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MEMBERSHIP

February 21, 2023

For Immediate Release

Company Name: YUKIGUNI MAITAKE CO., LTD.
Representative: Masafumi Yuzawa, President and CEO, Representative Director
(Tokyo Stock Exchange, Prime Market:1375)
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Absorption-type Merger (Simplified Merger) of Consolidated Subsidiary

Yukiguni Maitake Co., Ltd. (the "Company") hereby announces that a decision was made at its Board of Directors meeting held on February 21, 2023 to conduct an absorption-type merger (the "Merger") of Mitsukura Norin Co., Ltd. (hereinafter "Mitsukura Norin"), which is a wholly owned consolidated subsidiary of the Company with an effective date of April 1, 2023 (planned). Details are set forth below.
Please be noted that as this is a simplified absorption-type merger that involves a wholly owned consolidated subsidiary, some disclosure items and their contents have been omitted.

1. Purpose of the Merger
   The purpose of this Merger is to strengthen the business synergies and to improve the management efficiency of our group by absorbing Mitsukura Norin, a wholly owned consolidated subsidiary of the Company.

2. Overview of the Merger
   (1) Schedule of the Merger
   The Merger shall be conducted without the approval of the merger agreement at the general meeting of shareholders of the Company as it falls under the category of simplified merger as per the provisions of Article 796, paragraph (2) of the Companies Act.

Date of resolution by the Board of Directors	February 21, 2023
Date of Conclusion of Agreement	February 21, 2023
Scheduled date of Merger (Effective date)	April 1, 2023 (planned)

   (2) Method of the Merger
   The Merger shall be an absorption-type merger of the Company as the surviving company and Mitsukura Norin as the disappearing company.

   (3) Allotments Pertaining to the Merger
   The Merger will not involve allotments or deliveries of shares or money, etc.

(4) Handling of Share Acquisition Rights and Bonds with Share Acquisition Rights associated with the Merger
Not applicable.

3. Overview of the Companies Involved in the Merger (As of September 30, 2022)

	Surviving Company	Disappearing Company
(1) Name	Yukiguni Maitake Co., Ltd.	Mitsukura Norin Co., Ltd.
(2) Location	89 Yokawa, Minamiuonuma City, Niigata	3481 Ushimadochokashino, Setouchi City, Okayama
(3) Name and Title of Representative	Masafumi Yuzawa, President and CEO, Representative Director	Sugio Otsuka, Representative Director and President
(4) Description of Business	• Production and sales of mushrooms and processed mushroom foods • Manufacture and sales of health foods • Operation of product shop	• Production and sales of mushrooms
(5) Capital	¥100 million	¥49 million
(6) Date of Establish	July 14, 2017	September 1, 1983
(7) Number of Issued Shares	39,910,700 shares	760 shares
(8) Fiscal Year End	March 31	March 31
(9) Major Shareholder and Shareholding Ratios	SHINMEI Holdings Co., LTD. 50.05%	Yukiguni Maitake Co., Ltd. 100.00%
(10) Earnings and Financial Data for the Previous Fiscal Year	Consolidated: IFRS Total equity: ¥10,470 million Total asset: ¥36,096 million Equity attributable to owners of the parent per share: ¥262.65 Total income: ¥47,081 million Operating profit: ¥4,975 million Profit before tax: ¥4,564 million Profit attributable to owners of parent: ¥2,989 million Basic earnings per share: ¥74.92	Non-consolidated: Japanese GAAP Equity: ¥1,229 million Total assets: ¥1,515 million Equity per share: ¥1,617,512.54 Net sales: ¥2,168 million Operating profit: ¥210 million Ordinary profit: ¥224 million Net income: ¥148 million Earnings per share: ¥195,515.54

4. Status after the Merger
There will be no changes in company name, address, name and title of representative, business description, paid-in capital and fiscal year end for the Company involved in the Merger.

5. Future Outlook
Since the merger only involves the Company and its wholly-owned consolidated subsidiary, it has no significant impact on the consolidated financial results of the Company.

6. Supplemental information on the merged company
Mitsukura Norin accounts for approximately 30% of the domestic button mushroom production share, and even after the merger, we consider the button mushroom business to be an important strategic business for the future growth of our company as a premium mushroom comprehensive manufacturer.

(end)