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May 12, 2022

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Under IFRS)

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 Listing: Tokyo Stock Exchange  
 Securities code: 1375  
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 Scheduled date to file quarterly securities report: June 27, 2022  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: Yes

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

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (from April 1, 2021 to December 31, 2022)

#### (1) Consolidated Operating Results (Cumulative)

(Percentages indicate year-on-year changes.)

	Total income		Operating profit		Profit before tax		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2022	47,081	-8.4	4,975	-36.4	4,564	-35.9	2,991	-36.9
March 31, 2021	51,380	1.2	7,823	16.9	7,125	7.2	4,740	9.1

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Fiscal year ended						
March 31, 2022	2,989	-37.0	2,965	-38.9	74.92	74.90
March 31, 2021	4,744	9.2	4,855	13.7	119.03	119.00

Note: Effective July 30, 2020, YUKIGUNI MAITAKE CO., LTD. (hereinafter “the Company”) split the shares of its common stock on a 100-for-1 basis. Basic earnings per share and diluted 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.

(Reference)

	Adjusted operating profit		Adjusted EBITDA		Adjusted profit		Adjusted basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ended							
March 31, 2022	4,975	-38.5	6,960	-30.9	3,125	-40.1	78.31
March 31, 2021	8,090	17.3	10,070	16.1	5,218	21.9	130.93

#### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
Fiscal year ended				
March 31, 2022	36,096	10,470	10,471	29.0
March 31, 2021	35,644	9,230	9,233	25.9

## 2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	–	14.00	–	28.00	42.00
Fiscal year ending March 31, 2022	–	14.00	–	16.00	30.00
Fiscal year ending March 31, 2023 (Forecast)	–	14.00	–	16.00	30.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes.)

	Total income		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	48,076	2.1	4,893	-1.7	4,490	-1.6	2,951	-1.3	2,951	-1.3	74.03

Note: Revisions from financial results forecasts announced most recently: Yes

As for the consolidated financial forecast for the fiscal year ending March 31, 2022, please refer to the "Notice Concerning Revision of Full-year Earnings Forecast" released today (February 3, 2022).

### (Reference)

	Core operating profit		Core EBITDA		Core EBITDA Margin
	Millions of yen	%	Millions of yen	%	%
Full year	5,060	-9.5	7,212	-4.7	20.9

### \* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies and changes in accounting estimates
  - (i) Changes in accounting policies required by IFRS: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
- (3) Number of issued shares (ordinary shares)

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

As of March 31, 2022	39,910,700 shares
As of March 31, 2021	39,910,700 shares

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

As of March 31, 2022	40,000 shares
As of March 31, 2021	– shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Fiscal year ending March 31, 2022	39,905,333 shares
Fiscal year ending March 31, 2021	39,856,589 shares

Note: Effective July 30, 2020, the Company split the shares of its common stock on a 100-for-1 basis. The number of shares issued has been restated, as appropriate, to reflect a 100-for-1 stock split effective on July 30, 2020.

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit firm.

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

(Caution concerning forward-looking statements)

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

(Other special comments)

- (1) The Company and its consolidated subsidiaries (together, “the Group”) apply the International Financial Reporting Standards (hereinafter “IFRS”).
- (2) Adjusted operating profit = Operating profit + Management fee + Listing-related expenses
- (3) Adjusted EBITDA = Adjusted operating profit + Depreciation + Amortization
- (4) Adjusted profit for the period or year = Profit for the period or year + Management fee + Listing-related expenses + Refinancing-related gains/losses + Tax adjustments
- (5) In (2) and (4), “Listing-related expenses” are temporary costs including listing preparation advisory costs, costs related to building an organizational structure for listing, costs related to the introduction of IFRS and timely disclosure system for listing, real estate registration costs associated with a merger, etc. “Refinancing-related gains / losses” are advisory expenses that were temporarily incurred in connection with refinancing carried out after the Company was closed to the public. These expenses are offset by temporary gains that were incurred due to the decline in contract interest rates associated with the refinancing and the increase in interest expense during the remaining contract period that occurs in conjunction with the refinancing.
- (6) Adjusted basic earnings per share = Adjusted profit for the period or year/Average number of shares during the period or year
- (7) Adjusted operating profit, Adjusted EBITDA, Adjusted profit for the period or year and Adjusted basic earnings per share are not indicators defined by IFRS, but the Group assumes these indicators are useful for investors to evaluate the Group’s performance. These financial indicators exclude some expenses and non-recurring gains / losses that are not expected to occur after listing. Adjusted Operating Profit, Adjusted EBITDA, Adjusted profit for the period or year and Adjusted basic earnings per share should not be considered as indicators to replace the other indicators shown in accordance with IFRS because they do not include some of the items that affect the profit for the period, so they are subject to significant restrictions as means of analysis. Adjusted Operating Profit, Adjusted EBITDA, Adjusted profit for the period or year and Adjusted basic earnings per share disclosed by the Group may be less useful in comparison with the same or similar indicators of other competitors because they are calculated according to a different method from those of such other companies.

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

Supplementary financial results briefing materials are posted on our website on February 3, 2022.

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## I. Qualitative Information for the Fiscal Year Ending March 31, 2022

### 1. Analysis of Operating Results

During the current consolidated fiscal year (April 1, 2021 to March 31, 2022), the Japanese economy has been in an unstable state, with a temporary economic recovery due to the spread of vaccination in response to the spread of the new coronavirus infection, followed by economic stagnation due to the re-spread of the infection. In addition, soaring prices of crude oil and other natural resources have put pressure on earnings in various sectors, leading to price hikes in daily necessities, food products, and other items, and the impact has been felt in the household budget as well. Furthermore, it cannot be denied that Russia's invasion of Ukraine could have a major impact on domestic and foreign economies, and the outlook remains even more uncertain.

In the domestic mushroom market, consumption of mushrooms has remained strong due to growing health consciousness. However, the nesting demand for mushrooms has run its course, as seen in the previous fiscal year, and the oversupply situation continued due to decreased consumption in the food service industry and increased production by other companies. Market unit prices remained weak, especially in the fall and winter seasons due to mild weather.

In such an environment, our group announced our "Medium-Term Business Plan (for FYE March 31, 2022 to March 31, 2026)" on November 4, 2021, aiming to accurately respond to changes in the business environment, create demand in the domestic market, and continue to expand globally and grow as a comprehensive manufacturer of premium mushrooms, including "maitake," which has been highly evaluated in the market. We have been developing our business to contribute to the health of consumers and the realization of a healthy society through the achievement of this medium-term business plan and the provision of safe and reliable products.

As a result of the above, total income was ¥47,081 million (-8.4% year-on-year), of which revenue was ¥32,444 million (-6.1% year-on-year). In this total, revenue from the mushroom business was ¥32,021 million (-5.8% year-on-year). Gross profit was ¥13,349 million (-18.1% year-on-year) due to lower sales in the mushroom business, mainly due to a weak domestic mushroom market and the impact of competitors' new plant operations and product shipments, and higher utility costs due to soaring fuel costs. Selling, general and administrative (SG&A) expenses were ¥8,142 million (-1.8% year-on-year), reflecting an increase in advertising expenses, but decreases in freight and sales commissions, and the absence of listing-related expenses, etc., recorded in the same period of the previous fiscal year.

In the current consolidated cumulative period, gains arising from changes in fair value related to the application of IFRS Agricultural Accounting (IAS 41) were included in total income of ¥14,636 million (-13.1% year-on-year) and the cost of sales of ¥15,051 million (-11.6% year-on-year).

[Business results for the fiscal year ended March 31, 2022]

	(Millions of yen)		
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	% Change year-on-year
Revenue	34,543	32,444	(6.1)
Gains arising from changes in fair value	16,837	14,636	(13.1)
Total income	51,380	47,081	(8.4)
Operating profit	7,823	4,975	(36.4)
Profit before tax	7,125	4,564	(35.9)
Profit attributable to owners of parent	4,744	2,989	(37.0)

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

[Mushroom business]

1) Maitake

In order to promote the functionality of maitake mushrooms, we have continued since the previous fiscal year to promote the “Uchikatsu! (overcoming)” and “Uchikatsu! (Enjoying home life)” to enjoy healthy and fun meals at home campaign was conducted with these two ideas in mind. In addition, as part of the development of product strategies utilizing our abundant product lineup and promoting the product as a year-round food ingredient rather than a seasonal one, we have proposed ways to eat it through joint projects with other food product manufacturers, aired TV commercials for western Japan, and actively proposed recipes to consumers through our recipe website. Sales volume was generally on par with the previous year, but unit sales price was lower than the previous year due to increased production by competitors. As a result of the above, revenue from the maitake business was ¥18,732 million (-6.2% year-on-year).

#### 2) Eringi

In addition to achieving stable supply by improving production quality, we have expanded our product lineup by introducing sliced products that are convenient for customers to use immediately without any hassle and renewing mass-market products as value-for-money products. However, both sales volume and sales unit prices decreased slightly from the previous year. As a result, revenue from the Eringi business decreased 7.5% year-on-year to ¥3,161 million.

#### 3) Buna-shimeji

While keeping a close eye on the fruit and vegetable market and market trends, we flexibly introduced products with different quantities, such as single stock products and double stock products, depending on the supply-demand balance. Sales volume increased compared to the previous fiscal year, but unit sales prices was lower. As a result, revenue from the Buna-shimeji business was ¥6,328 million (-7.2% year-on-year).

#### 4) Other mushrooms

Button-mushrooms produced by Mitsukura Norin Co., Ltd. and Hon shimeji and other products produced by Mizuho Norin Co., Ltd. exceeded revenues in the previous fiscal year. As a result, revenue from the other mushrooms business segment totaled ¥3,799 million (+0.2% year-on-year).

#### [Other]

Revenue in the “other” business is mainly derived from sales of health foods and sales of culture medium activators. In the current fiscal year, sales volume of culture medium activators decreased. As a result, revenue from other businesses was ¥422 million (-22.8% year-on-year).

Revenue by business segment is as follows.

	(Millions of yen)		
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	% Change year-on-year
Mushroom business	33,995	32,021	(5.8)
Maitake	19,966	18,732	(6.2)
Eringi	3,419	3,161	(7.5)
Buna-shimeji	6,818	6,328	(7.2)
Other mushrooms	3,791	3,799	0.2
Other	547	422	(22.8)
<b>Total Revenue</b>	<b>34,543</b>	<b>32,444</b>	<b>(6.1)</b>

## 2. Analysis of Financial Position

### [Assets]

Total assets at the end of the current consolidated fiscal year (as of March 31, 2022) were ¥36,096 million (+¥452 million from the end of the previous consolidated fiscal year). Current assets were ¥9,735 million (-¥467 million from the end of the previous consolidated fiscal year). This was mainly due to a decrease

of ¥141 million in inventories and a decrease of ¥211 million in biological assets resulting from gains from changes in fair value. Non-current assets totaled ¥26,361 million (+¥920 million from the end of the previous consolidated fiscal year). This was mainly due to an increase of ¥1,138 million in property, plant and equipment as a result of the reinforcement and renewal of facilities related to the increased production of maitake and the transfer from investment real estate, and decreases of ¥218 million in investment real estate.

[Liabilities]

Total liabilities at the end of the current consolidated fiscal year were ¥25,625 million (-¥787 million from the end of the previous consolidated fiscal year). Current liabilities were ¥8,010 million (+¥395 million). This was mainly due to increase of ¥631 million in trade and other payables, despite decrease of ¥300 million in income taxes payable. Non-current liabilities were ¥17,615 million (-¥1,183 million from the end of the previous consolidated fiscal year). This was mainly due to a decrease of ¥1,037 million in borrowings as a result of scheduled repayment.

[Equity]

Total equity at the end of the current consolidated fiscal year was ¥10,470 million (+¥1,240 million from the end of the previous consolidated fiscal year). This was mainly due to an increase in retained earnings of ¥1,293 million resulting from the recording of profit.

3. Analysis of Cash Flows

The balance of cash and cash equivalents at the end of the current consolidated fiscal year decreased by ¥54 million from the end of the previous consolidated fiscal year to ¥3,723 million. The status of each cash flow and their factors are as follows:

[Net cash flows from operating activities]

The amount of funds gained as a result of operating activities was ¥5,606 million (the amount gained was ¥8,204 million in the same period of the previous year).

This was mainly due to profit before taxes of ¥4,564 million, depreciation and amortization of ¥1,984 million and interest expenses of ¥397 million, while income taxes paid totaled ¥2,097 million.

[Net cash flows from investing activities]

Funds used as a result of investment activities were ¥2,554 million (the amount used was ¥3,689 million in the same period of the previous year). This was mainly due to the expenditure of ¥2,564 million for the acquisition of property, plant and equipment for the expansion and renewal of facilities related to increased production of maitake.

[Net cash flows from financing activities]

Funds used as a result of financing activities amounted to ¥3,107 million (the amount used was ¥5,198 million in the same period of the previous year). This was mainly due to the repayment of long-term loans payable of ¥1,156 million due to scheduled repayments and dividend payments of ¥1,673 million.

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

1) Outlook for the Group as a whole

In the environment surrounding our group, in Japan, the overall food market tends to shrink due to social structural factors such as the declining birthrate, aging population, and shrinking population. In addition, the rising cost of raw materials and energy-related costs due to soaring crude oil prices and other factors are also having a significant impact, putting pressure on corporate earnings. Furthermore, the current situation in Russia and Ukraine has further heightened instability. In addition to this, the recent global spread of COVID-19 is expected to have an ongoing impact on corporate activities, such as instability in the domestic and international economies, and we must continue to closely monitor situation.

In this environment, on November 4, 2021, the Group announced its “Medium-Term Business Plan (for

FYE March 31, 2022 through FYE March 31, 2026)” with the aim of continuing to expand and grow globally as a comprehensive premium mushroom manufacturer while accurately responding to changes in the business environment and creating demand in the domestic market. The Company will continue its efforts to improve governance, strengthen its earnings base, etc. toward the realization of this Medium-Term Business Plan.

Based on the above, for FYE March 31, 2023, we forecast total income of JPY 48,076 million (+2.1% year-on-year), operating profit of JPY 4,893 million (-1.7% year-on-year), profit before tax of JPY 4,490 million (-1.6% year-on-year), and profit attributable to owners of the parent of JPY 2,951 million (-1.3% year-on-year).

## 2) Total income

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

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

### [Maitake]

We see the regional and age gap in maitake consumption as a new sales opportunity, and we will work to attract new users and create demand by proactively disseminating information and appealing to the convenience of cooking. In addition, "multi-layered" and "complex" promotions will be developed according to the different characteristics of the target customer base, aiming to attract a wide range of users, from light users to heavy ones. Especially for light users, we will take a multifaceted approach by proposing recipes and developing them in restaurant and home-cooked meal menus, with the appeal points of "how to eat", "functionality", "convenience", and "differentiation" of maitake mushrooms. We will expand our lineup of maitake products, reaffirm the value of our unique "Kiwami" brand, and set ourselves apart from our competitors while at the same time further deepening the demand for maitake. As a result, the sales volume of maitake mushrooms (fresh mushrooms) is expected to increase by 5.0% from the current fiscal year, and the unit sales price is expected to slightly exceed the current fiscal year level due to demand creation and value improvement. Based on the above, revenue of the maitake business is expected to be ¥20,426 million (+9.0% year-on-year).

### [Eringi]

We will strengthen our proposals for eringi for the food service and restaurant market, which has been somewhat weak so far. We will also strengthen cooperation between production and sales, and expand our product lineup to meet consumer needs. As a result, sales volume of eringi (fresh mushrooms) is expected to increase by 2.7% from the current fiscal year, and the unit sales price is expected to remain almost the same as in the current fiscal year. Based on the above, we project revenue of ¥3,271 million (+3.5% year-on-year) for the eringi business.

### [Buna-Shimeji]

With regard to buna-shimeji mushrooms, we will propose products in conjunction with the sales floor and implement sales measures that make it easy for consumers to pick up the products. As a result, we expect sales volume of buna-shimeji mushrooms (fresh mushrooms) to increase by 0.1%, almost the same as in

the current consolidated fiscal year, and the unit sales price to slightly exceed the level of the current consolidated fiscal year. Based on the above, we project revenue of ¥6,359 million (+0.5% year-on-year) in the buna-shimeji business.

[Other mushrooms]

As for other mushrooms, Mizuho Norin Co., Ltd. produces and sells mainly hon-shimeji mushrooms and hatake-shimeji mushrooms, and Mitsukura Norin Co., Ltd produces and sell and sells button mushroom. In particular, the recognition of button mushrooms in Japan, including their delicious taste and cooking methods, is not yet high. We will strive to create new demand for button mushrooms by leveraging the sales know-how we have cultivated over the years. In order to strengthen our button mushroom business in Japan and overseas and to meet the growing needs of our customers, we are investing in facilities to increase button mushroom production at Mitsukura Norin, as announced in a press release issued on November 25, 2021. We will also continue to introduce our production know-how and management methods to improve product quality and stabilize production volume. Based on the above, the Company expects revenue from other mushrooms to be ¥3,960 million (+4.2% year-on-year).

Based on the above, we expect revenue to be ¥34,539 million (+6.5% year-on-year) and gains arising from changes in fair value recognized in accordance with IFRS Agricultural Accounting (IAS 41) to be ¥13,537 million (-7.5% year-on-year), respectively, and total income, which is the sum of these figures, is expected to be ¥48,076 million (+2.1% year-on-year).

3) Cost of Sales and Gross Profit

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

For the FYE March, 2023, we expect utility expenses to increase due to a significant increase in energy-related costs. Meanwhile, in the mushroom business, the Company is promoting continuous improvement of production processes by developing varieties with high production efficiency in conjunction with research and development, improving production efficiency by automating inoculation and packaging processes, improving packaging materials, and reusing raw materials. As a result, “material cost, labor cost, etc.” (cost of goods sold by the Group, excluding gains arising from changes in fair value recognized in accordance with IFRS Agricultural Accounting (IAS 41)) is expected to be ¥20,398 million (+9.5% year-on-year), and gain arising from changes in fair value related to the application of IFRS Agricultural Accounting (IAS 41) is expected to be ¥13,647 million (-9.6% year-on-year).

Based on the above, we forecast cost of sales of ¥34,045 million (+0.9% year-on-year) and gross profit of ¥14,031 million (+5.1% year-on-year).

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

As for SG&A expenses, the plan is formulated by expense category, taking into account current trends and actual results. For FYE March, 2023, we assume that the spread of COVID-19 will ease and that normal sales promotion activities will be implemented. We expect an increase in sales promotion expenses and business travel as a result of this increase. In addition, SG&A expenses are projected to be ¥9,060 million (+11.3% year-on-year) due to an increase in labor costs to enhance the personnel structure by promoting overseas business. In addition, other income and other expenses are expected to be recorded, resulting in a projected operating profit of ¥4,893 million (-1.7% year-on-year).

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

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

Based on the above, financial income is expected to be ¥0 million (-83.9% year-on-year), assuming only dividend income, etc., which normally accrue, and financial expenses are expected to be ¥403 million (-3.0% year-on-year) due to a decrease in interest expenses resulting from contractual repayment. Profit before taxes is projected to be ¥4,490 million (-1.6% year-on-year), profit is projected to be ¥2,951 million (-1.3% year-on-year), and profit attributable to owners of the parent is projected to be ¥2,951 million (-1.3% year-on-year).

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

## II. Basic Policy Regarding Selection of Accounting Standards

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

. Consolidated Financial Statements and Significant Notes

1. Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and cash equivalents	3,777	3,723
Trade and other receivables	2,021	1,958
Inventories	1,390	1,249
Biological assets	2,904	2,693
Other current assets	108	111
Total current assets	10,202	9,735
Non-current assets		
Property, plant and equipment	18,031	19,170
Investment property	316	97
Goodwill and intangible assets	5,304	5,291
Right-of-use assets	461	322
Retirement benefit asset	450	400
Other financial assets	146	141
Deferred tax assets	638	873
Other non-current assets	92	64
Total non-current assets	25,441	26,361
Total assets	35,644	36,096

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
Current liabilities		
Trade and other payables	1,970	2,602
Income taxes payable	1,784	1,484
Employee benefits accruals	1,753	1,620
Current portion of long-term borrowings	1,132	1,321
Lease liabilities	205	191
Provisions	57	82
Other financial liabilities	19	26
Other current liabilities	690	681
<b>Total current liabilities</b>	<b>7,614</b>	<b>8,010</b>
Non-current liabilities		
Borrowings	18,351	17,314
Lease liabilities	360	222
Deferred tax liabilities	3	-
Provisions	17	17
Other financial liabilities	62	57
Other non-current liabilities	2	2
<b>Total non-current liabilities</b>	<b>18,798</b>	<b>17,615</b>
<b>Total liabilities</b>	<b>26,413</b>	<b>25,625</b>
<b>Equity</b>		
Share capital	119	100
Capital surplus	(6,026)	(6,006)
Retained earnings	15,117	16,411
Treasury shares	-	(48)
Other components of equity	21	15
<b>Total equity attributable to owners of parent</b>	<b>9,233</b>	<b>10,471</b>
Non-controlling interests	(2)	(1)
<b>Total equity</b>	<b>9,230</b>	<b>10,470</b>
<b>Total liabilities and equity</b>	<b>35,644</b>	<b>36,096</b>

## 2. Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Income		
Revenue	34,543	32,444
Gains arising from changes in fair value	16,837	14,636
Total	51,380	47,081
Cost of sales (*1)	35,081	33,731
Gross profit	16,299	13,349
Selling, general and administrative expenses	8,291	8,142
Other income	58	48
Other expenses	243	279
Operating profit	7,823	4,975
Finance income	1	4
Finance expenses	699	415
Profit before tax	7,125	4,564
Income tax expense	2,385	1,573
Profit	4,740	2,991
Profit attributable to		
Owners of parent	4,744	2,989
Non-controlling interests	(3)	1
Earnings per share		
Basic earnings per share (Yen)	119.03	74.92
Diluted earnings per share (Yen)	119.00	74.90

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

(*1) Components of cost of sales		
Material costs, labor costs, etc.	18,057	18,680
Gains arising from changes in fair value	17,023	15,051
Total	35,081	33,731

## (Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	4,740	2,991
Other comprehensive income (After tax effect deduction)		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	102	(23)
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	12	(2)
Total of items that will not be reclassified to profit or loss	115	(25)
Total other comprehensive income (After tax effect deduction)	115	(25)
Comprehensive income	4,855	2,965
Comprehensive income attributable to		
Owners of parent	4,859	2,963
Non-controlling interests	(3)	1

### 3. Consolidated Statement of Changes in Equity

(Millions of yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total
Balance at beginning of period	100	(6,046)	10,828	-	17	4,899	1	4,901
Profit	-	-	4,744	-	-	4,744	(3)	4,740
Other comprehensive income	-	-	-	-	115	115	-	115
Comprehensive income	-	-	4,744	-	115	4,859	(3)	4,855
Issuance of new shares	19	19	-	-	-	39	-	39
Purchase of treasury shares	-	-	-	-	-	-	-	-
Capital reduction	-	-	-	-	-	-	-	-
Dividends of surplus	-	-	(557)	-	-	(557)	-	(557)
Transfer from other components of equity to retained earnings	-	-	102	-	(102)	-	-	-
Other	-	-	-	-	(7)	(7)	-	(7)
Total	19	19	(455)	-	(110)	(526)	-	(526)
Balance at end of period	119	(6,026)	15,117	-	21	9,233	(2)	9,230
Profit	-	-	2,989	-	-	2,989	1	2,991
Other comprehensive income	-	-	-	-	(25)	(25)	-	(25)
Comprehensive income	-	-	2,989	-	(25)	2,963	1	2,965
Issuance of new shares	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	(48)	-	(48)	-	(48)
Capital reduction	(19)	19	-	-	-	-	-	-
Dividends of surplus	-	-	(1,676)	-	-	(1,676)	-	(1,676)
Transfer from other components of equity to retained earnings	-	-	(19)	-	19	-	-	-
Other	-	-	-	-	-	-	-	-
Total	(19)	19	(1,695)	(48)	19	(1,724)	-	(1,724)
Balance at end of period	100	(6,006)	16,411	(48)	15	10,471	(1)	10,470

## 4. Consolidated Statements of Cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before tax	7,125	4,564
Depreciation and amortization	1,979	1,984
Impairment losses	10	174
Interest expenses	472	397
Commission for syndicate loan	227	17
Loss (gain) on sale of fixed assets	(6)	(0)
Loss on retirement of fixed assets	113	56
Decrease (increase) in trade and other receivables	119	64
Decrease (increase) in inventories	(98)	141
Decrease (increase) in biological assets	114	211
Increase (decrease) in trade and other payables	(221)	115
Decrease (increase) in retirement benefit asset	16	13
Increase (decrease) in employee benefit liabilities	176	(133)
Other	518	203
Subtotal	10,547	7,813
Interest paid	(128)	(90)
Payments of commission for syndicate loan	(16)	(18)
Income taxes paid	(2,347)	(2,097)
Income taxes refund	149	0
Net cash provided by (used in) operating activities	8,204	5,606
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,726)	(2,564)
Proceeds from sale of property, plant and equipment	55	1
Purchase of intangible assets	(5)	(7)
Other	(12)	16
Net cash provided by (used in) investing activities	(3,689)	(2,554)
Cash flows from financing activities		
Proceeds from short-term borrowings	-	1,000
Repayments of short-term borrowings	-	(1,000)
Repayments of long-term borrowings	(4,462)	(1,156)
Repayments of lease liabilities	(211)	(228)
Purchase of treasury shares	-	(48)
Dividends paid	(554)	(1,673)
Other	30	(0)
Net cash provided by (used in) financing activities	(5,198)	(3,107)
Effect of exchange rate changes on cash and cash equivalents	0	0
Net increase (decrease) in cash and cash equivalents	(683)	(54)
Cash and cash equivalents at beginning of period	4,461	3,777
Cash and cash equivalents at end of period	3,777	3,723

## 5. Notes to Summarized Consolidated Financial Statements

(Going Concern Assumptions)

Not applicable.

(Segment Information)

### (1) Reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available and regular evaluation by the Board of Directors, chief operating decision maker, is being performed in order to make decisions about resources to be allocated and to assess its performance.

The mushroom business is listed as a reporting segment as the Group has a comprehensive strategy for products and services and is expanding its business activities. "Other" includes businesses that are not included in the reportable segment.

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

Description of the reportable segment is as follows:

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

### (2) Reportable segments information

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

Fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Mushroom business	Others	Total	Adjustment items (*)	Per consolidated financial statements
Revenue					
Revenue from external customers	33,995	547	34,543	-	34,543
Intersegment revenue	-	21	21	(21)	-
Total revenue	33,995	569	34,564	(21)	34,543
Segment profit (loss)	7,766	137	7,904	(81)	7,823
Finance income					1
Finance expenses					699
Profit before tax					7,125
Others					
Gain from changes in fair value included in total income	16,837	-	16,837	-	16,837
Gain from changes in fair value included in cost of sales	17,023	-	17,023	-	17,023
Depreciation and amortization	1,963	4	1,968	11	1,979
Impairment losses	3	6	10	-	10

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

Fiscal year ended March 31, 2022 (From April 1, 2021 to March 31, 2022)

(Millions of yen)

	Mushroom business	Others	Total	Adjustment items (*)	Per consolidated financial statements
Revenue					
Revenue from external customers	32,021	422	32,444	-	32,444
Intersegment revenue	-	1	1	(1)	-
Total revenue	32,021	423	32,445	(1)	32,444
Segment profit (loss)	4,884	90	4,975	0	4,975
Finance income					4
Finance expenses					415
Profit before tax					4,564
Others					
Gain from changes in fair value included in total income	14,636	-	14,636	-	14,636
Gain from changes in fair value included in cost of sales	15,051	-	15,051	-	15,051
Depreciation and amortization	1,968	5	1,974	10	1,984
Impairment losses	174	-	174	-	174

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

(Earnings per Share)

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

	(Unit)	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Basic earnings per share			
Profit attributable to owners of parent	(Millions of yen)	4,744	2,989
Profit not attributable to common shareholders of parent	(Millions of yen)	-	-
Profit used for calculation of basic earnings per share	(Millions of yen)	4,744	2,989
Average number of common shares during the period	(Thousand shares)	39,856	39,905
Basic earnings per share	(Yen)	119.03	74.92
Diluted earnings per share			
Profit used for calculation of basic earnings per share	(Millions of yen)	4,744	2,989
Adjustment	(Millions of yen)	-	-
Profit used for calculation of diluted earnings per share	(Millions of yen)	4,744	2,989
Average number of common shares during the period	(Thousand shares)	39,856	39,905
Increase of shares due to stock acquisition rights	(Thousand shares)	10	10
Average number of common shares during the period after dilution	(Thousand shares)	39,866	39,915
Diluted earnings per share	(Yen)	119.00	74.90

(Note) Effective July 30, 2020, the Company split the shares of its common stock on a 100-for-1 basis. Basic earnings per share and diluted 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.

(Significant Subsequent Events)

Not applicable.