

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.



MEMBERSHIP

June 27, 2025

For Immediate Release

Company Name: YUKIGUNI FACTORY CO., LTD.
Representative: Masafumi Yuzawa, President and CEO,
Representative Director
(Tokyo Stock Exchange, Prime Market:1375)
Inquiries: Shunichiro Iwaya, Deputy Division Director,
Corporate Planning Division and General
Manager, IR & Public Relations Department
Tel: +81-25-778-0162

Controlling Shareholders, Etc.

YUKIGUNI FACTORY CO., LTD. (the “Company”) hereby announces the following matters concerning shareholders, etc. in relation to SHINMEI HOLDINGS CO., LTD. (“Shinmei HD”), which is the parent company of the Company.

1. Trade name etc. of the parent company, controlling shareholders (excluding parent company), other affiliated companies or parent companies of other affiliated companies

As of March 31, 2025

Name	Attribute	Percentage of voting rights held (%)			Financial instruments exchange, etc. on which the issued shares are listed.
		Direct ownership	Indirect ownership	Total	
SHINMEI HOLDINGS CO., LTD.	Parent company	50.08	—	50.08	—

2. Positioning of the Company in the corporate group of the parent company, etc. and other relationships between the Companies and the parent company, etc.
 - (1) The company’s position within the corporate group of our parent company, etc., and other relationships between the Company and our parent company, etc.

The Shinmei HD Group operates a rice wholesale business as its core business and aims to build a “food value chain from upstream to downstream.” In addition to its rice wholesale business, the Group has positioned the expansion into the food manufacturing industry as one of its growth strategies. The Company plays a role in this growth strategy.

As of March 31, 2025, Shinmei HD holds 50.08% of the voting rights in the Company and is our parent company. We have appointed Mr. Mitsuo Fujio, a director of Shinmei HD, to our board of directors. Additionally, we sell our products to companies within the Shinmei HD Group companies.
 - (2) Business restrictions, risks, and advantages arising from belonging to a corporate group of our parent company

There are no other companies within the Shinmei HD Group, other than our group, that engage in the manufacture and sale of mushrooms or similar businesses at present. Therefore, there is no business competition between the Company and other Shinmei HD Group companies.

Additionally, there are potential synergies between the Company and other Shinmei HD Group companies, such as leveraging its network when we expand sales in regions like western Japan where maitake consumption has been low, or developing and promoting cross-selling of products combining rice and mushrooms in retail stores, restaurants and large-scale retailers. The Company and Shinmei HD are in a relationship where we can improve corporate value through working together.

- (3) Considerations and status regarding the maintenance of a certain degree of independence from parent companies, etc.

There are no matters requiring prior approval from Shinmei HD regarding the management of its affiliated companies for the Company.

Furthermore, with regard to the dispatch of officers and employees from Shinmei HD to the Company and various transactions between the two companies, we will implement such matters within the scope where there are no issues from the perspective of protecting minority shareholders and where necessity and economic rationality are recognized, based on the management judgment of each company. On the Company side, we have taken measures to ensure that our management independence is not compromised with regard to the group management of Shinmei HD, including securing independent directors and establishing a voluntary nomination and remuneration committee in which independent directors constitute a majority.

In addition, the Company conducts various transactions with Shinmei HD Group in accordance with the “Related Party Transaction Management Regulations” and implements them after resolution by the Board of Directors. Existing transactions are also implemented after resolution by the Board of Directors.

3. Matters concerning transactions with controlling shareholders, etc.

During the current fiscal year (from April 1, 2024 to March 31, 2025), the main transactions between the Company and Shinmei HD Group consisted of the sale and purchase of our products and the acceptance of seconded employees. However, none of these transactions were significant in terms of amount, and therefore there are no matters to report.

4. Status of implementation of measures to protect minority shareholders when conducting transactions with controlling shareholders

Regarding significant transactions and actions with Shinmei HD, the controlling shareholder, a special committee composed of independent outside directors reviews and examines the details of such transactions and confirms the appropriateness of continuing such transactions, and submits a report to the Board of Directors. The Board of Directors has received the report and is implementing the resolution made at a meeting of the Board of Directors, which was attended by independent outside directors. In addition, when conducting transactions with Shinmei HD Group, we require prior approval by the Board of Directors, with the participation of independent outside directors, in accordance with our related party transaction management regulations. The Board of Directors will deliberate on the business necessity and appropriateness of the conditions from the perspective of contributing to the corporate value of the Company, and will consider whether or not to implement the transaction, based on the premise of protecting the interests of minority shareholders.

(end)