of male employees taking childcare leave" and (2) "Over 70% of all employees taking annual paid leave" set in the "General Business Owner Action Plan" for the period from April 1, 2023 to March 31, 2025.

■ Rate of employees taking childcare leave¹

	FYE Mar 2022	FYE Mar 2023	FYE Mar 2024	Target
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%

■ Rate of all employees taking annual paid leave

	FYE Mar 2022	FYE Mar 2023	FYE Mar 2024	Target
	84.0%	84.6%	83.2%	Over 80% ²

¹ The calculation method based on the "Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave" counts childcare leave taken across fiscal years in the years before and after the year in which the leave is taken, but only the year after the year in which the leave is actually taken is counted as having been taken.

² Targets for the fiscal year ending March 31, 2025

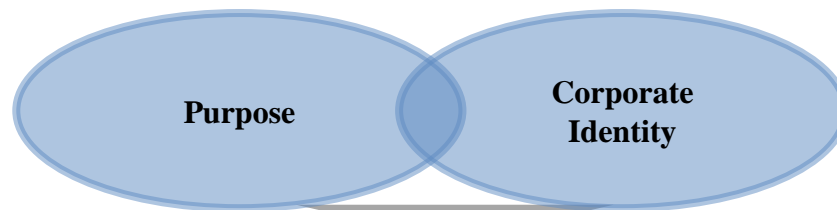


Selected as a constituent of the ESG investment index

“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 Index¹

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

Environment

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

Social

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

Governance

- 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 Maidake 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>



4

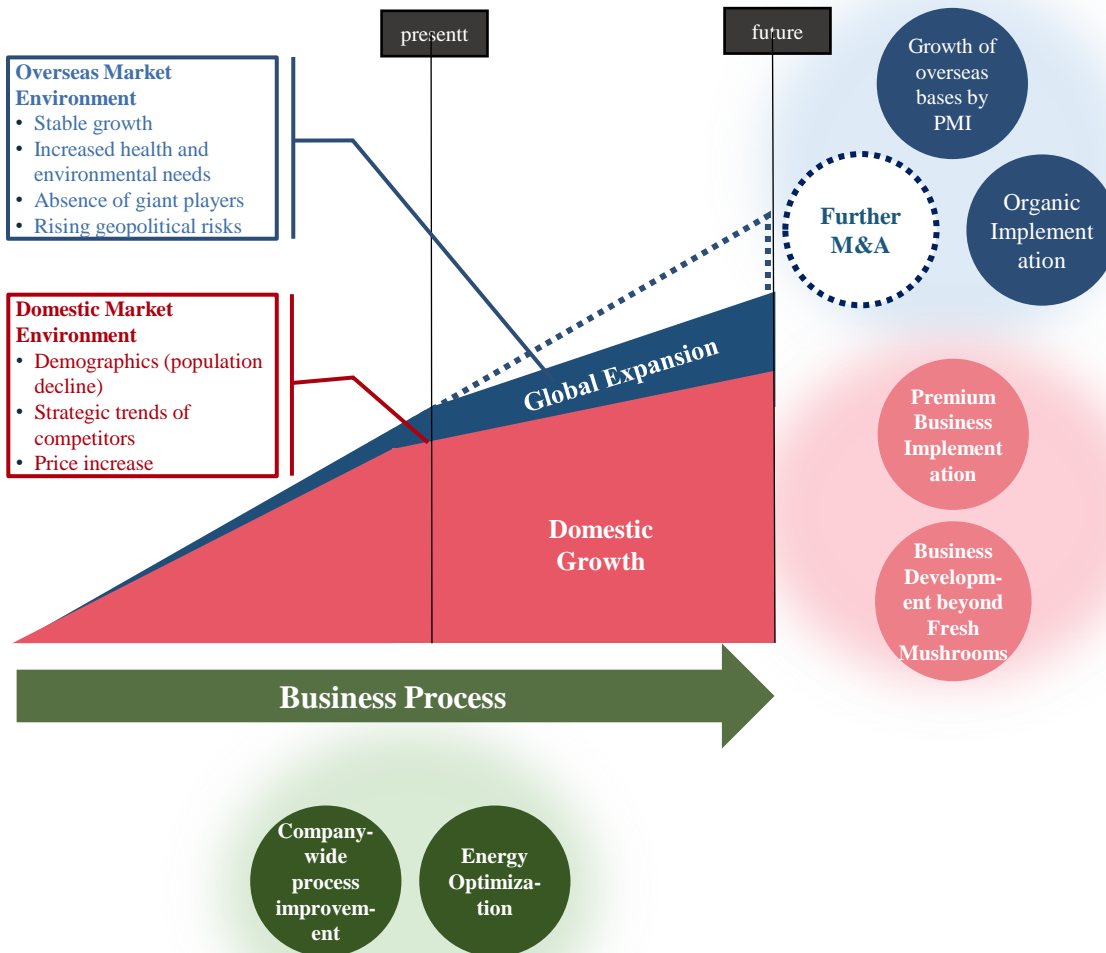
Medium- Term Business Plan for FYE March 31, 2024 to FYE March 31, 2028

"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

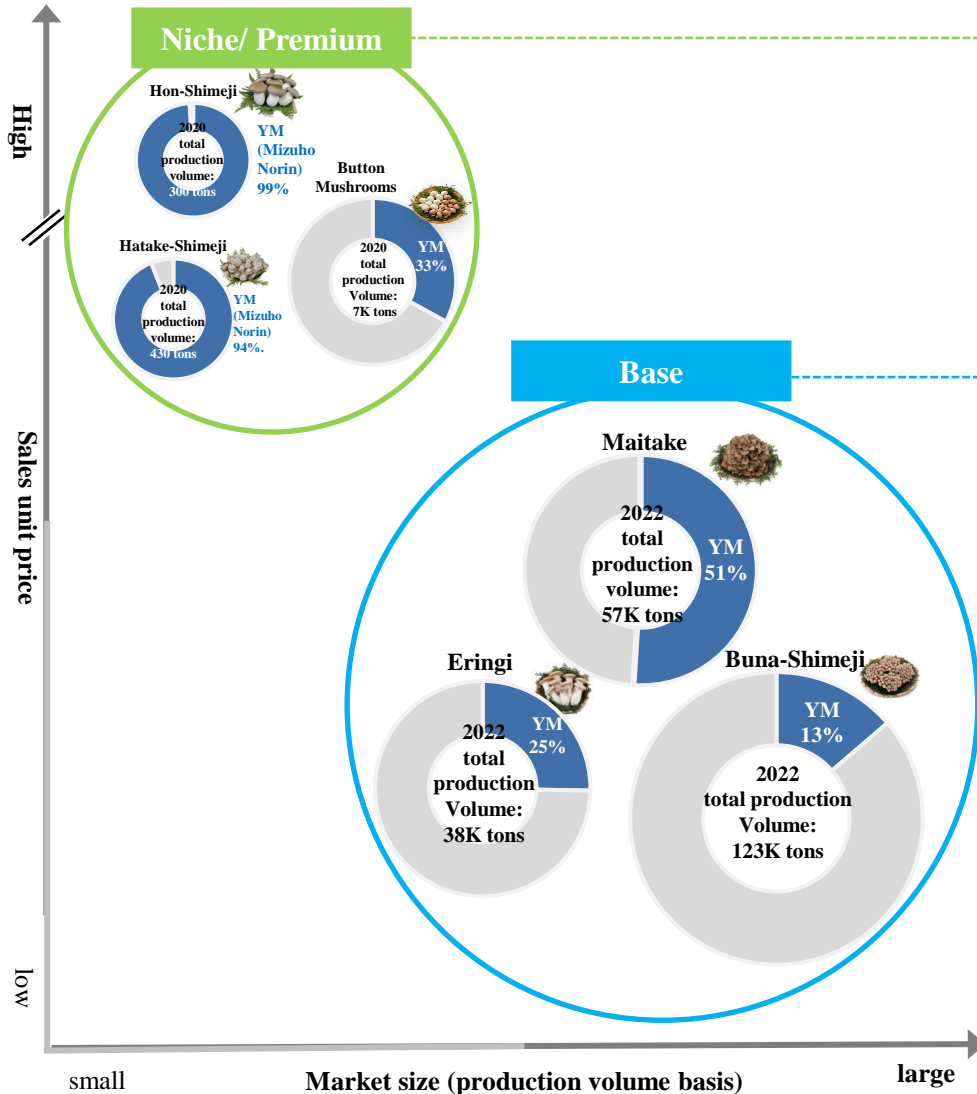
- A** **Domestic Mushroom Market: Strengthen existing premium businesses and create new businesses**
 - Further strengthen our domestic business by enhancing our existing premium positioning, differentiate ourselves from other production areas, and steadily capture the quality-oriented needs of consumers.
 - 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.



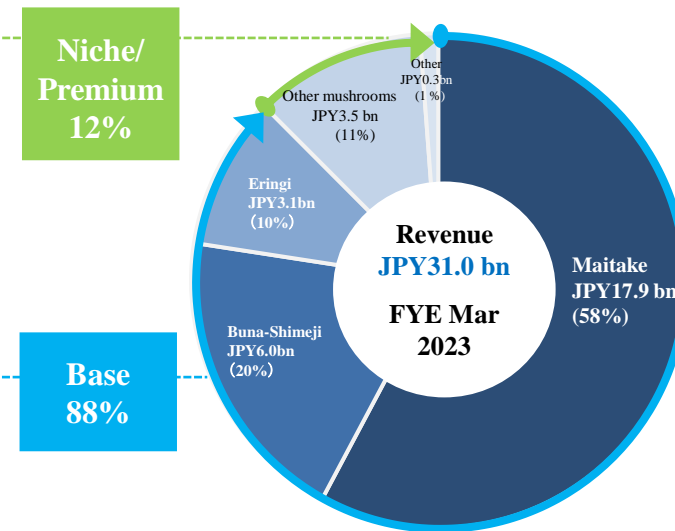
Basic Policy A. Domestic Mushroom Market (Our Premium Position)

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.

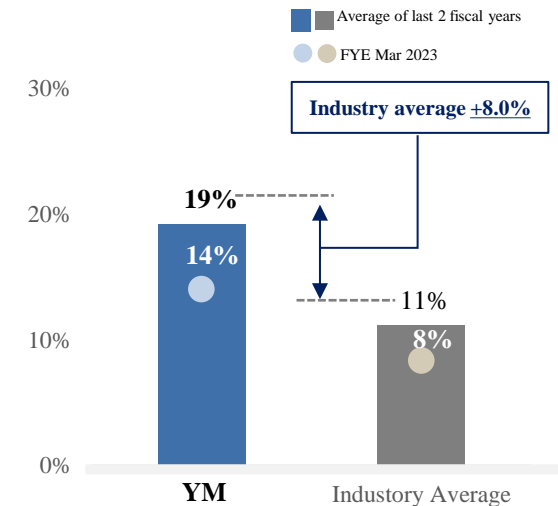
Mushroom market size (production basis) and share



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"

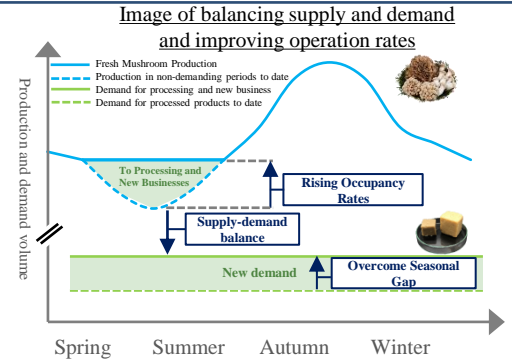


Basic Policy A. Domestic Mushroom Market (Base Business Strategy)

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

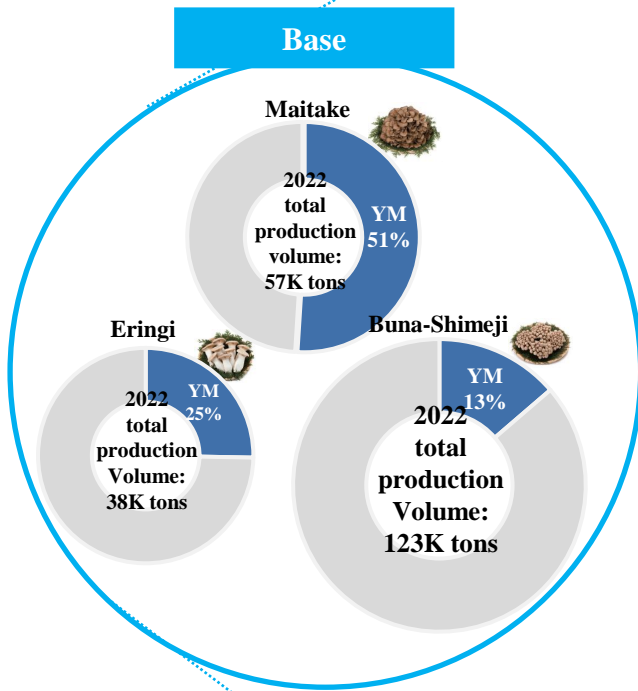


*Picture menu may be subject to change in the future.

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.

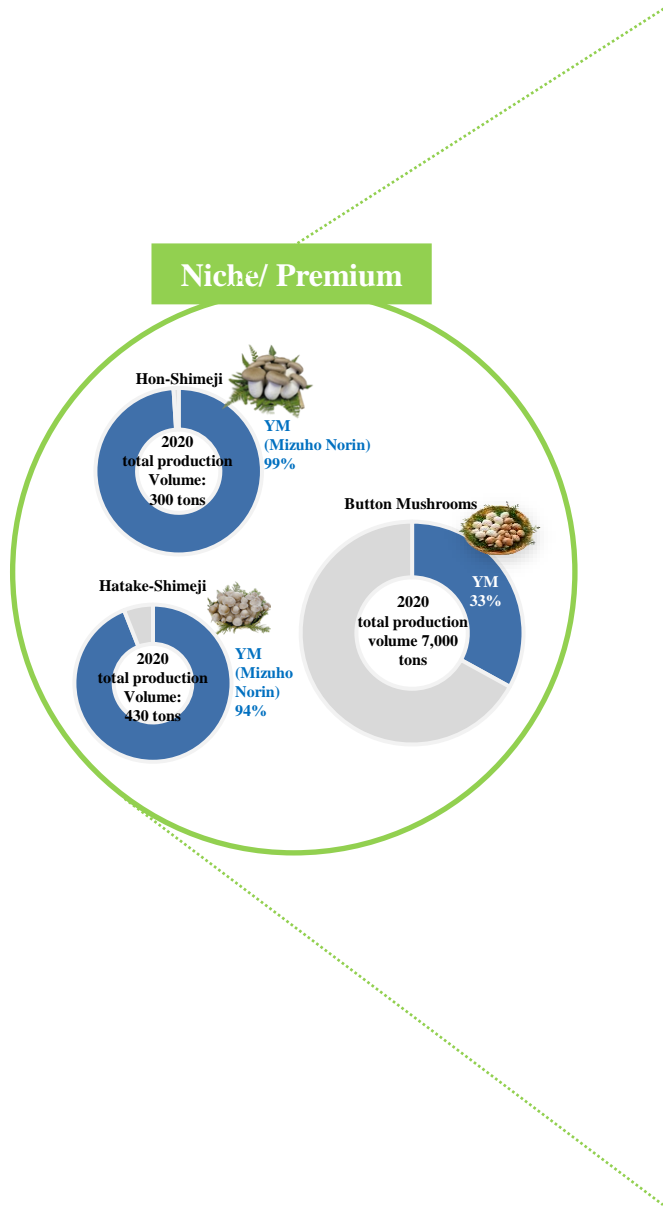
Our unique black-and-white maitake mushroom shelf configuration





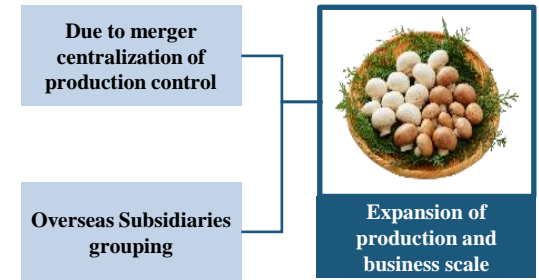
Basic Policy A. Domestic Mushroom Market (Expansion of Niche/ Premium Business)

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)



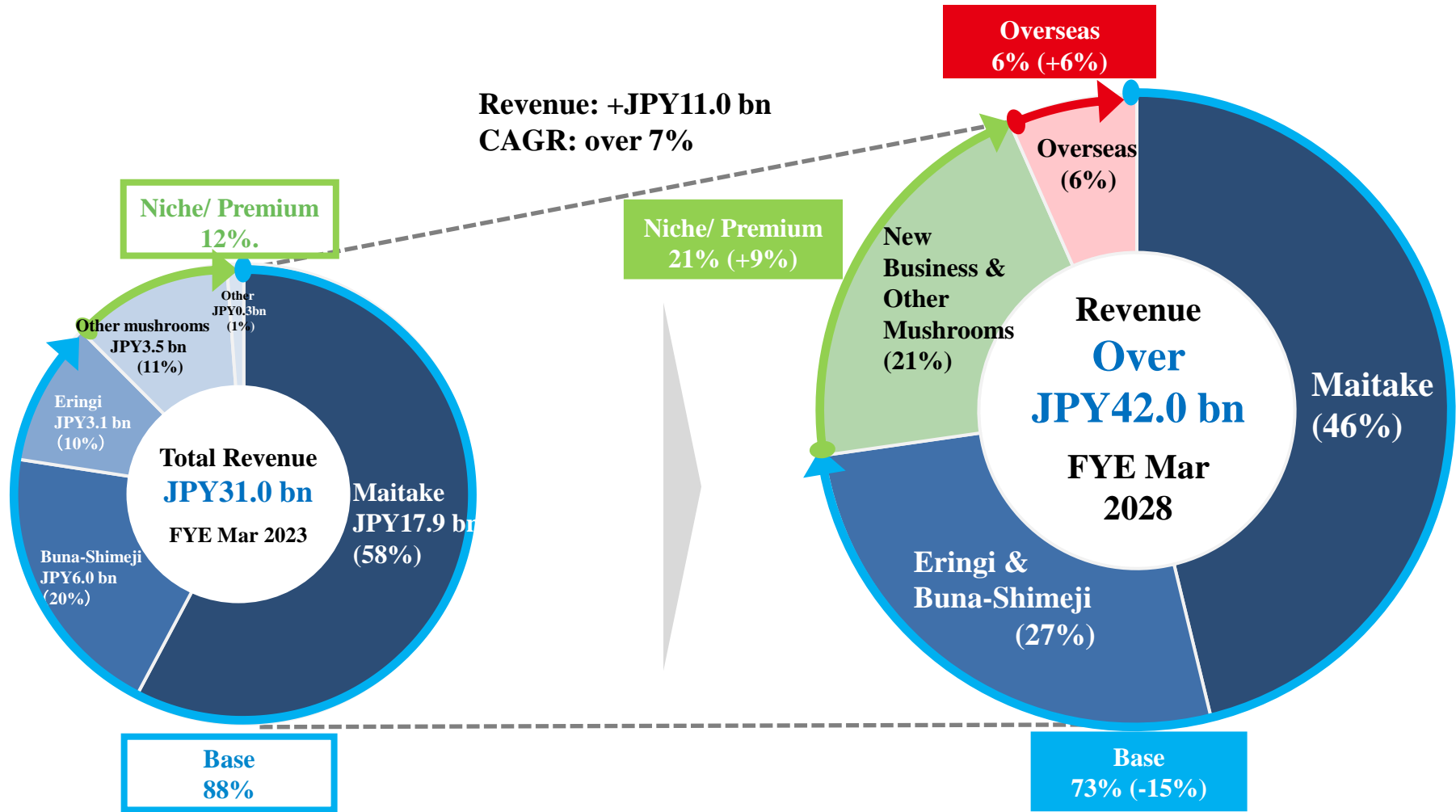
Image of distribution product composition by new business





Basic Policy A. Domestic Mushroom Market (Future Portfolio)

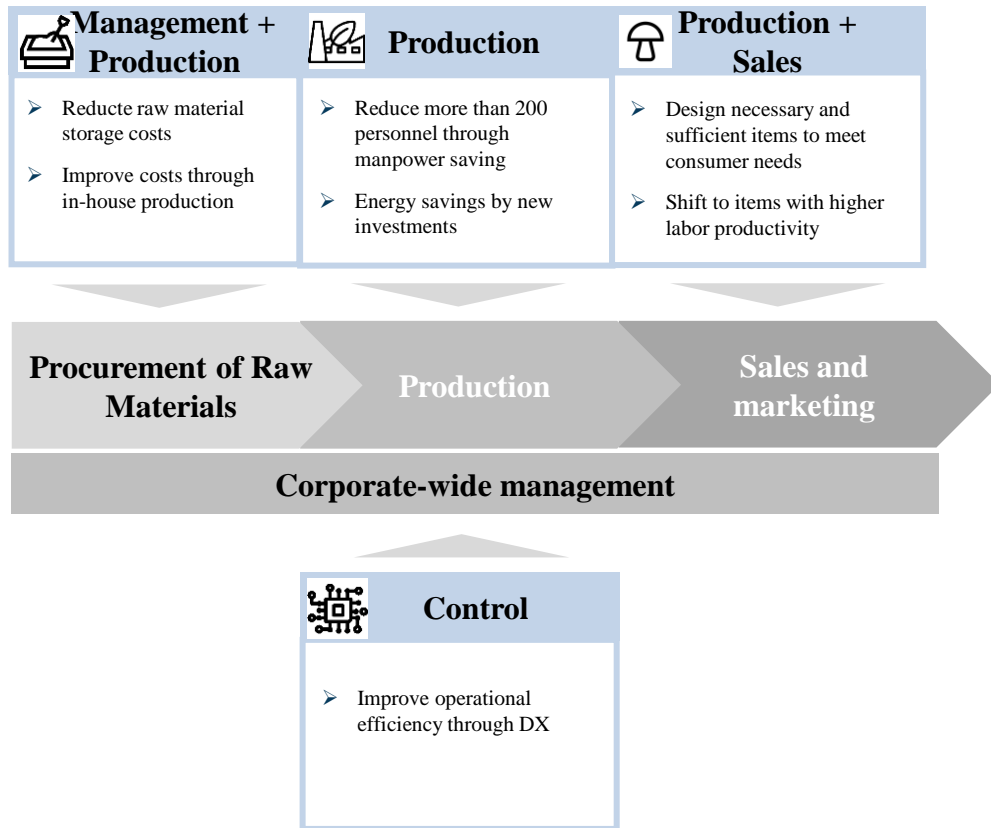
Aim to expand business to over JPY11 billion by expanding two segments, Niche/ Premium and overseas, while maintaining the base business as the mainstay.



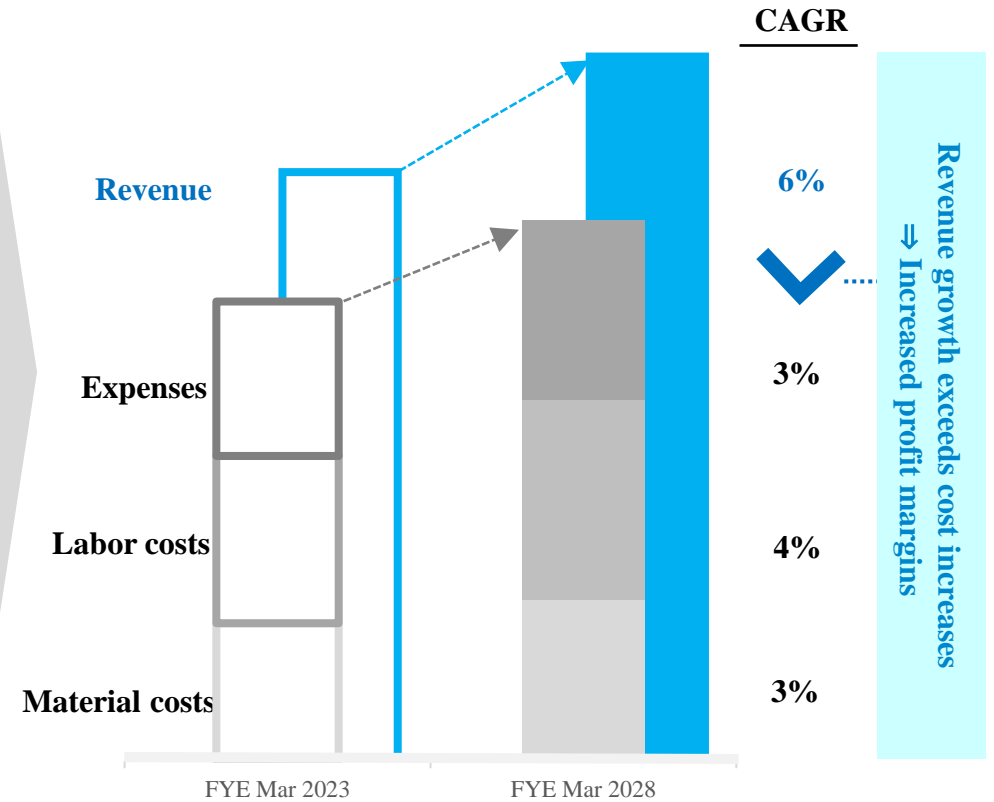


Basic Policy B: Streamline All Processes without Sanctuary

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"> ➢ In addition to ASEAN, broad consideration of Europe and the U.S. as targets ➢ Accelerating the speed of sales channel development with a unique channel model cultivated in Japan while also considering alliances ➢ In addition to our own channels, we also consider the use of other companies' channels overseas 			

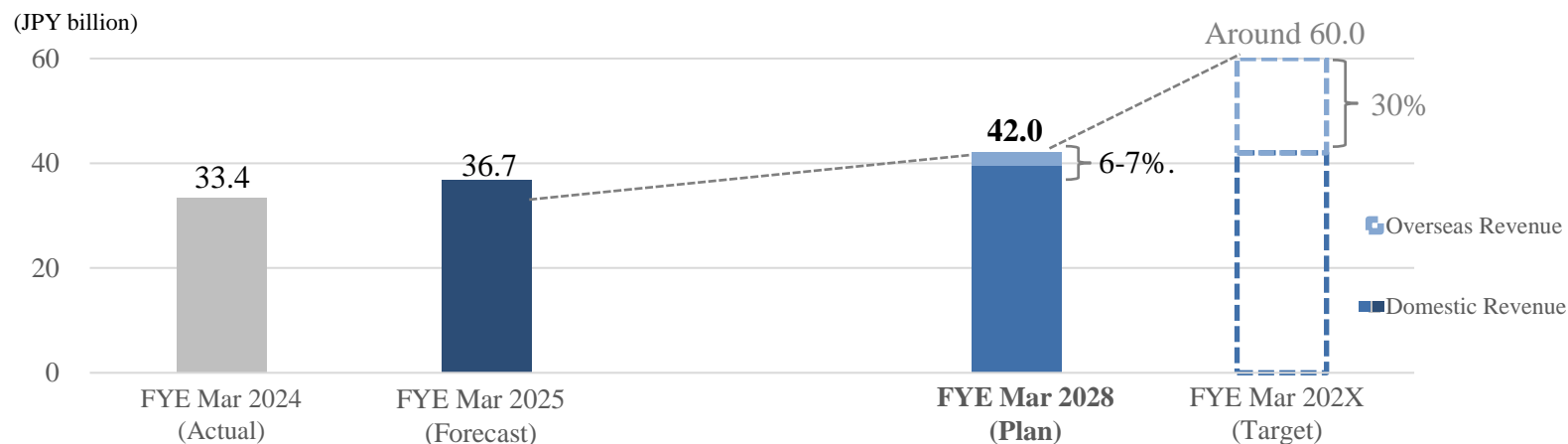
Basic Policy	Inorganic Strategy	
	Europe	North America
		
<p>■ Basic strategies</p> <ul style="list-style-type: none"> ➢ Integrate acquired Dutch companies to promote further business expansion ➢ Share superior technologies and products across borders to improve the competitiveness of the entire group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



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, we will also pursue the possibility of further overseas business expansion if the conditions are met.

	FYE Mar 2024 (Actual)	FYE Mar 2025 (Forecast)	FYE Mar 2028 (Plan)	Upside
1. Revenue	JPY33.4 bn	JPY36.7 bn	Over JPY42.0 bn	Around JPY60.0 bn
2. Overseas Revenue Ratio ¹	-	-	Around 6-7%	Around 30%
3. Core EBITDA margin ²	14.4%	14.1%	Around 18%	Around 18%
4. ROIC	6.4%	-	Around 10%	



Core EBITDA Margin	14.4%	14.1%	Around 18%	Around 18%
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¹ Overseas Revenue Ratio = Overseas sales revenue / Revenue

² 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



5

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 2024	Annual DPS	JPY 11.00	
	Dividend per share (DPS)	Interim DPS	JPY 1.00
		Year-End DPS	JPY 10.00
	Dividends Payout Ratio		32.3%
FYE Mar 2025 (Forecast)	Annual DPS	JPY 12.00	
	Dividend per share (DPS)	Interim DPS	JPY 3.00
		Year-End DPS	JPY 9.00
	Dividends Payout Ratio		30.9%

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

Expanded shareholder benefits starting from the fiscal year ended March 31, 2023, and will continue to return profit to shareholders in the same manner in the current fiscal year.

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 Details¹

Depending on the number of shares held, the following sets of the Company's products¹ 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

¹ 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.



6

Reference Materials



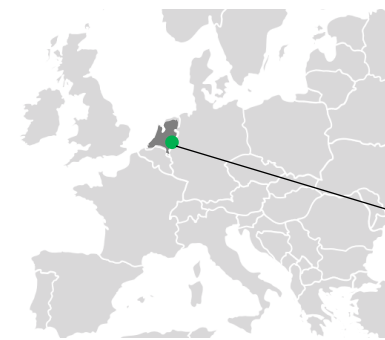
Overview of Yukiguni Maitake Group

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 Maitake Group

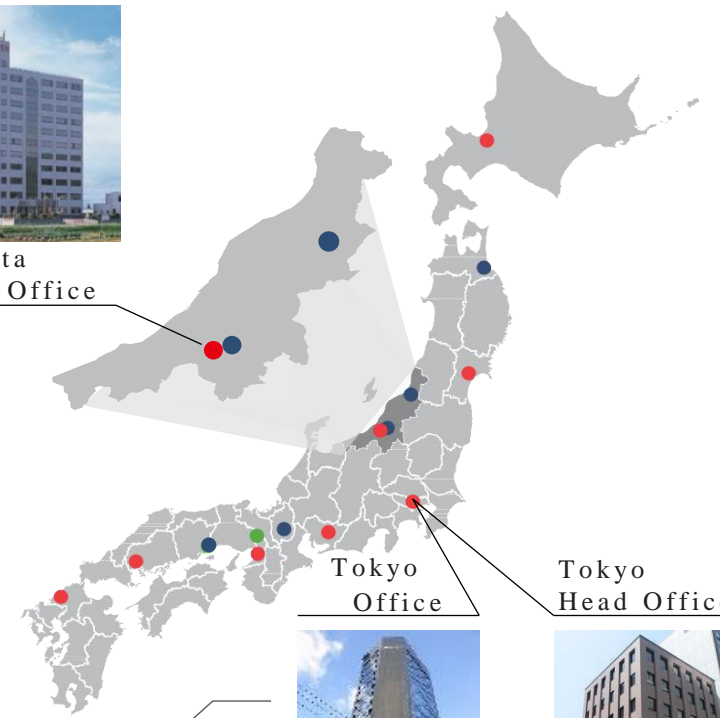
Representative	Masafumi Yuzawa
Established	July 1983
Head Office Location	【Niigata Head Office】 Minamiuonuma City, Niigata 【Tokyo Head Office】 Chuo-ku, Tokyo
Number of Employees ¹	Full-time: 1,054, Part-time: 1,472 (as of March 31, 2024)
Office	Production plants : 8 Laboratory : 1 Sales office : 8
Business Description	Production and sale of mushrooms, including maitake, and production and sale of processed mushroom foods
Subsidiary company	Mizuho Norin Co., Ltd. Yukiguni Maitake Netherlands Holdings B.V.



Yukiguni Maitake Netherlands Holdings B.V.



Niigata Head Office



Tokyo Office

Tokyo Head Office



- Production and sales bases
- Sales Offices
- Subsidiary company

Subsidiary company

《Kyoto》

Mizuho Norin Co., Ltd.

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



《Netherlands》

Yukiguni Maitake Netherlands Holdings B.V.

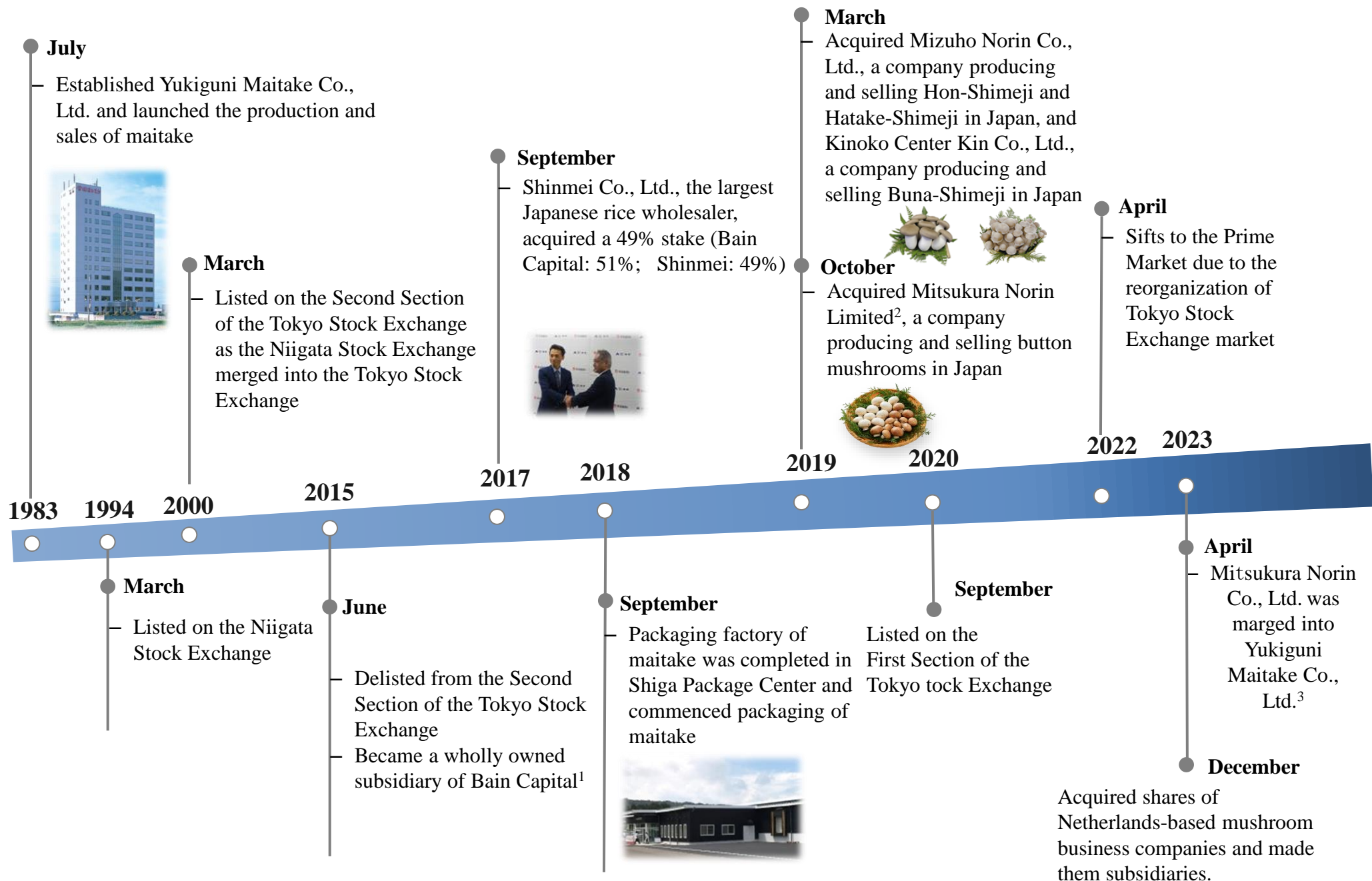
(Production and sale of button mushrooms and exotic mushrooms)



¹ 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)



Corporate History



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

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

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



Our Strengths in the Value Chain (Maitake)

Achieve a stable production and supply system for premium mushrooms through repeated improvements in the production process, and establish a high barrier to entry and a stable revenue base.

Develop complex and multifaceted marketing customized for each target customer segment by region.

R&D

High R&D capabilities cultivated over many years to support the entire value chain

- **Proprietary spawn and cultivation techniques** that support stable production on a large scale
- **High basic research capability** to support new product development
- **Accumulation of academic evidence** to support marketing

Production

Large-scale, stable production know-how for premium mushrooms

- **Large-scale and stable** production process in bag cultivation
- Proprietary spawn makes it **difficult for other companies to imitate** (Certain effect as a barrier to entry)
- Further improvements in productivity are ongoing

Producing "large" maitake plants that are close to natural ones

- Natural mushrooms are **rare** (They dance for joy when they find it.)
- The **"approximately 900g"** size, which is close to the natural size, cannot be produced stably and on a large scale by other companies
- **Taste and quality** are also close to natural ones



Product

High-quality premium mushroom lineup

- Maitake "Kiwami" : A top brand for its *umami* and texture.
- White Maitake "Kiwami White" : Only we can produce
- Other Premium Mushroom (Button-Mushroom, Hon-shimeji)



Flexible size adjustment in response to demand fluctuations

- **Small, medium, or large size adjustment** is possible by our unique large roots
- Sizing according to the retail characteristics and intentions of direct customers (Customer base: age group, household composition, region, etc.)
- Increase the number of small sizes and packs when demand increases (publicity and seasonal factors)

Marketing

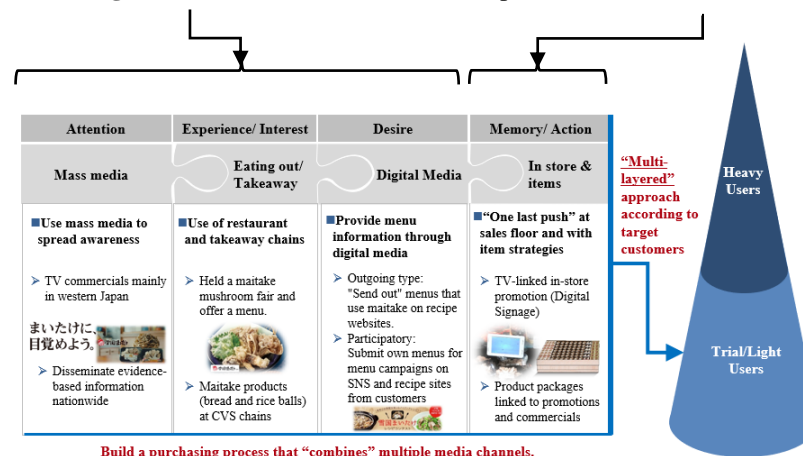
Detailed, three-dimensional marketing for different customer segments

- Devise media and messages to meet the needs of **different regions and customer segments**. Provide eating opportunities by utilizing food service and its routes
- Aggressive collaboration and promotion with **other major manufacturers with strong brands** (seasonings, etc.)

Distribution, Sales

"Direct sales" network to retail chains

- Confirm **our own extensive and robust** sales network and annual sales volume in advance, and **stabilize sales volume and price** (80% of total sales of maitake)
- Ensure sales floor space through **product sizing and effective promotions** that meet the retail needs of direct customers
- "Last one mile" in-store promotions are possible

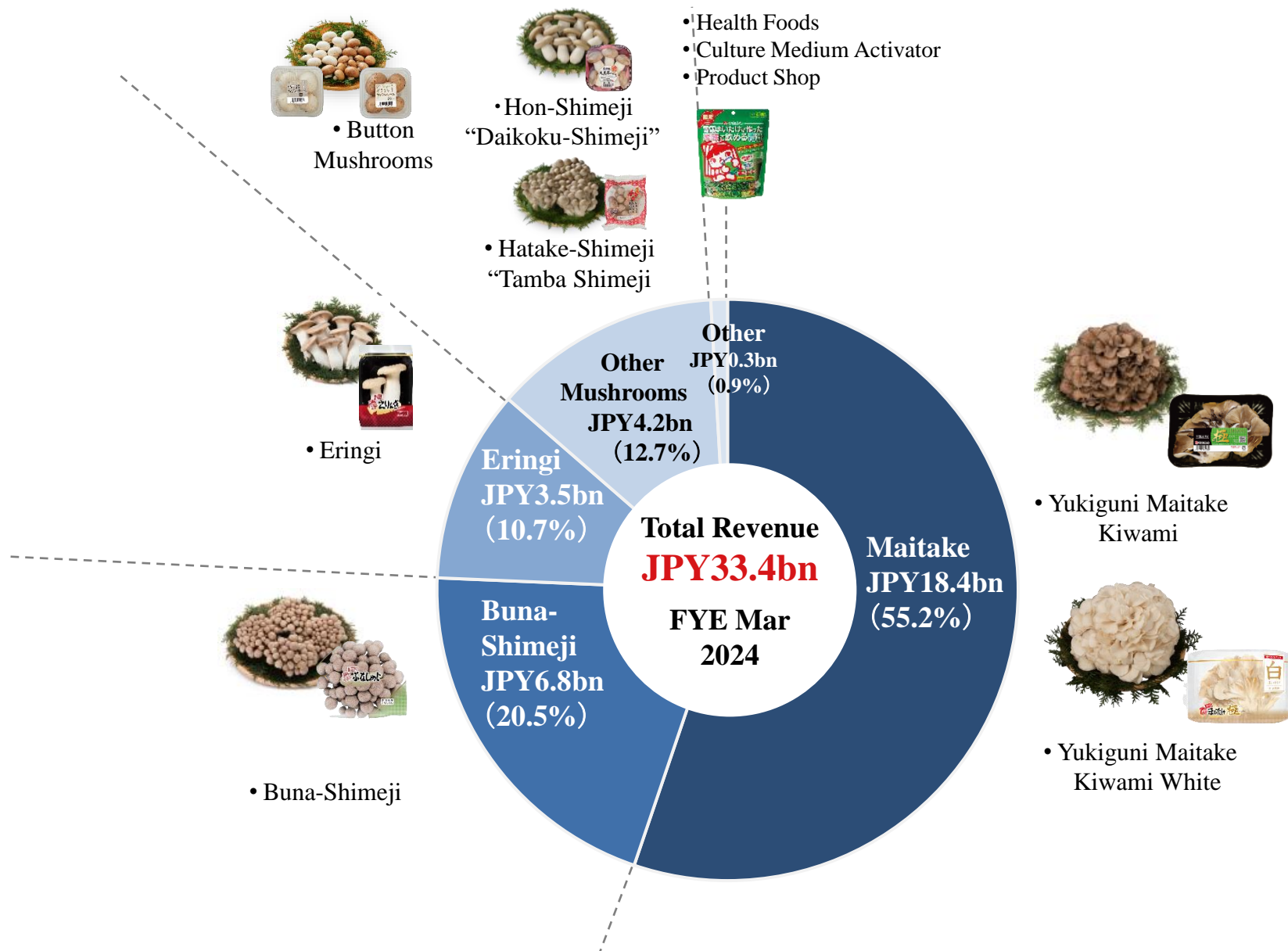




Main Products and Composition Ratio of Each Product to Sales Revenue

The world's first successful mass producer of maitake, and the top share producer of “premium mushrooms” that achieved factory based mass production of mushrooms.

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





Product Portfolio

A pioneer in artificial cultivation and mass production of maitake, and a leading company engaged in factory based mass production of mushrooms. Sales of "Yukiguni Maitake Kiwami White" started in September 2022.

Maitake “Kiwami”



Eringi



Buna-Shimeji



Button Mushrooms¹



Hon-Shimeji ¹ “Daikoku Hon-Shimeji”



Hatake-Shimeji ¹ “Tamba Shimeji”



Processed Foods ²



Health Foods ³



1 Classified as “other mushrooms” business segment

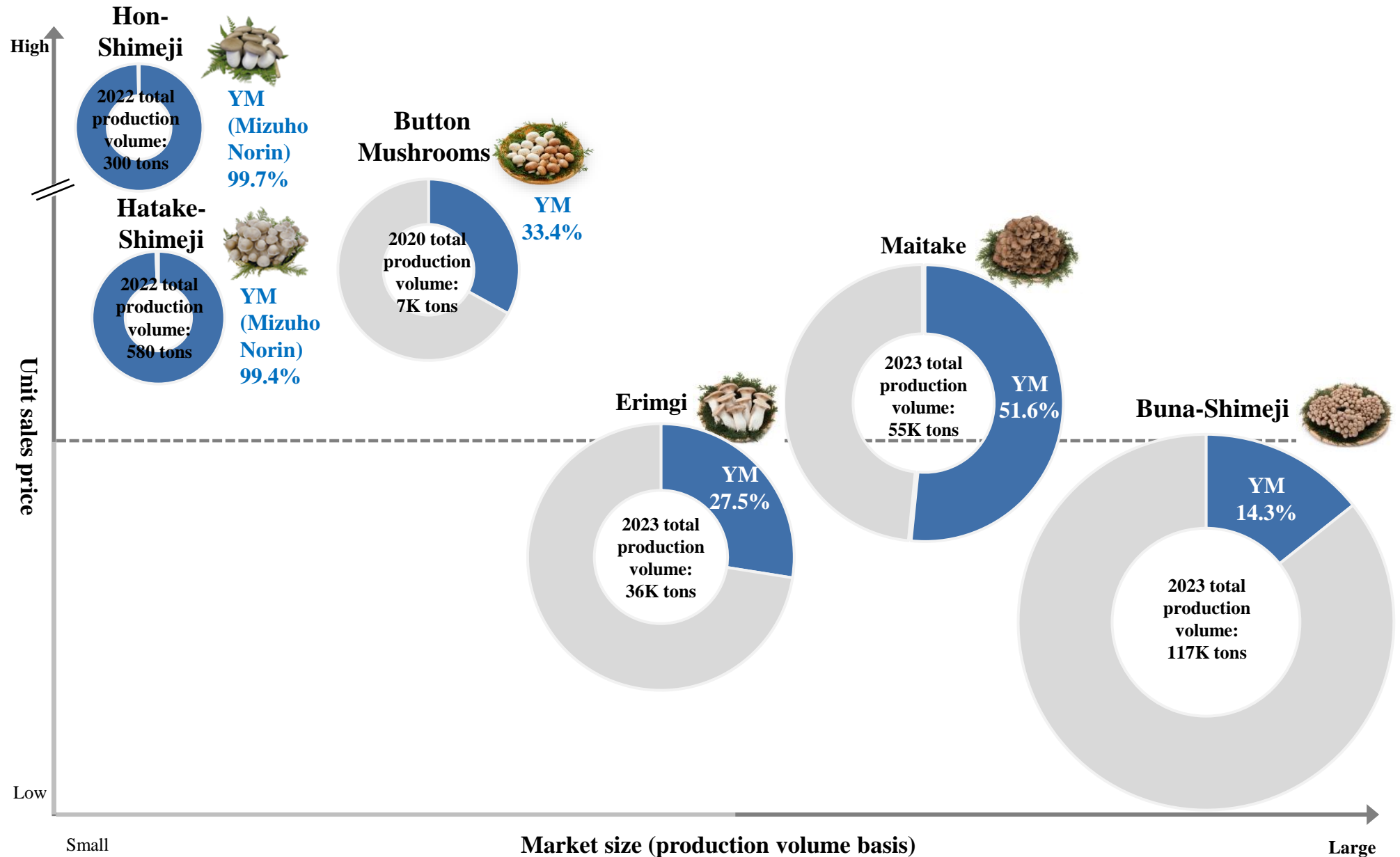
2 Each processed food is classified into its original mushroom business segment

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



Market sizes and Mushroom Production Share of Yukiguni Maitake Group (YM)

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

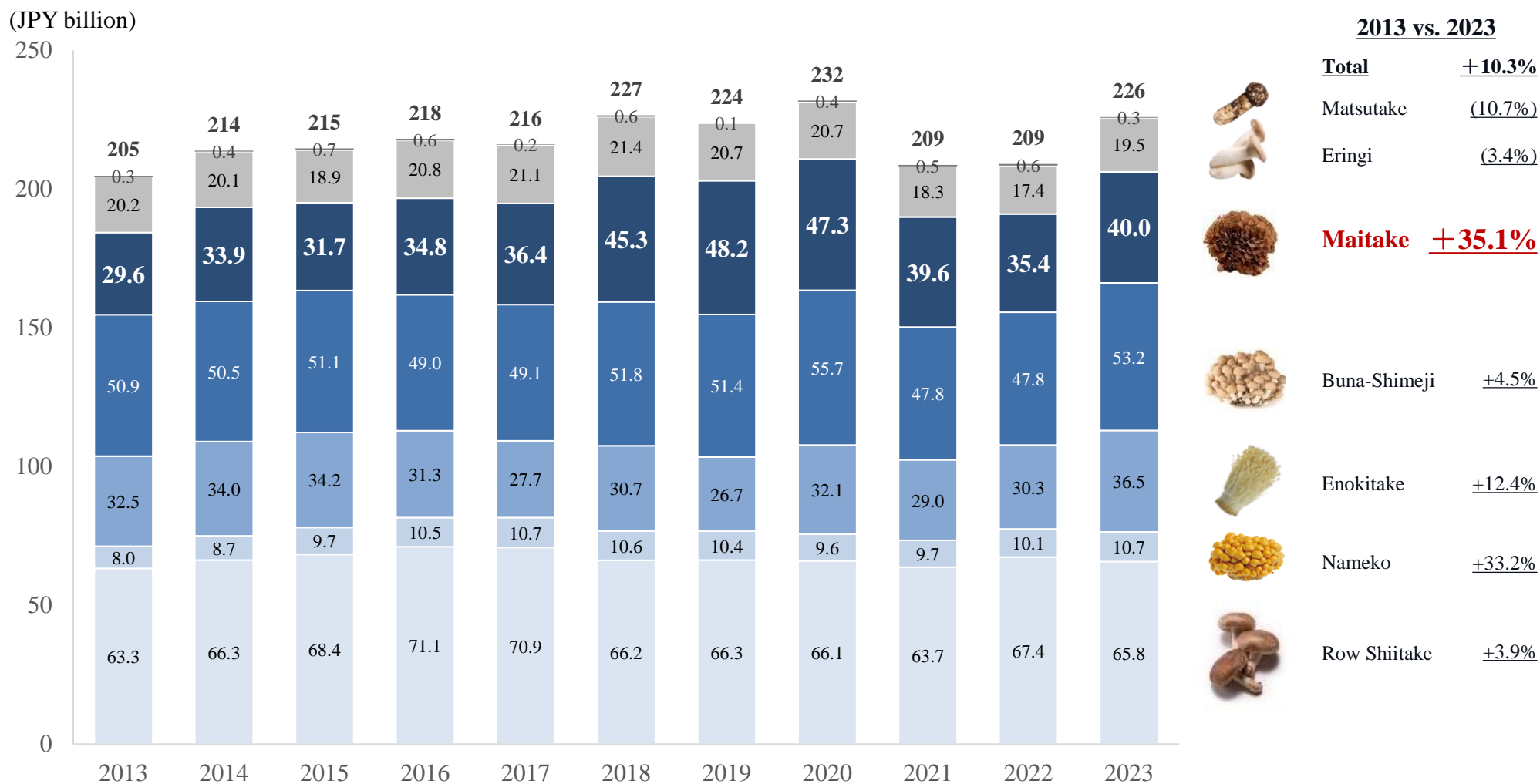


Note: Market share of each mushroom is calculated using domestic production volume (Our company's production / Total domestic production)

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, Eringi, and Matsutake
 Note 2: Market size is calculated as "annual average wholesale unit 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

- **Approximately 900 grams** per root →

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

※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.

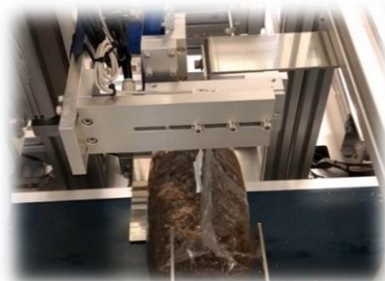
Stable production capacity / harvest / quality

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 Eringi 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 flavor makes 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 improvement of immunity.¹⁻³

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

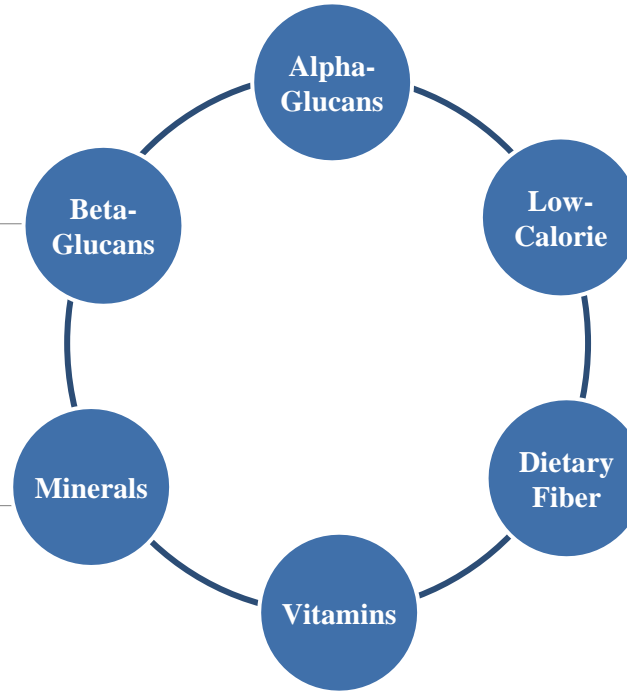
² Wesa et al. 2015 Cancer Immunol Immunother 64: 237-247.

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 eaten².

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.

² 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.

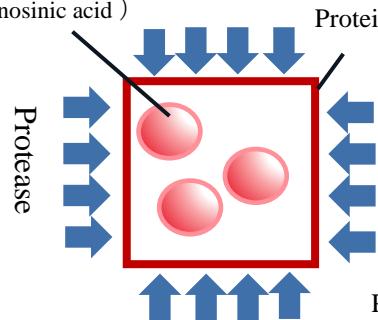
Synergistic effects of flavor

Guanylic acid and glutamic acid

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

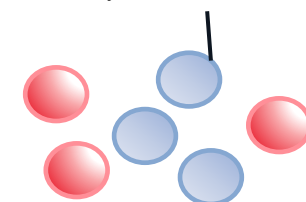
Flavor ingredient
(Inosinic acid)

Protein



Protease breaks down meat proteins, makes meat tastier and more tender

Mushroom flavor ingredient
(Guanylic acid, Glutamic acid)

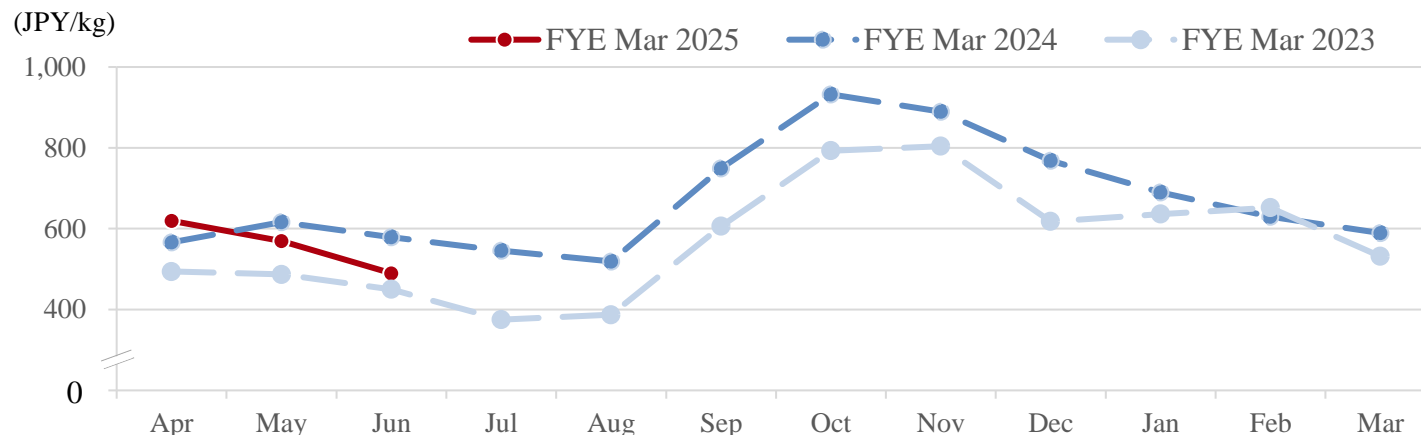


Synergy of tastes



Changes in Market Transaction Unit Price

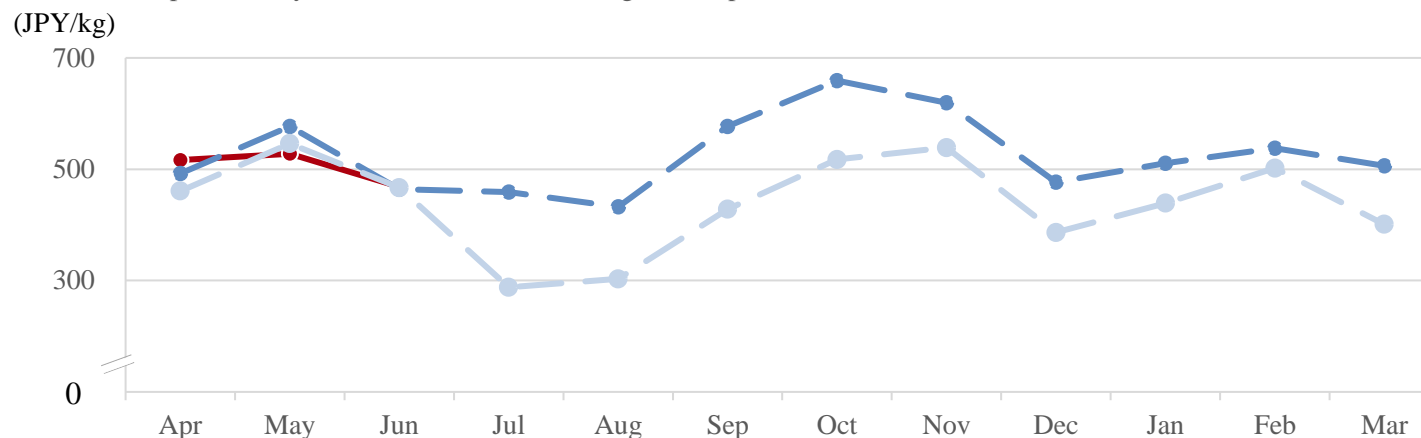
Maitake



Weighted Average Unit Price (JPY)

	1Q	Year-round
FYE Mar 2025	560	-
FYE Mar 2024	586	679
FYE Mar 2023	477	582

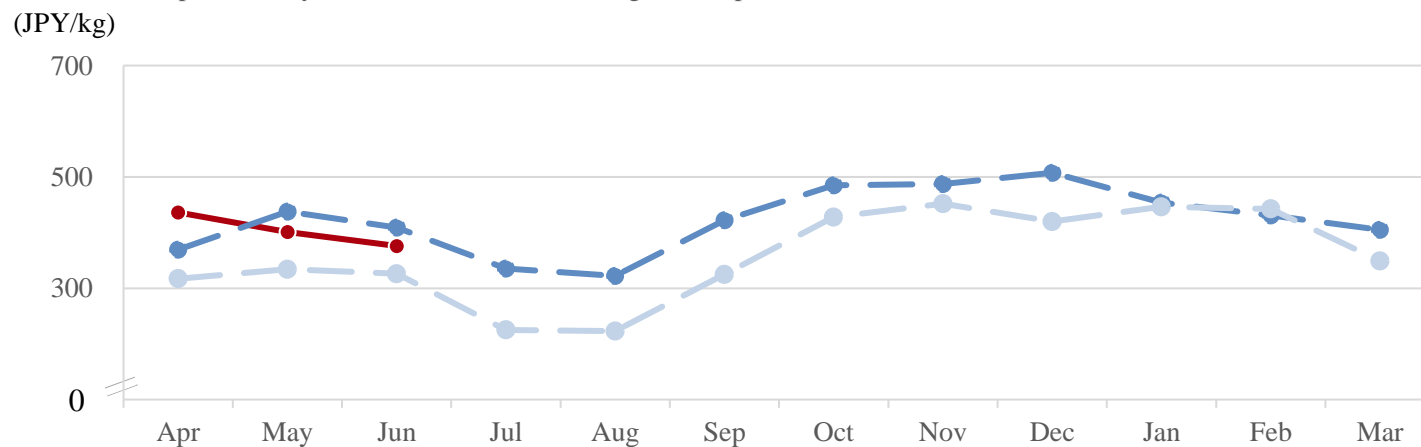
Eringi



Weighted Average Unit Price (JPY)

	1Q	Year-round
FYE Mar 2025	505	-
FYE Mar 2024	507	525
FYE Mar 2023	489	434

Buna-Shimeji



Weighted Average Unit Price (JPY)

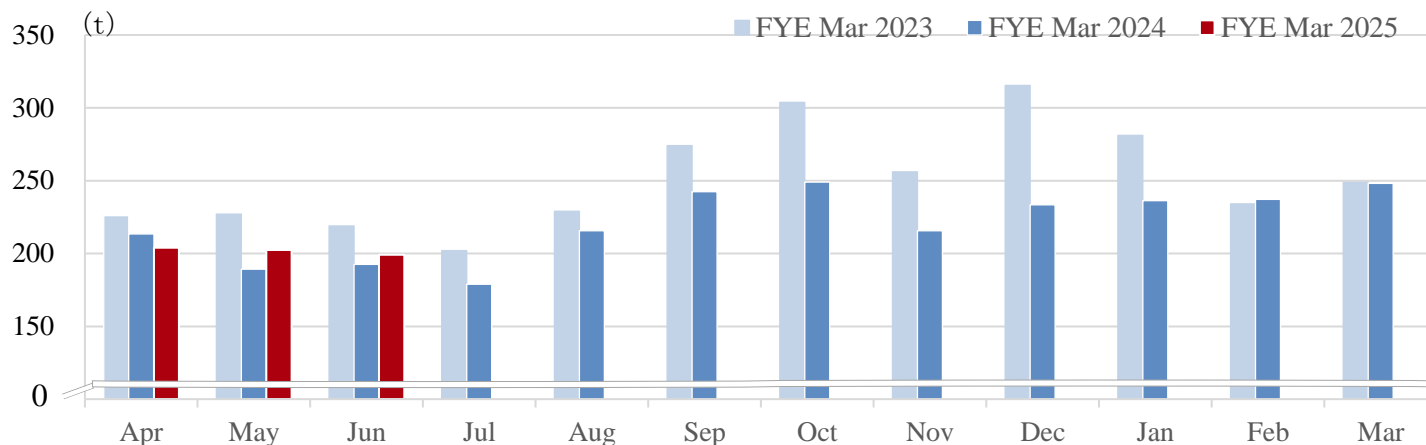
	1Q	Year-round
FYE Mar 2025	405	-
FYE Mar 2024	403	427
FYE Mar 2023	325	363

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



Changes in Market Sales Volume

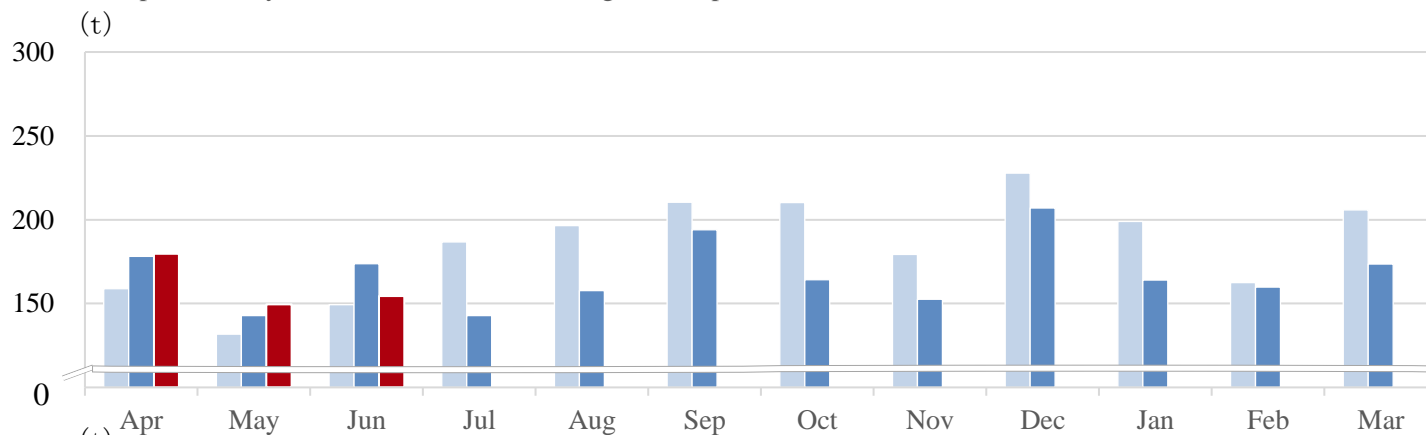
Maitake



Sales Volume (t)

	1Q	Year-round
FYE Mar 2025	605	-
FYE Mar 2024	595	2,652
FYE Mar 2023	672	3,016

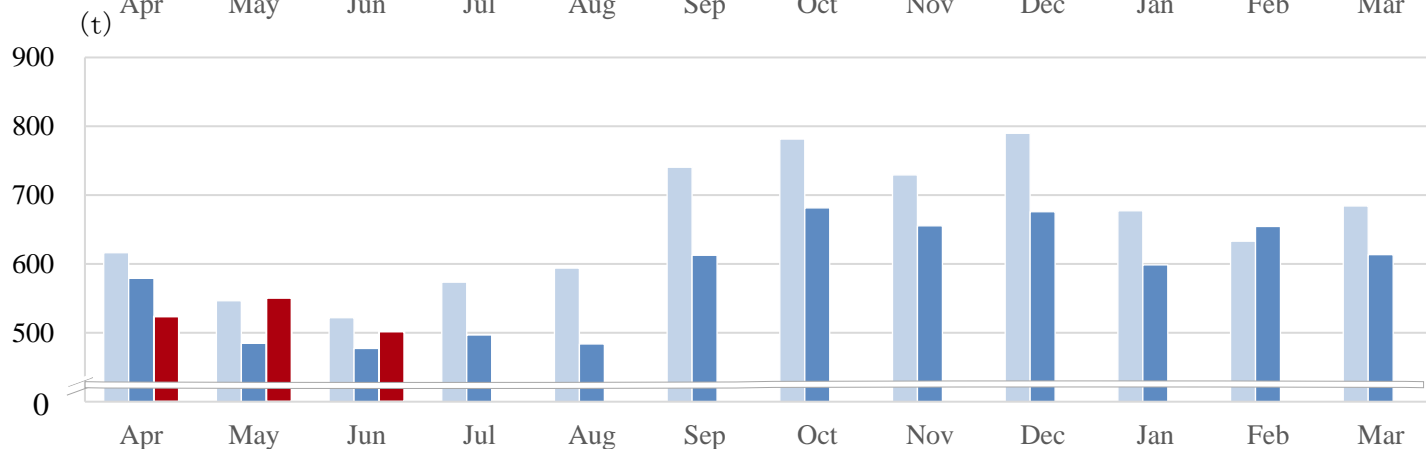
Eringi



Sales Volume (t)

	1Q	Year-round
FYE Mar 2025	484	-
FYE Mar 2024	495	2,011
FYE Mar 2023	440	2,217

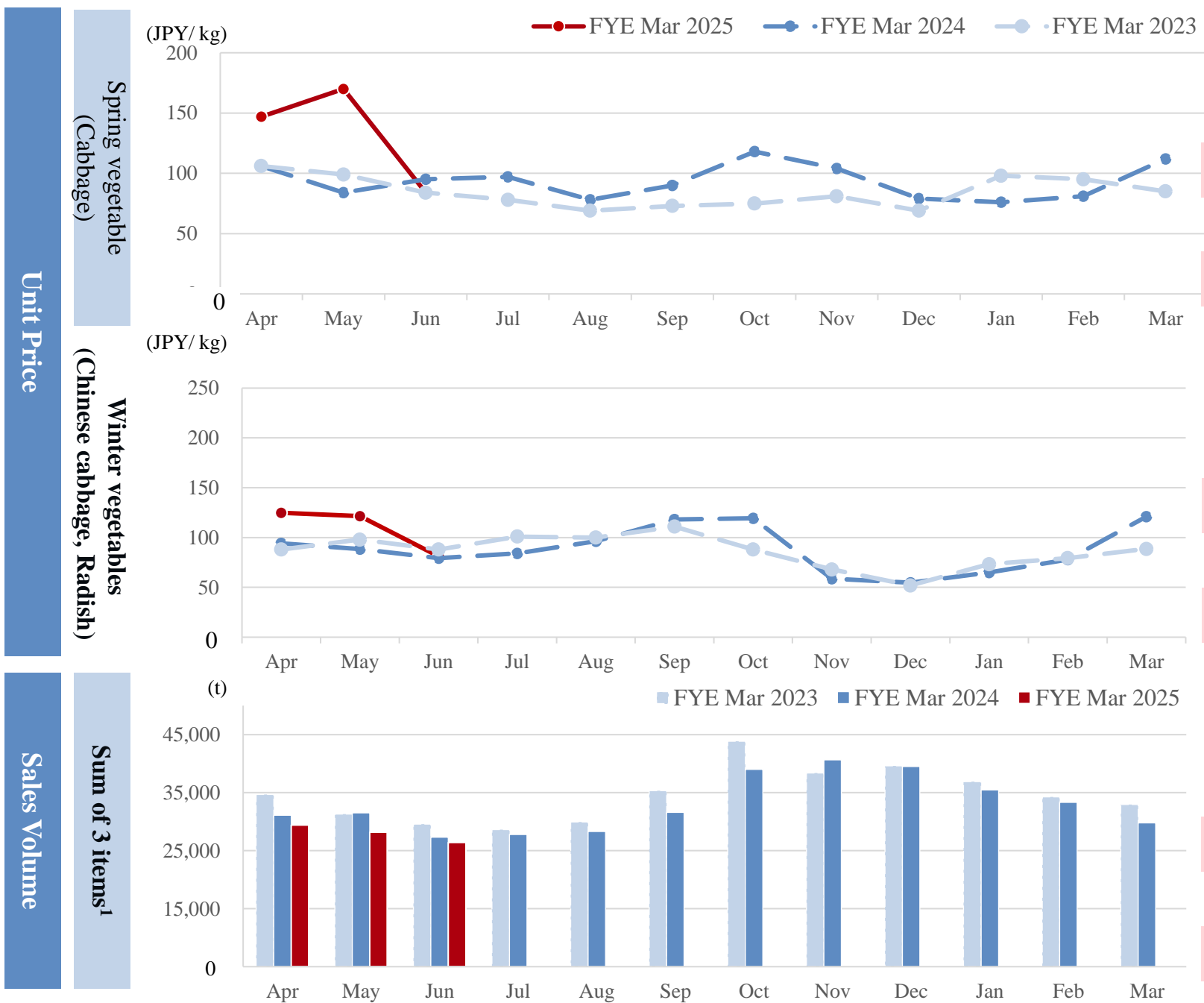
Buna-Shimeji



Sales Volume (t)

	1Q	Year-round
FYE Mar 2025	1,577	-
FYE Mar 2024	1,541	7,014
FYE Mar 2023	1,684	7,887

Market Transactions of Seasonal Vegetables



Weighted Average Unit Price (JPY)

	1Q	Year-round
FYE Mar 2025	134	-
FYE Mar 2024	95	94
FYE Mar 2023	97	84

Weighted Average Unit Price (JPY)

	1Q	Year-round
FYE Mar 2025	110	-
FYE Mar 2024	88	85
FYE Mar 2023	91	83

Sales Volume (t)

	1Q	Year-round
FYE Mar 2025	83,993	-
FYE Mar 2024	89,932	395,292
FYE Mar 2023	95,565	415,476

1 Refers to cabbage, Chinese cabbage, and daikon

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



Disclaimer

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.

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YUKIGUNI MAITAKE CO., LTD.

Securities Code: 1375