



# *2022/3 Q4 Results Explanatory Materials*

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*Oisix ra daichi Inc.*

*2022.5.12*

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# *1. 2022.3 Financial Achievements*

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## *1-1. 2022.3 Achievements*

*+ New DC Current Status*

*+ Inflation Impact*

## *1-2. Results on Business Segment*

## *1-1. 2022.3 Achievements*

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# Executive Summary

## -2022/3 Q4 Results

### Sales

The sales impact of issues relating to relocation of Oisix new Ebina Station came to roughly **-1.0 bn yen as estimated in February**. On the other hand, recovery plans are proceeding nicely with purchase frequency and unit basket prices recovering to levels prior to said relocation issues.

- ✓ Subscribers : Owing to issues at Oisix new Ebina Station, 1 : New subscriber acquisition stopped (about ▲10,000), 2 : Temporary increase in cancellations (about ▲5,000). However, with the help of the likes of TV commercials from late-February, customer acquisitions saw gradual recovery and in fact saw net growth relative to 3Q.
- ✓ ARPU : Domestic Delivery business ARPU have been gradually settling down due to lifestyle changes, and landed at -8%YoY (vs pre-COVID-19 about +5%) .

### EBITDA

- **Relocation problems and recovery costs were invested almost as planned. Lower-than-expected impact on sales resulted in loss of profit of -1.3 bn yen**
- **Increased recovery costs are expected to continue until 1H of 2023.3 (see below for details).**
  - ✓ The breakdown of the decrease of about -1.3 bn yen in profit due to the trouble is as follows : Increase in logistics costs and product disposal due to the response to the trouble, and actual loss of point cost, etc.: about -1.0 bn yen. Loss of profit of lost sales: about -0.3 bn yen.
  - ✓ At Oisix, new spring promotional budgets, for such items as TV commercials, were expended as planned in 4Q.

# Executive Summary

## -2022.3 Full-year results

### Sales

**Led by Oisix, subscriptions and ARPU performed well relative to initial forecast. They were in line with revised forecasts made in February.**

#### ◆ Domestic B2C Subsk Business

- ✓ Subscribers : The 3 main brands added roughly 40,000 new subscribers in 2022.3. The Oisix brand saw an increase of roughly 37,000. Processing of membership cancellations of low frequency subscribers was implemented in the 2H. Owing to suspension of new PR activities vis-à-vis issues at Oisix new Ebina Station, a one-off customer acquisition loss was incurred. Centered on new services, Radish Boya resumed new customer acquisitions resulting in an increase of roughly 2,000 subscribers.
- ✓ ARPU : Although there has been a gradual slowdown since 3Q, all 3 business segments have continued to see +5% growth vs pre-COVID-19 levels.

#### ◆ Other Business

- ✓ Reflecting renewed economic activity, Purple Carrot (U.S.), which saw sales and subscribers double in 2021.3, saw a decline in subscriptions. Results, however, were above expectations.
- ✓ Other business segments, led by EC support and nursery school wholesale, saw solid business expansion.

### EBITDA

**Results were in line with the revised February forecast.**

- ✓ Led by Oisix, the domestic B2C subscription business saw solid gains in the number of subscribers and ARPU.
- ✓ Operating margins at Purple Carrot (U.S.) saw substantial deterioration in the 2H owing to inflation driven raw material and logistical cost increases.  
Operating income : 1H roughly 0.8 bn yen → 2H roughly 0.15 bn yen

## 2022.3 Achievements

Sales : Led by Oisix, subscriptions and ARPU performed well relative to initial forecast.  
They were in line with revised forecasts made in February.

EBITDA : Results were in line with the revised February forecast.

Sales

113.47 bn yen

( YoY + 13%)

EBITDA

6.21 bn yen

( YoY - 30%)

Operating  
Income

4.17 bn yen

( YoY - 44%)

Net  
income  
Attributable to  
owners of the  
parent

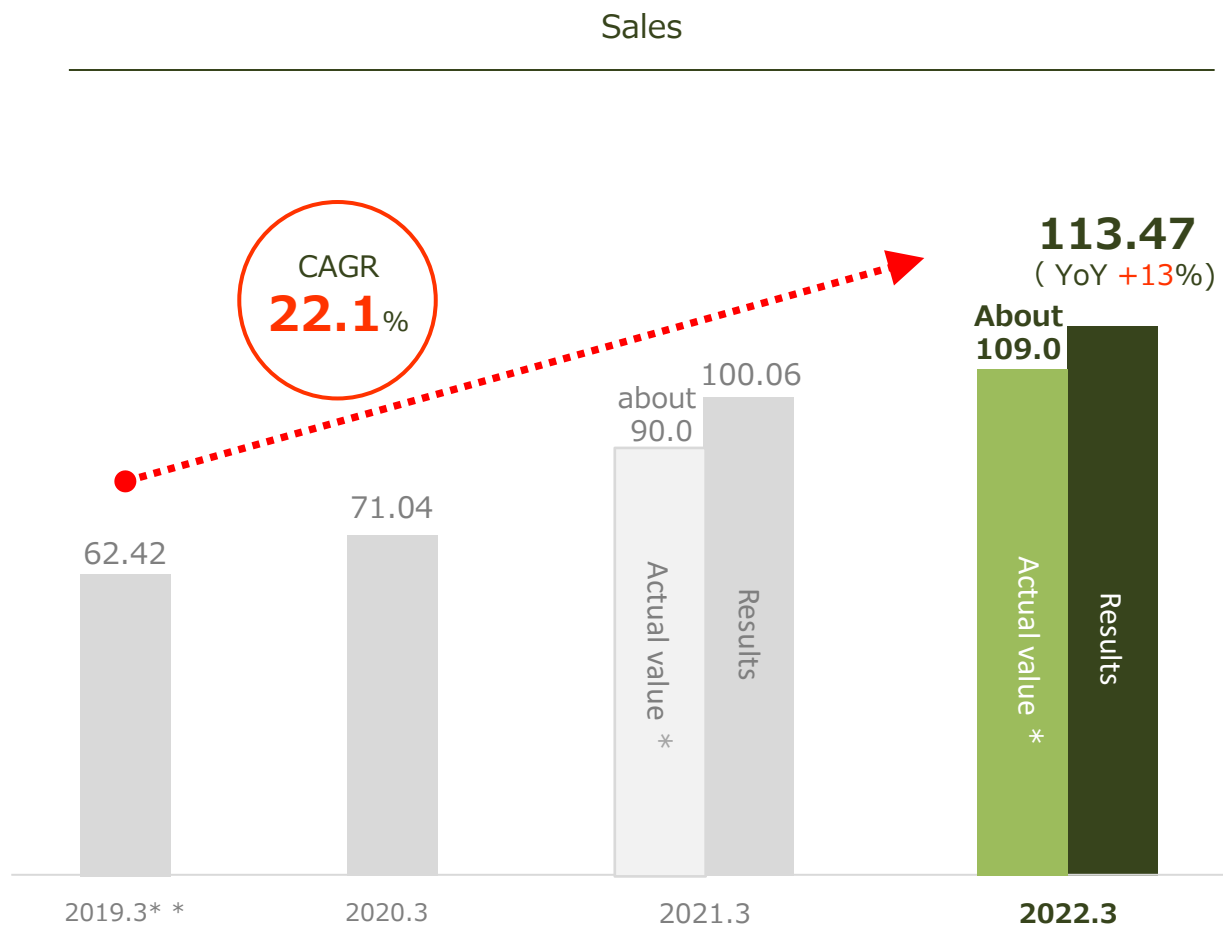
2.72 bn yen

( YoY - 46%)

# Consolidated Results Overview -Sales

\*(Note) Calculation of ARPU assumption.  
To eliminate the one-off boost effects of COVID-19 on ARPU, we assume ARPU to be equal to 2020.3 or the level posted before COVID-19.

Continued high-level growth reflects Oisix led subscription growth and high ARPU.



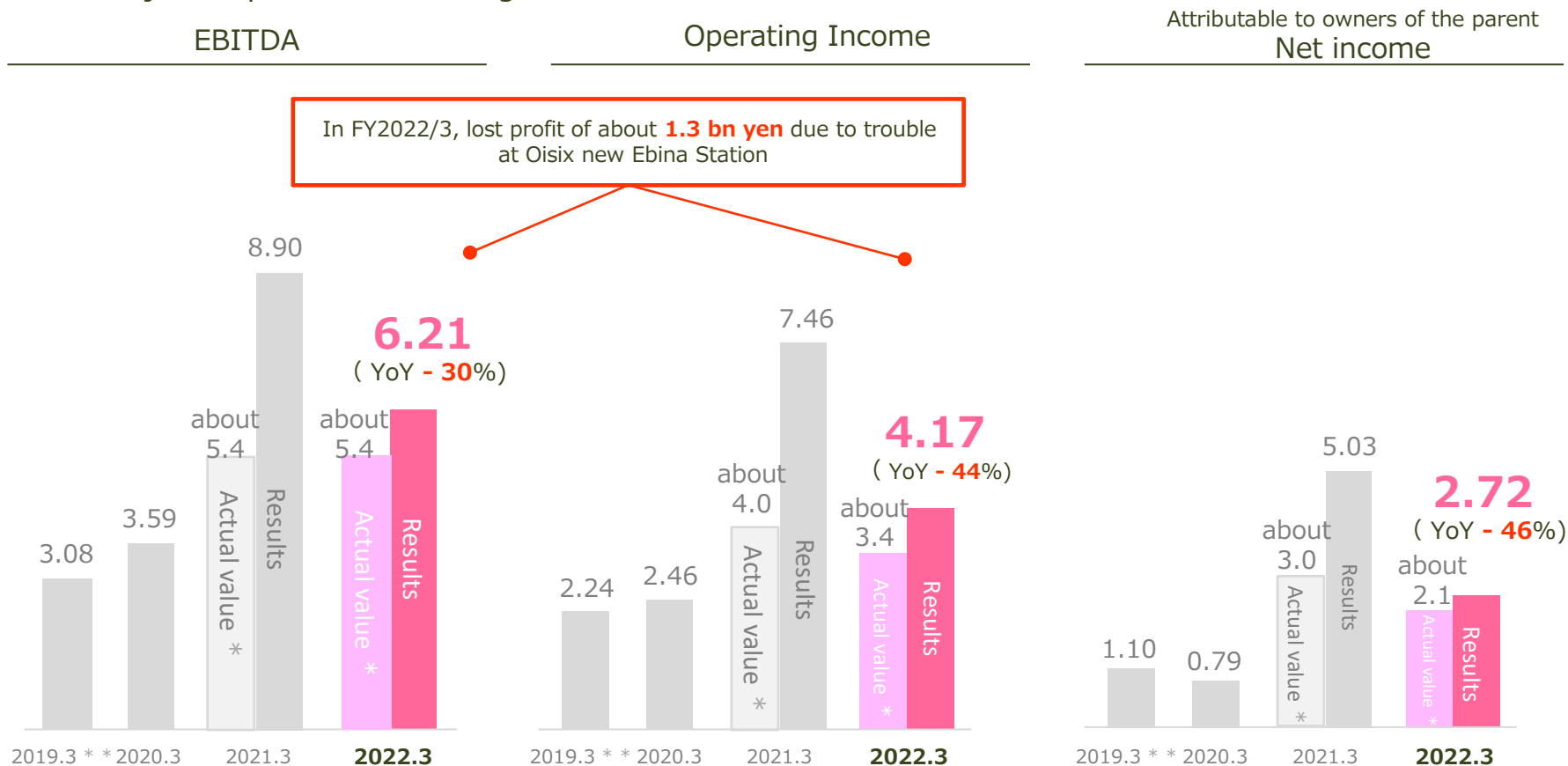


# Consolidated Results Overview

## -Profits

\*(Note) Calculation of ARPU assumption.  
To eliminate the one-off boost effects of COVID-19 on ARPU, we assume ARPU to be equal to 2020.3 or the level posted before COVID-19.

Relative to the irregular Covid-19 driven increase in ARPU in FY3/21, profits fell YoY.  
Excluding the impact of roughly 1.3bn yen in costs related to Oisix new Ebina Station, real adjusted profits saw solid gains.



## 2022.3 Progress of Strategic Initiatives

### -①Sustainable Retail

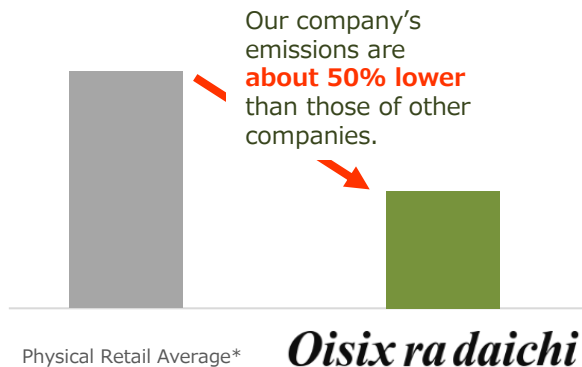
We plan/implement strategic initiatives to achieve further **reduction in GHG emissions and food waste** that are already low given the characteristics of our business model. **In one year, food waste at farms was reduced by roughly 310t.**

#### carbon neutral

##### Formulation of visualization and reduction plans for GHG emissions

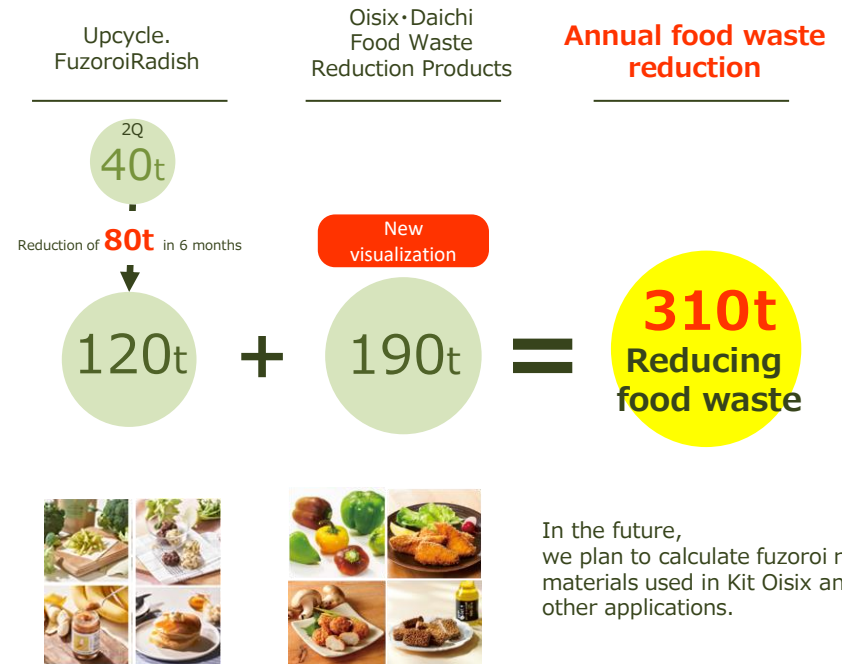
- ✓ Activities with the goal of being carbon neutral by the end of March 2026
- ✓ our business model results in **GHG emissions that is just 50% of the Physical Retail Average even accounting for home delivery.**

■ GHG emissions per sales (including all of Scope 1, 2, and 3)



#### Zero Food Waste

- ✓ **food waste at farms was reduced by roughly 310t.** Promote development and sales of original products for further utilization



## 2022.3 Progress of Strategic Initiatives

- ②expanding fulfillment functions
- ③Execution of large-scale promotions

To support sales growth at Oisix, we are **expanding fulfillment functions** and implementing new promotions utilizing celebrities. **Centered on Oisix, we are building the foundation to secure future business growth.**

### — ②expanding fulfillment functions —

#### -System enhancement in response to business expansion

- ✓ **Renewal of systems infrastructure was completed as scheduled.** Represents a departure from our old systems which underwent countless add-on modifications and which has been in use since company founding.



#### -Relocation of Oisix refrigerated warehouses

- ✓ The impact of the relocation trouble was a loss of both sales and profit. Shipment capacity will be increased, and the outlook for efficiency improvement In the 2H of 2023.3 is established.



### — ③Execution of large-scale promotions —

#### TV commercials

- ✓ Since mid-Feb. we have been airing TV commercials employing celebrities. We look to create new opportunities for customers unaware of Oisix to purchase 'The Trial Set.'

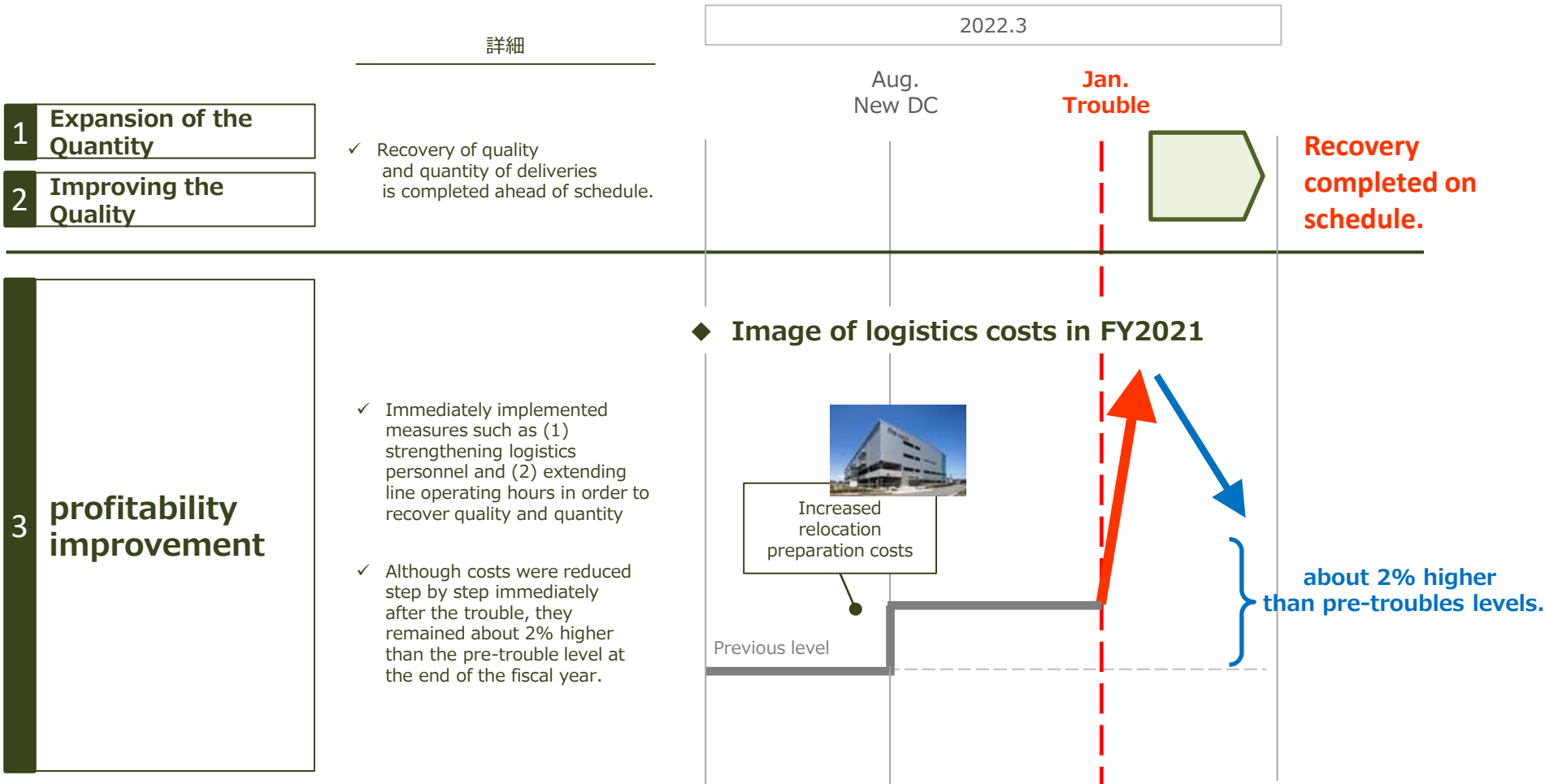


# New Ebina DC Status

Relative to the recovery plan announced in Feb., quality of delivery services was restored as scheduled in Mar.

The out-of-stock-ratio improved to roughly 0.2% and ARPU recovered to pre-trouble levels.

Regarding profitability improvement, service quality has improved but remains about 2% higher than pre-troubles levels.



# Inflation Impact

We are in the process of assessing the impact of inflation on the domestic B2C subscription business. We are closely monitoring trends for those products where we have already raised prices owing to rising manufacturing costs.

As Purple Carrot (U.S.) has been significantly impacted by rising raw material/logistical costs, we expect to implement countermeasures such as raising prices.

## Domestic B2C (Oisix, Daichi, Radish Boya)

- ✓ The main products we handle are domestically produced and private brands, Price hikes were implemented for some products due to an increase in production costs.

⇒At present, there have been no major changes in customer trends, **Effects are still being assessed.**



We will be assessing pricing strategies as we monitor subscriber behavioral trends and implement appropriate pricing in the event of large raw material price increases and/or where inflation is prolonged.

## Overseas B2C (US : Purple Carrot)

- ✓ Due to rapid inflation since the 2H of last year, Significant increase in costs, including personnel costs for raw materials and warehouse work staff

⇒Operating income for the previous period: 1H: 0.8 bn yen in the 1H ⇒ in the 2H : 0.15 bn yen

**Significant deterioration in profit margins**

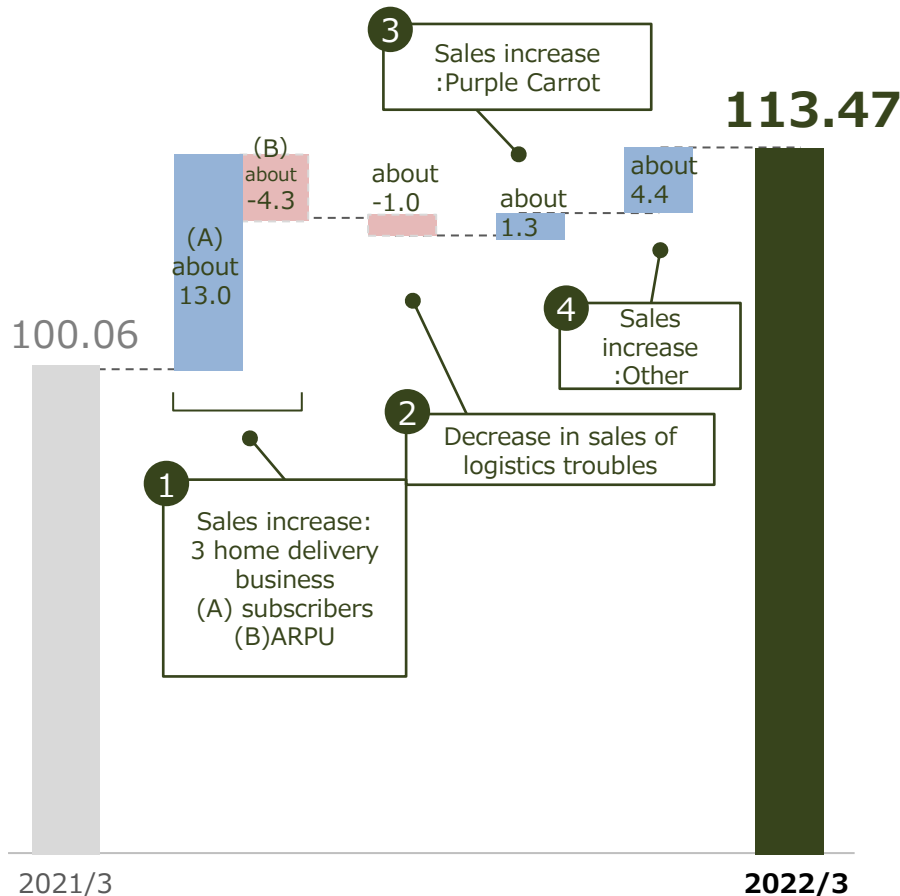


Such as raising prices for meal kits and changing suppliers Early implementation of initiatives to improve profitability  
(Refer to pages 66 for details)

# YoY : Sales

The domestic home delivery business, led by Oisix, saw subscriptions increase by roughly 40K in FY3/22. Additionally, ARPU has remained high versus pre-COVID-19 levels allowing for a **¥13.4bn increase in revenues**.

- Sales (bn yen)



## ① Sales increase of 3 home delivery business : about +8.7bn yen

- (A) Increase in subscribers : about 13.0 bn yen
- (B) Increase in ARPU : about - 4.3 bn yen

## ② Decrease in sales due to relocation troubles : about - 1.0bn yen

## ③ Sales increase of Purple Carrot : about +1.3bn yen

- Although Subscriber has been decreasing since peaking in 1Q, Sales were higher than forecast in the same period of the previous fiscal year.

## ④ Sales increase of Other : about +4.4bn yen

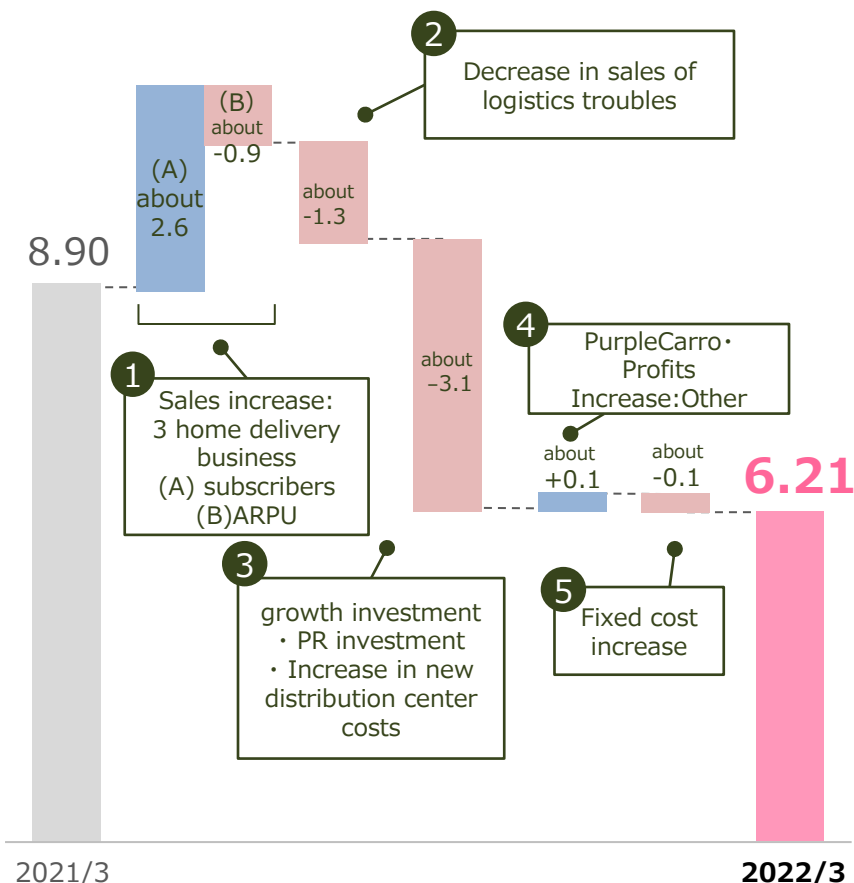
- EC support
- Kindergarten wholesale
- Hong Kong/ Shanghai
- Consolidated subsidiaries (include new consolidation by "Toyoichi")

# YoY : EBITDA

Aggressively invest in growth-oriented businesses, including new PR costs for the 3 home delivery businesses and costs for transitioning to Oisix new Ebina Station (including depreciation).

On the other hand, profit margin decline due to lower ARPU and troubles at the Oisix new Ebina Station relocation resulted in a profit decline of about 2.7 bn yen compared to the previous year

-EBITDA (bn yen)



## 1 Profits increase of 3 home delivery business : about 1.7 bn yen

- (A) Increase in subscribers : about 2.6 bn yen
- (B) Increase in ARPU : about -0.9 bn yen

## 2 Trouble profit decline : about -1.3 bn yen

## 3 Increased investment in growth : about - 3.1 bn yen

- (C) PR investment : about -2.8bn yen
- (D) Increase in logistics costs for : about -0.3bn.yen new Oisix distribution center

\*In addition, depreciation and amortization increased by about 0.3 bn yen, affecting operating income.

## 4 Profit increase of Purple Carrot and Other : about 0.1bn yen

## 5 Companywide fixed costs increase : about - 0.1bn yen

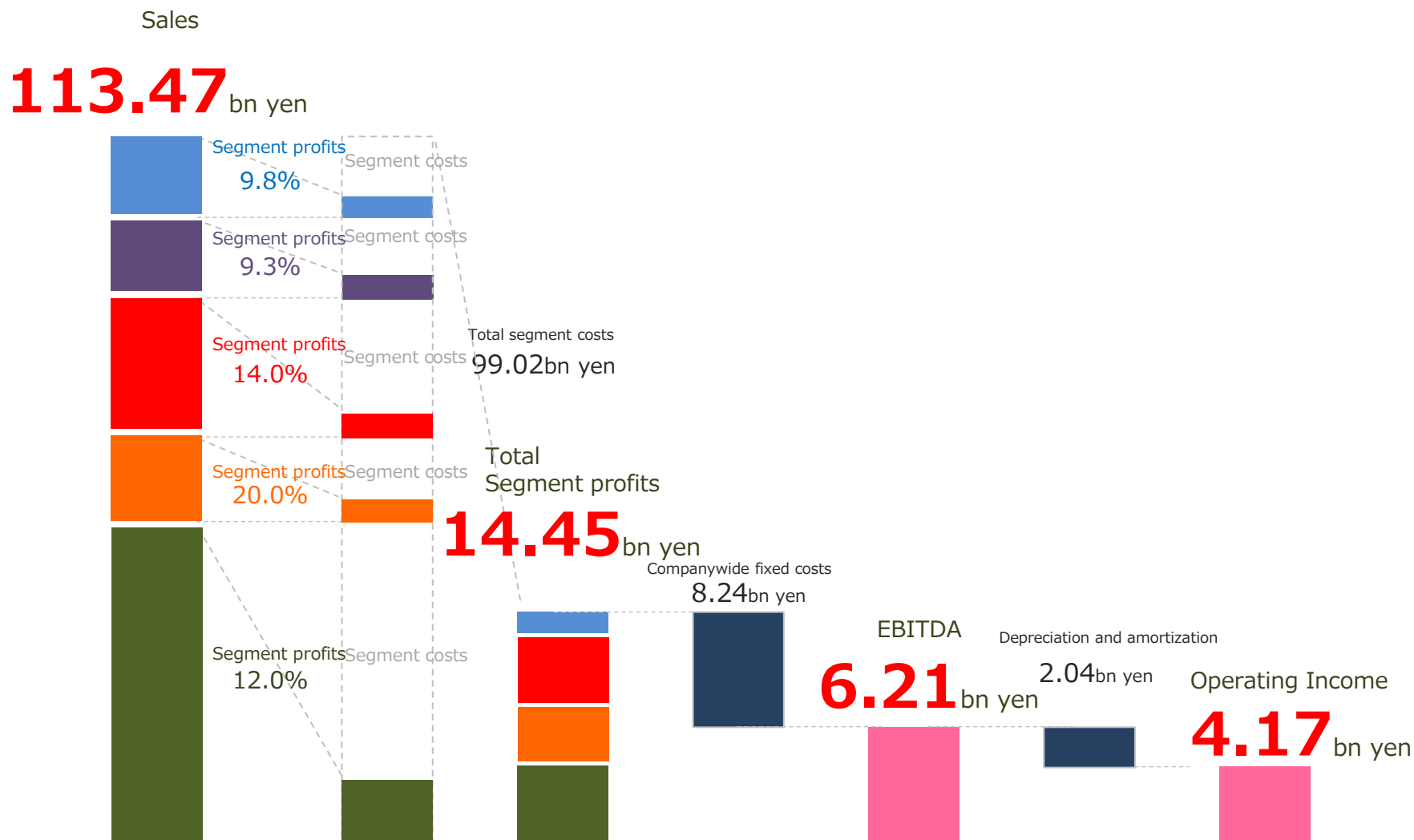
- Strengthening personnel for business enhancement and expansion
- Preparatory expenses for renewal of system infrastructure (enhancement of speed and data utilization).

# Business segment Results

	Sales	Segment profit*	Overview
Oisix	58.54 bn yen (YoY +17%)	7.03 bn yen (YoY - 22%)	<ul style="list-style-type: none"> <li>•Subscriptions saw solid growth mainly in the 1H. Reflecting, however, subscription cancellation processing for low-frequency users in the 2H (appx. 10,000 subscribers) and issues at Oisix new Ebina Station, cumulative subscriptions increased by just 37,000 for the full year.</li> <li>•ARPU fell reflecting increased outdoor activity. That said, strong demand in the 1H allowed for a 12% full year increase versus pre-COVID-19 levels.</li> </ul>
Daichi*	13.24 bn yen (YoY - 5%)	2.61 bn yen (YoY - 5%)	<ul style="list-style-type: none"> <li>•We continue to experiment with the development of new subscriber acquisition methods. Promotion Limited growth in subscriber base due to inadequate spending</li> <li>•ARPU has weakened reflecting such factors as increased outdoor activity by users, at +7% YoY for the full year versus pre-COVID-19 levels.</li> </ul>
Radish Boya	17.43 bn yen (YoY - 2%)	2.42 bn yen (YoY - 20%)	<ul style="list-style-type: none"> <li>•In subscribers, despite a decline in the 2H due in part to revisions to delivery fees, acquisition methods such as fuzoroi Radish are being established, and the cumulative total of about 2,000 subscribers increased this fiscal year.</li> <li>•ARPU has weakened reflecting such factors as increased outdoor activity by users, at +6% YoY for the full year versus pre-COVID-19 levels.</li> </ul>
Purple Carrot* (Results for Jan to Dec)	10.20 bn yen (YoY +17%)	0.95 bn yen (YoY +16%)	<ul style="list-style-type: none"> <li>•Subscriptions and sales that saw a doubling in FY3/21 saw a gradual weakening in the current FY3/22. The impact, however, was lower than expected. Whilst profit fell owing to inflation driven higher raw material and labor costs, it continued to be positive in 4Q.</li> </ul>
Other Business*	14.57 bn yen (YoY +43%)	1.42 bn yen (YoY - 6%)	<ul style="list-style-type: none"> <li>•EC support services continued to see strong performance.</li> <li>•The SinS/Nursery School Wholesale business saw sales expansion on steady growth in the number of subscribers</li> <li>•To help with localization of products/services, overseas travel to Hong Kong/Shanghai were resumed in the 2H to conduct surveys.</li> </ul>



# Business segment Results Overview



## *1-2. Business Segment Summary*

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## ① Domestic Delivery business (Three major brands)

- | Oisix
- | Daichi
- | Radish Boya

## ② Domestic Delivery business (Other)

- | EC support business for other companies (Alliance)
- | *Tokushimaru* (Subsidiary)

## ③ Overseas Business

- | Purple Carrot(U.S.)
- | Hong Kong, Shanghai

## ④ Other Business

# Oisix KPI

Domestic Delivery business (Three major brands)
Domestic Delivery business (Other)
Overseas Business
Other Business

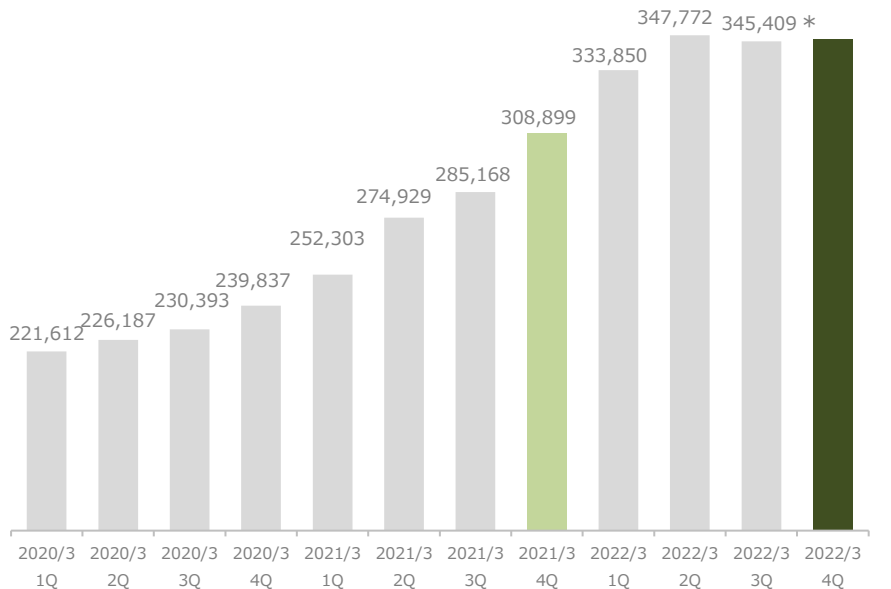
Subscribers : Owing to temporary suspension of new customer acquisitions vis-à-vis issues at Oisix new Ebina Station, subscriptions fell. **benefit of a large-scale TVCM campaign aired from mid-Feb, Subscribers increased slightly and profits rose 12% YOY.**

ARPU : ARPU decreased 7% YoY due to changes in lifestyles, such as increased opportunities to go out, delivery cancellations due to problems at the new distribution center, and a decrease in unit price due to limited SKUs.

No. of subscribers

**346,083**

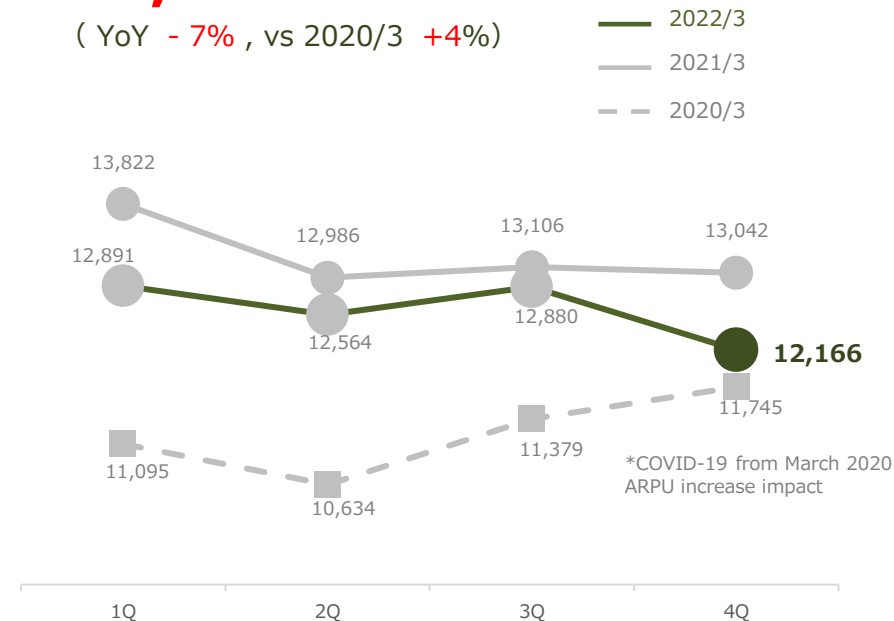
( YoY + 12% )



ARPU

**12,166** yen

( YoY - 7% , vs 2020/3 +4% )



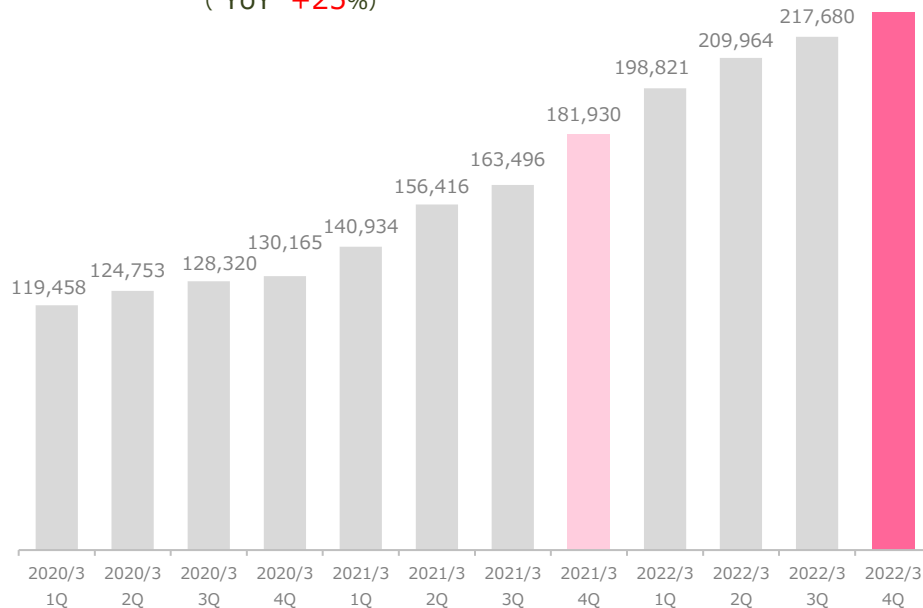
Kit Oisix Course subscriptions (included in Oisix subscriptions) grew **25% YoY driving growth in overall Oisix subscriptions**. In 4Q, we re-proposed courses in line with subscriber purchasing patterns. As a result, roughly 8,000 subscribers switched from other courses to Kit Oisix courses.

No. of Kit Oisix course subscribers\*

## 226,594

(Includes Oisix subscribers)

(YoY **+25%**)



### ◆ Features of Kit Oisix

- ✓ You can make one main and one side dishes in **less than 20 minutes**
- ✓ **Uses 5 or more kinds of vegetables** collected from contract farmers.
- ✓ **Reducing food loss** by using up all ingredients



Domestic Delivery business (Three major brands)
Domestic Delivery business (Other)
Overseas Business
Other Business

Subscribers : Slight decrease as a result of sales promotion restraints and lower efficiency in new acquisitions.

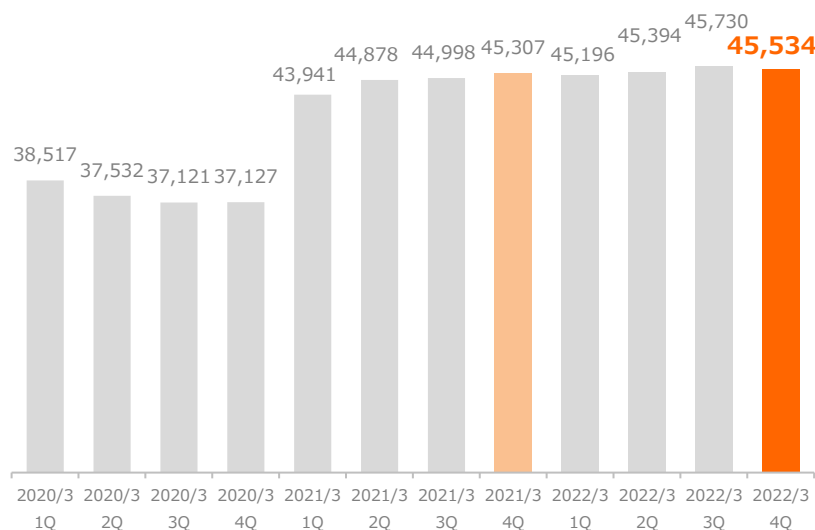
Whilst customer acquisition knowledge has been enhanced, it grew just +1% YoY.

ARPU : Unit purchase prices have been gradually settling down due to lifestyle changes, and landed at -8% YOY.

## Subscribers

# 45,534

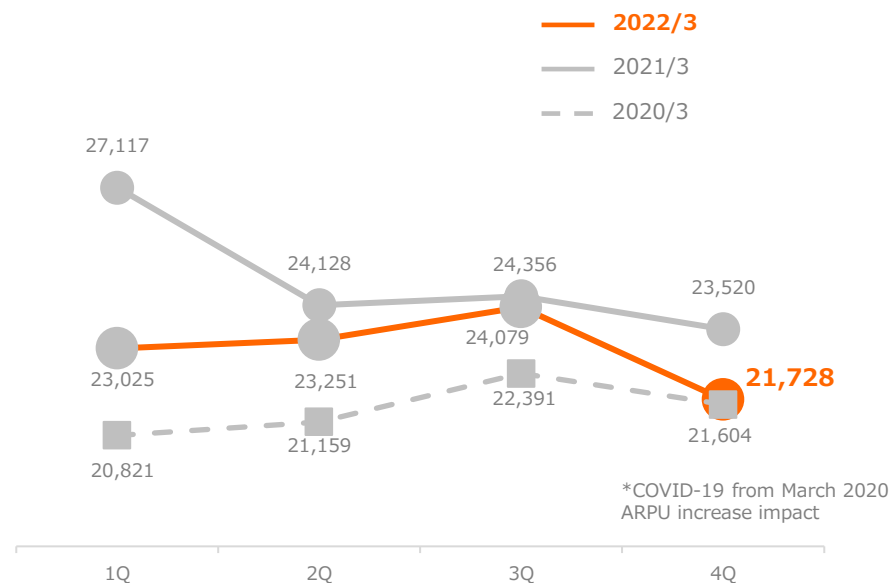
(YoY +1%)



## ARPU

# 21,728<sub>yen</sub>

(YoY -8% , vs 2020/3 +1%)



# Radish Boya KPI

Domestic Delivery business (Three major brands)
Domestic Delivery business (Other)
Overseas Business
Other Business

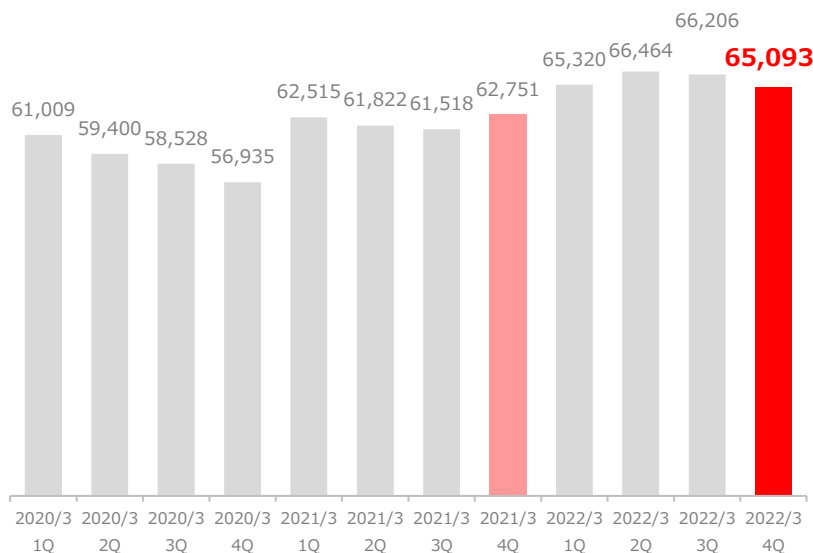
Subscribers : Whilst subscriptions saw a one-off decline owing to delivery charge revisions and subsequent cancellations, **sales increased 4% YoY** and in line with initial plans.

ARPU : Unit purchase prices have been gradually settling down due to lifestyle changes, and landed at -7% YOY.

Subscribers

## 65,093

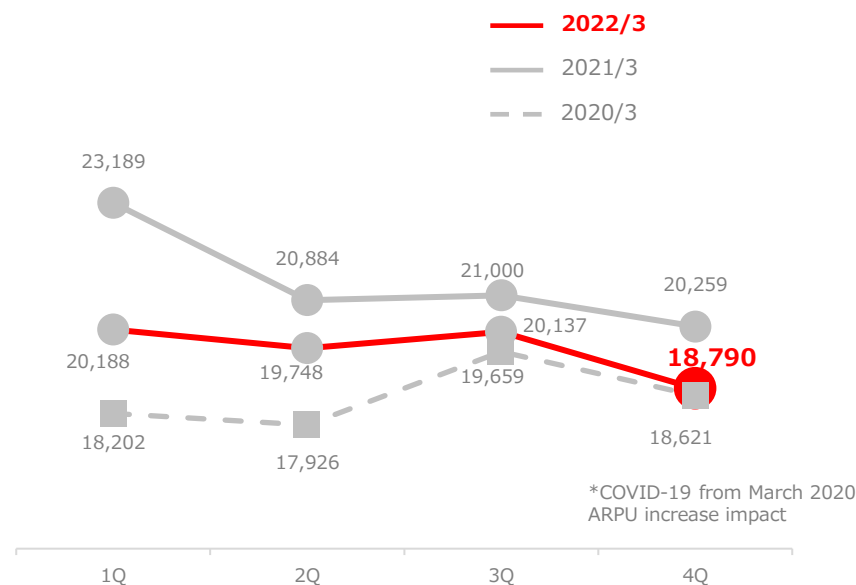
(YoY +4%)



ARPU

## 18,790<sub>yen</sub>

( YoY - 7% \ vs 2020/3 +1%)



\*COVID-19 from March 2020  
ARPU increase impact

# Overview of Business Segments

## ① Domestic Delivery business (Three major brands)

- | Oisix
- | Daichi
- | Radish Boya

## ② Domestic Delivery business (Other)

- | EC support business for other companies (Alliance)
- | Tokushimaru (Subsidiary)

## ③ Overseas Business

- | Purple Carrot(U.S.)
- | Hong Kong, Shanghai

## ④ Other Business



# EC Support

Domestic Delivery business (Three major brands)
Domestic Delivery business (Other)
Overseas Business
Other Business

The number of subscribers for each service was bottomed out due to COVID-19, and **GMV\* increased about +40% YoY**. Continue to develop unique services and products based on knowledge of each customer's needs.

ISETAN  
DOOR



Support Isetan Mitsukoshi's EC business from operation and management of EC sites to distribution and delivery.



## Results

- Both subscribers and sales exceeded the previous year

## Topics

- Better understanding of effective planning for the event season



dミールキット



Started in July 2019 in collaboration with NTT Docomo. Offer regular delivery services, mainly meal kit for NTT Docomo's customers.



## Results

- Both subscribers and sales exceeded the previous year

## Topics

- Strengthen development of kits for d-meal kit subscribers with strong time-saving needs

Owing to growth in mobile store demand, GMV (Gross Merchandise Value) **+38% YoY and continued to see high growth**. Vehicles in operation have been growing nationwide and with the help of TV documentary/ newspaper media coverage, brand recognition has been rising.

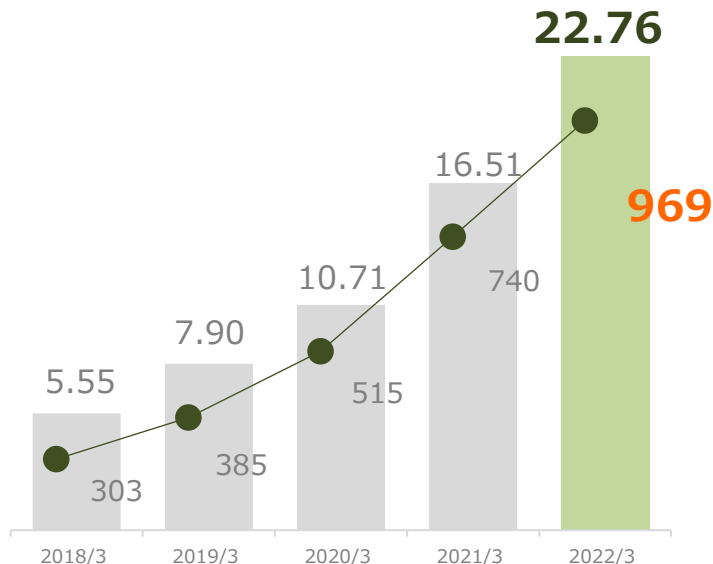
## Impact scale

2022.3 GMV (gross merchandise value)\*

**22.76** bn yen  
(YoY **+38%**)

Number of vehicles  
in operation

**969**  
(YoY **+229**)



## ◆ Documentary airing

- ✓ Nationally broadcast documentary TV program closely follows Tokushimaru
- ✓ The interaction with customers and sales partners and mobile supermarkets was televised and received a favorable response.



## ① Domestic Delivery business (Three major brands)

- | Oisix
- | Daichi
- | Radish Boya

## ② Domestic Delivery business (Other)

- | EC support business for other companies (Alliance)
- | Tokushimaru (Subsidiary)

## ③ Overseas Business

- | Purple Carrot(U.S.)
- | Hong Kong, Shanghai

## ④ Other Business

Domestic Delivery business (Three major brands)
Domestic Delivery business (Other)
<b>Overseas Business</b>
Other Business

Sales declined in stages from the beginning of the period as subscribers continued to decline due to the impact of COVID-19. In addition, the operating profit margin deteriorated significantly in the second half of the fiscal year due to inflationary increases in raw material and logistics costs.

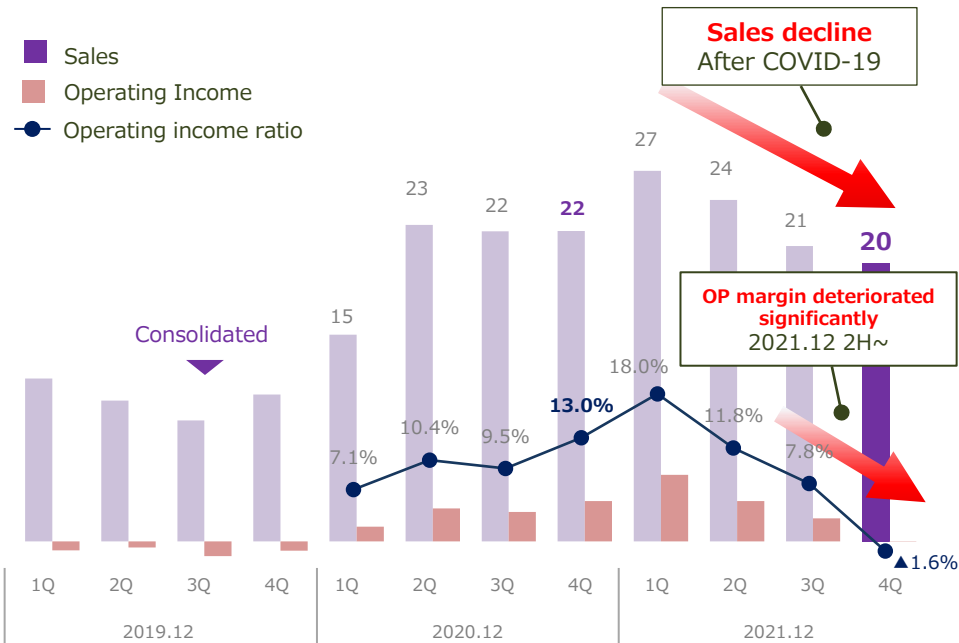


## Business Overview

- 100% Vegan meal kits and ready-to-eat foods
- Weekly home delivery to 48 states in the continental U.S. subscription model
- Veganism is a lifestyle that does not consume food of animal origin.  
In recent years, the style has spread to enjoy only a few days a week.



## Quarterly results (\$mn)



Hong Kong : **Subscriptions rose with resurgent Covid-19.** While ensuring stable supply, we are also advancing service improvements and building a foundation in line with local needs.

Shanghai : **Began developing a localized Kit Oisix meal kit** based on detailed understanding of local needs

***Oisix***  
*Hong Kong*

Launched the service in 2009.  
A model that delivers both cross-border and locally sourced goods



## Results

- Re-expansion of CCOVID-19 in Hong Kong revived demand for home delivery and increased subscribers.

## Topics

- Our staff begins their stay in the area and builds a business operation system.
- Implemented new services, including the launch of the Oisix Hong Kong app

***Oisix***  
*Shanghai*

Business experiment started in 2017. Deliver products that meet Oisix product standards by local procurement



## Topics

- Our staff will stay in the area to better understand the social issues of food in the local community.
- Localization "Kit Oisix" being created and subscribers are continuing to use them.

## ① Domestic Delivery business (Three major brands)

- | Oisix
- | Daichi
- | Radish Boya

## ② Domestic Delivery business (Other)

- | EC support business for other companies (Alliance)
- | Tokushimaru (Subsidiary)

## ③ Overseas Business

- | Purple Carrot(U.S.)
- | Hong Kong, Shanghai

## ④ Other Business

# Nursery School Wholesale/SinS

Domestic Delivery business (Three major brands)
Domestic Delivery business (Other)
Overseas Business
Other Business

Nursery School Wholesale : **No. of trading nursery school increased** due to labor-saving cooking and support for dietary education.

SinS : Focused on increasing No. of stores selling Kit Oisix, resulting in +73 stores in YoY, contributing to increased awareness of the Oisix brand.

## Nursery School Wholesale (*suku-suku Oisix*)

Sales of nutritionally controlled menus and ingredients  
for nursery schools

Sales  
**1.20** bn yen

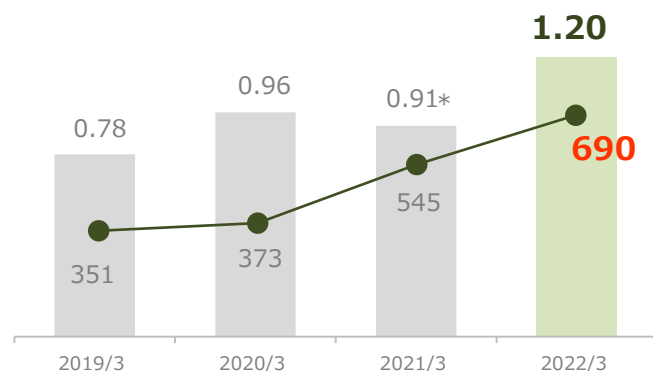
– YoY **+33%**



No. of trading nursery school

**690**

– YoY **+145**



## Shop in Shop (SinS)

Selling KitOisix and fruit and vegetable  
products at the supermarkets of our clients

Sales  
**0.88** bn yen

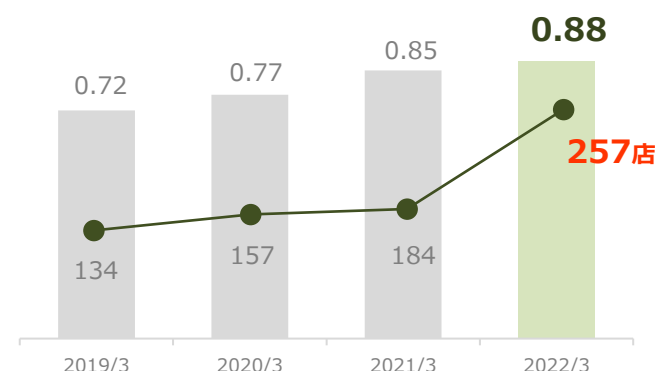
– YoY **+4%**



No. of shops

**257**

– YoY **+73**



## *2. Medium-Term Growth Strategy*

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*2-1. Sustainable Retail Strategy*

*2-2. Domestic B2C Subscription Strategy*

*1) business model*

*2) Strategy for 2023.3*

*2-3. Expansion of Business Domain*

*(Domestic B2B Subscription Business)*

*2-4. Enhance profitability*

*2-5. Future Growth Image*



## *2-1. Sustainable Retail Strategy*

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# Farm for Tomorrow, Table for Tomorrow

We provide services that enable a better food life for more people.

We evolve continuously where good farmers are rewarded and proud.

We realize a society that deliver a sustainable framework that links farm and table.

We solve social issues related to food through business approaches.

We create and expand Tomorrow's Food.

*growth strategy*

---

*“Leveraging the power of the business model and technology  
to provide food that is good for both people and the earth.”*



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# *Sustainable Retail*

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## Expand B2C subscription business

We are one of the few companies in the world that operate a large number of brands in subscription home delivery for B2C, both domestically and internationally.

### Domestic B2C brands



(EC Support)



(EC Support)

### Overseas B2C brands

U.S.



Hong Kong

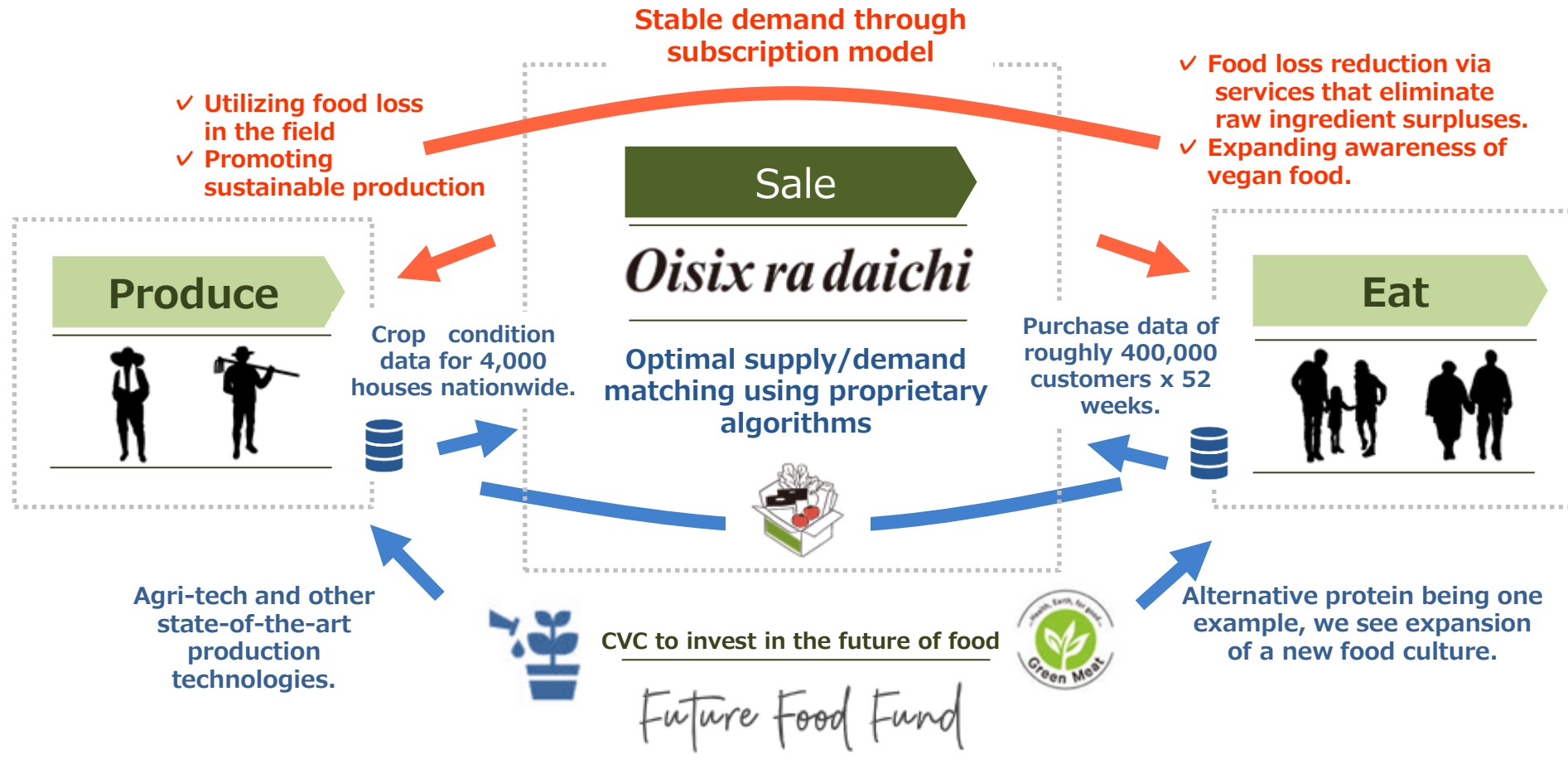


Shanghai



## Using business models and technology (Re-investigation : 2022.3 2Q)

→ Using Business Models  
→ Using Technology



► **Realization of zero food loss and carbon neutrality**

## *2-2.Domestic “B2C” Subscription Strategy*

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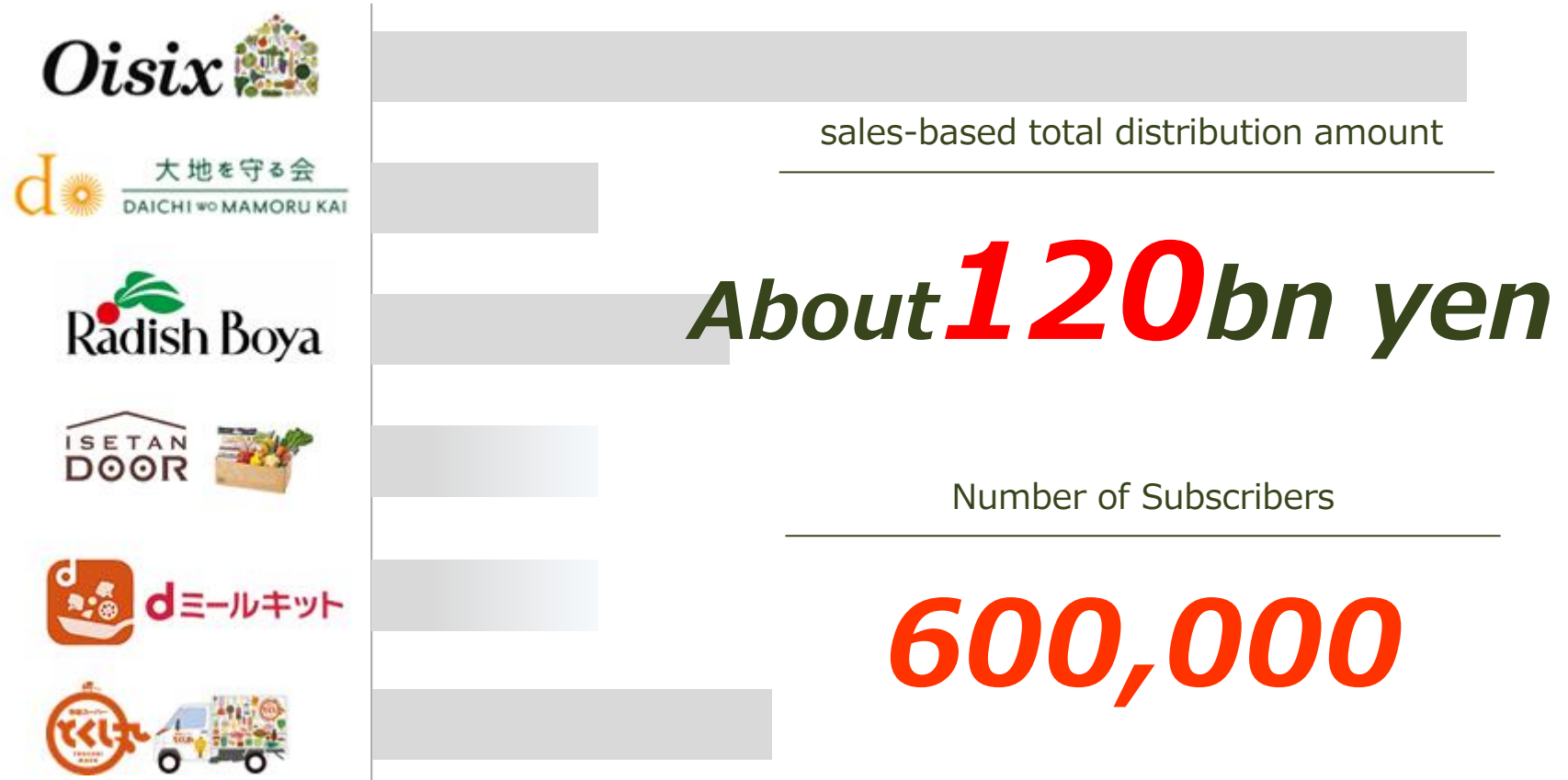
*1) Business Model*

*2) 2023.3 Strategy*

# 1.BusinessModel

## -Our “B2C”subscription

We have 6 B2C subscription home delivery brands in Japan, including an e-commerce support business for other enterprises. Our sales-based total distribution amount is approximately 120 billion yen, and the number of subscribers expanded to reach roughly 600,000.



# 1.BusinessModel

## -Market Size

The market size of the domestic food delivery market in which we operate is approximately 2.5 trillion yen.

*Oisix ra daichi*

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about **120**bn yen



the domestic food delivery market

---

about **2.5**tri yen\*



# 1.BusinessModel

## -Domestic food delivery market

The domestic food delivery market has been revitalized by changes in consumer trends due to COVID-19 and the entry of various domestic and foreign players. FY2020 recorded a market increase of 15% compared to the previous year, and steady growth is expected to continue.

### Environmental change

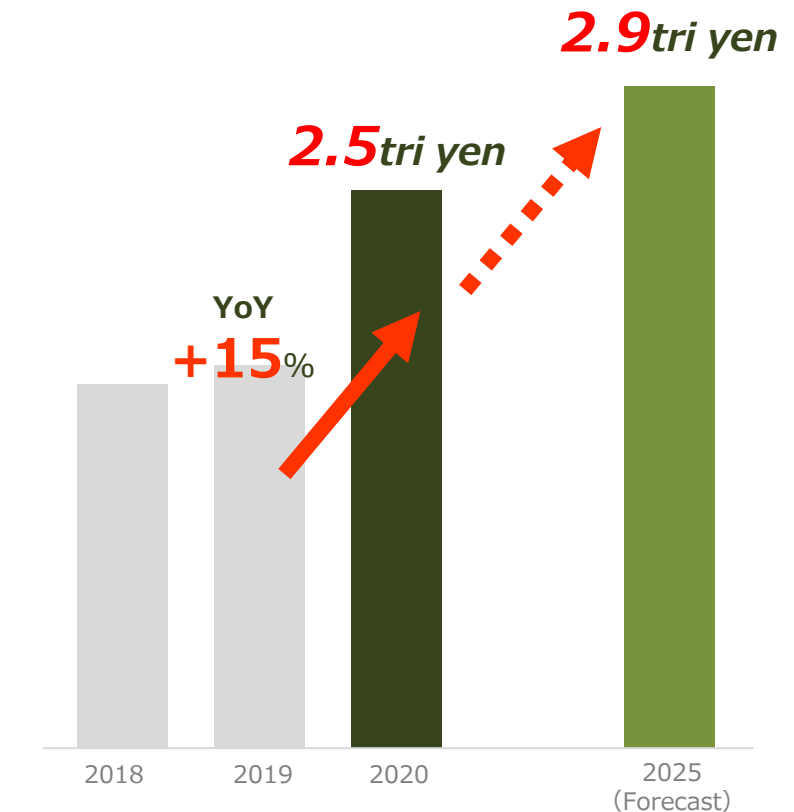
#### -Increased opportunities to eat at home



#### - New entry of EC player



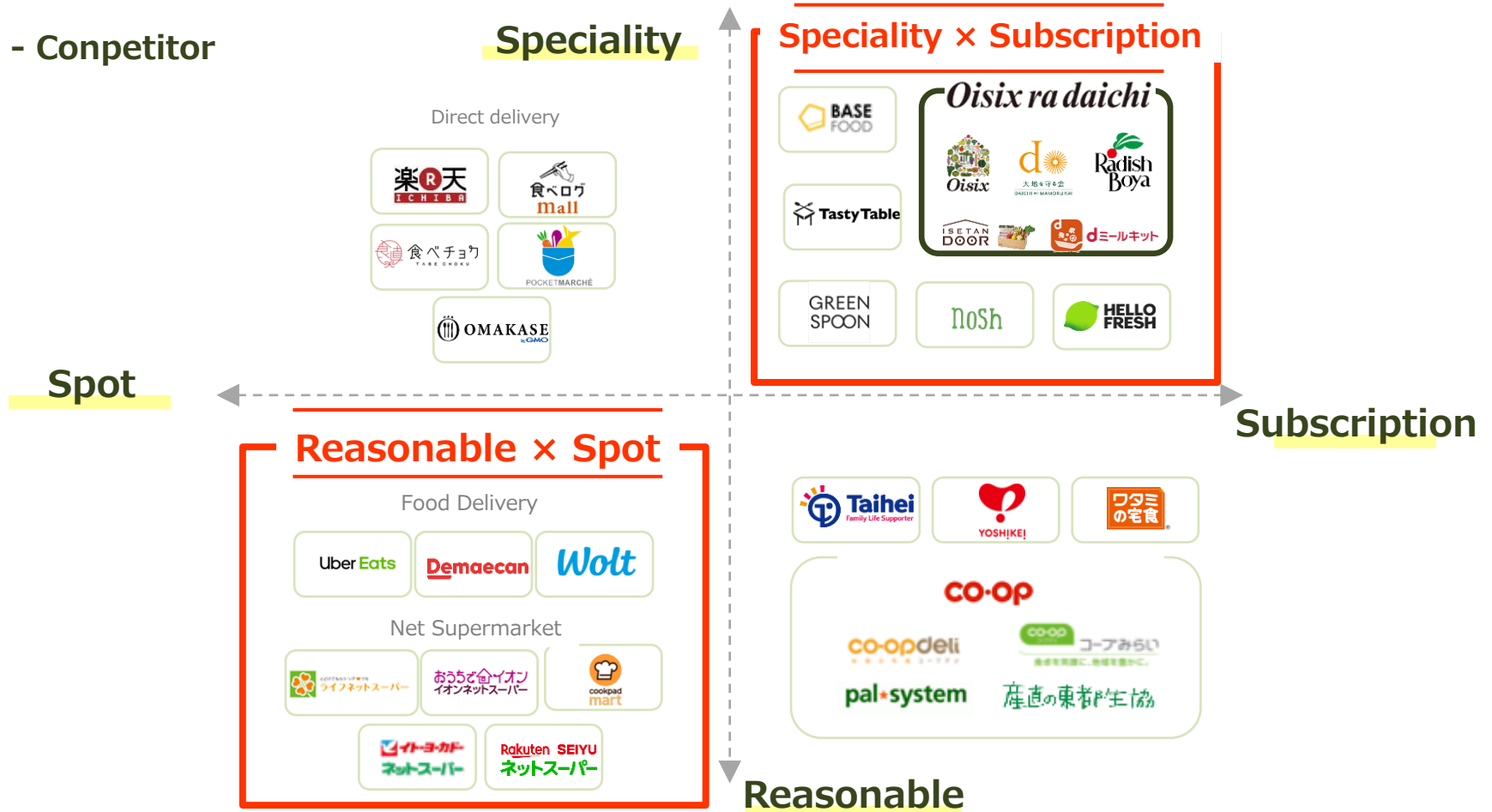
Domestic food delivery market \*



# 1. Business Model - Positioning

In the food delivery market, players can be broadly categorized into "specialty vs. reasonable" and "subscription vs. one-time-purchase". Among these, the areas where many companies are entering the market and there is significant activity are 1): Specialty x Subscription and 2): Reasonable x Spot.

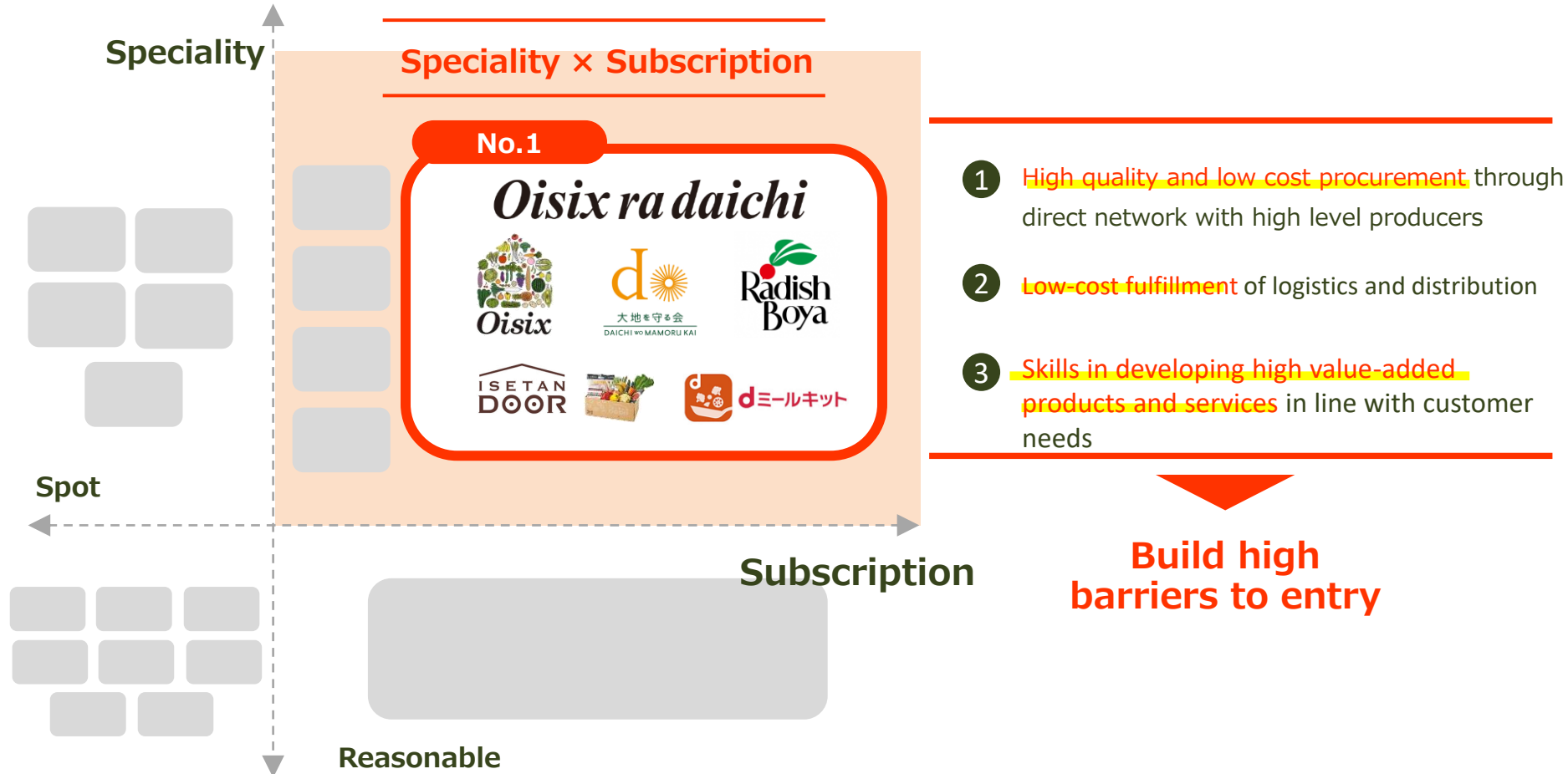
- Competitor



# 1. Business Model

## -Speciality × Subscription

The "Specialty x Subscription" market is expanding due to stable income from subscriptions and consumers' increasing preference for specialty products. We are the No. 1 player in sales in the "1): Specialty x Subscription" domain. Leveraging the strengths of our "business model and technology," we have built a high barrier to entry in the "specialty x subscription" area by differentiating our products and services.



## *2-2.Domestic “B2C” Subscription Strategy*

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*1) Business Model*

*2) 2023.3 Strategy*

## Sustainable Retail Strategy

Business Model



×

Technology

||

Sustainability



## FY2022 Strategy

- ① **Polish our specialty of products and services**
  - Strengthening "Premium Value"
  - Shifting to the "super" time-saving
- ② **Strengthen brand recognition in the food delivery market**
- ③ **Promote sustainability throughout the service**

## ①Polish our specialty of products and services

### -Strengthening "Premium Value

We further enhance the value provided by our meal kit, Kit Oisix, based on the existing value proposition of offering plentiful vegetables.

We have also enhanced products in collaboration with Disney and other brands that have a high affinity with the values we offer, as well as offer solutions to customers' breakfast needs as well.

### -Disney Kit Oisix

- ✓ Utilize a different character each month, to capture children's interest in food.



©Disney



©Disney. Based on the "Winnie the Pooh" works by A.A. Milne and E.H. Shepard.

### -Progression of Breakfast Menus

- ✓ For our soup meal kit, we are considering adding a gut-health-focused menu and a menu that includes more vegetables.



## ① Polish our specialty of products and services

-Shifting to the "super" time-saving

The concept was shifted from premium time-saving to premium "super" time-saving.

This evolution of the product lineup and services enabled the creation of high-quality menus with plenty of vegetables in a shorter amount of time.

### - "Patto Oisix" frozen

- ✓ New "Patto Oisix" frozen foods with plenty of vegetables menu doubled



### New "Super Easy Kit Series"

- ✓ New "Super Easy Kit Series" that even beginner cooks can make in a short time released



### -Recipe video service

- ✓ Recipe video service exclusively for Kit Oisix will begin in June





## ②Strengthen brand recognition in the food delivery market

Utilizing TV commercials and developing new sales channels for households with children, as well as creating a customer experience that meets customer expectations, we acquired new customers while achieving brand recognition and a high level of satisfaction among a wide range of customers.

### -Kit collaborations with celebrities

- ✓ Kit collaborations with celebrities featured in the TV commercials are now available for purchase
- ✓ Plans are in the works to create more fun for customers who started using the service as a result of the TV commercial.



### -Oisix with AkachanHonpo

- ✓ Promotions to attract new customers at Akachanhonpo stores, which mainly target households with children, have received a large number of responses as expected.
- ✓ As the first step of the collaboration, a dedicated course "Oisix with Akachanhonpo" will be launched this spring as planned.





### ③ Promote sustainability throughout the service

To realize our company as a sustainable retailer, we promote sales of nonuniform, food ingredients and plant-based food ingredients. We proactively develop products that can actualize sustainability through food actions, which is becoming a growing customer need.

#### -Time Saving×Sustainability

- ✓ Strengthen development and sales of sustainable products, expanding to 100 products in one year

*kit Oisix*



### ③ Promote sustainability throughout the service

To realize our company as a sustainable retailer, we promote sales of nonuniform, food ingredients and plant-based food ingredients. We proactively develop products that can actualize sustainability through food actions, which is becoming a growing customer need.

#### -Food waste Reduction items



ふざろい  
Radish  
見た目より、中身がごちそう



#### -PlantBased



Green Culture



### ③ Promote sustainability throughout the service

Strengthening improvements in materials and packaging to achieve sustainable retail.

#### -Reducing Plastic in Kit Oisix Packets

- ✓ Reduce plastic by 22% from current level by the end of March 2023
- ✓ Review of the thickness of the BioPath plastic outer bag
- ✓ Review of individual vegetable package size
- ✓ Elimination of vegetable clips



#### -Introduction of corrugated cardboard boxes with variable height

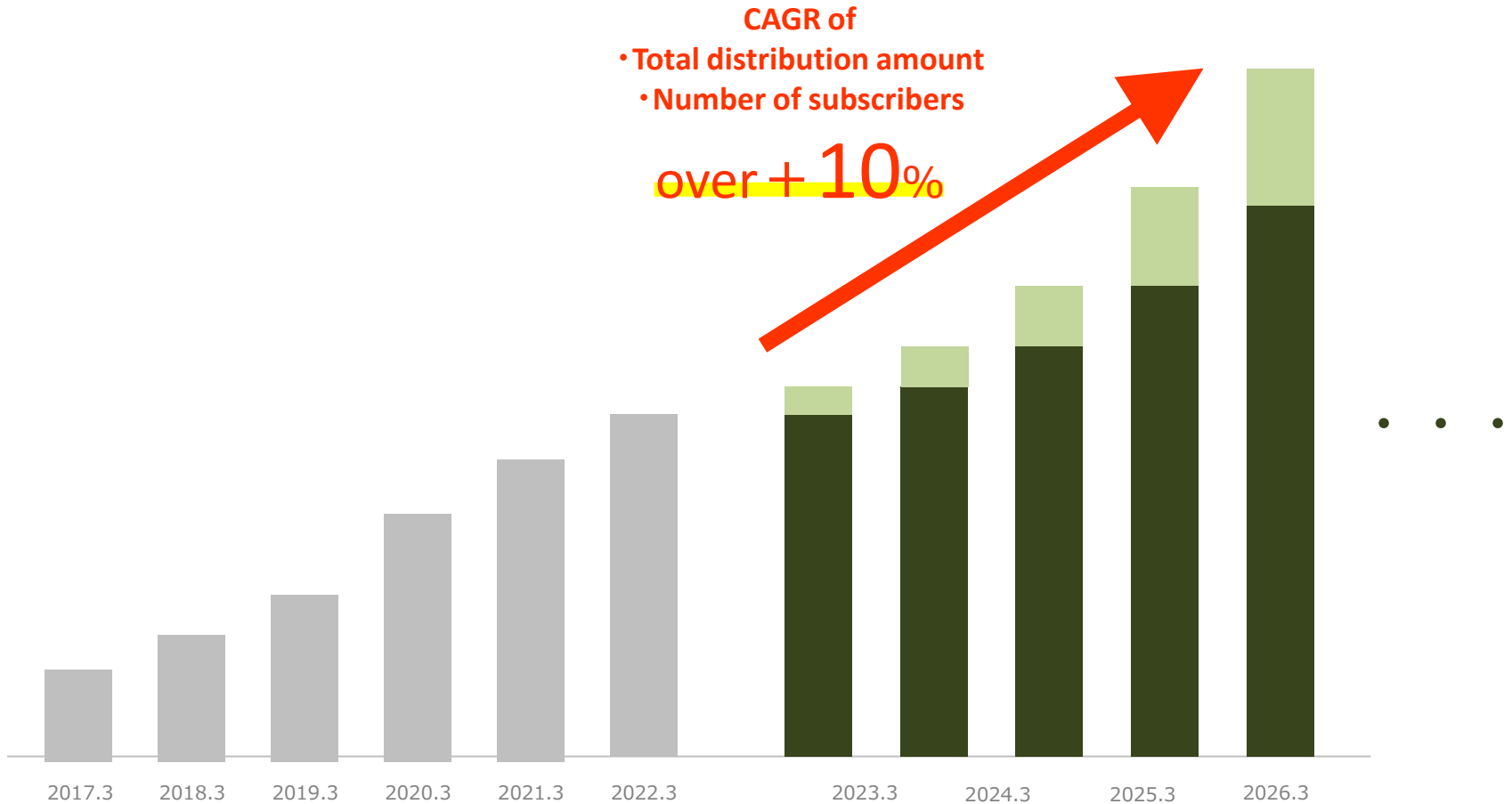


#### -Introduction of label-less packages



## Future Growth Image

For the domestic B2C subscription business, we will continue to target an organic growth goal exceeding 10% CAGR for the total distribution amount and number of subscribers.



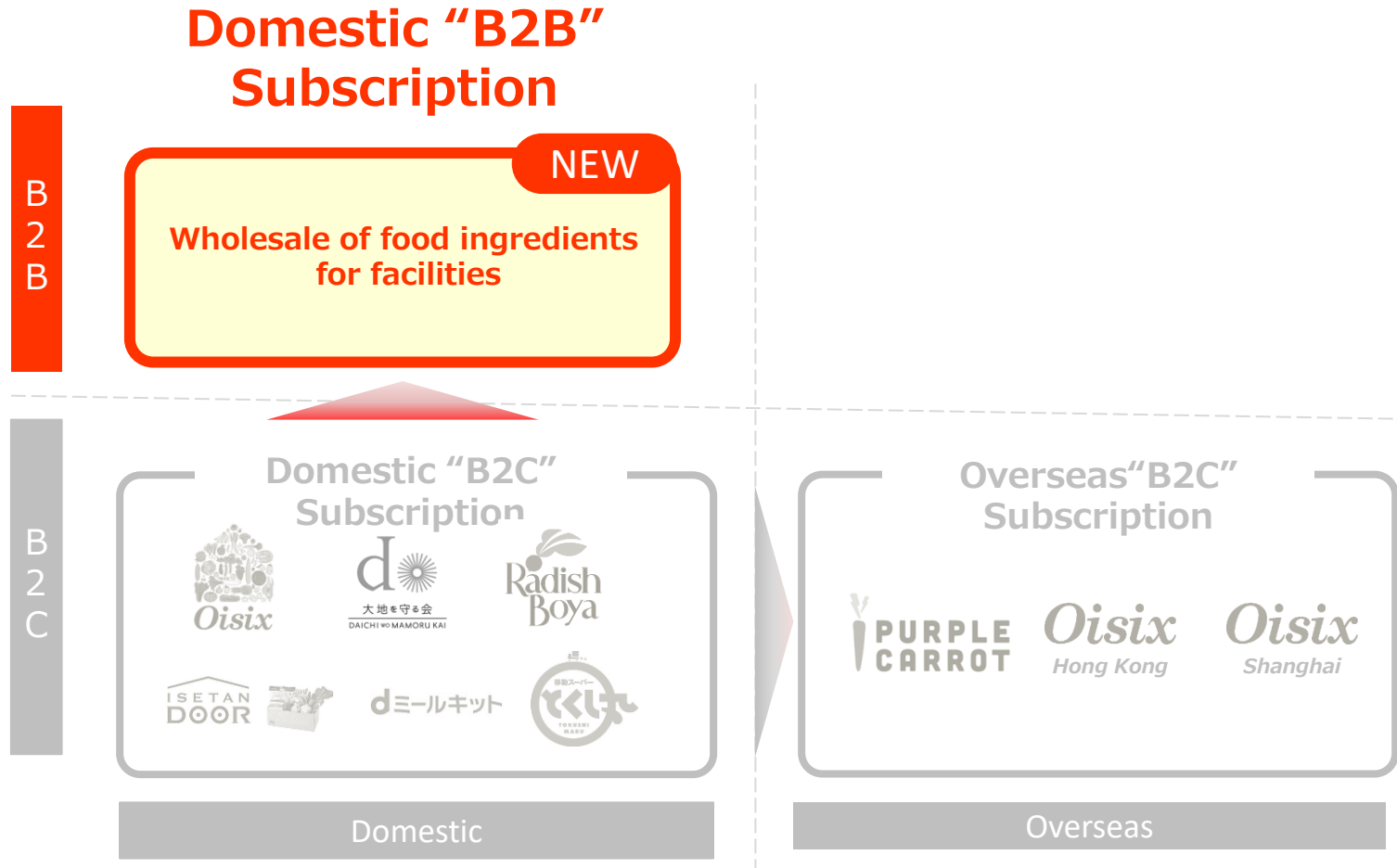
## *2-3. Expansion of Business Domain*

### *(Domestic B2B Subscription Business)*

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# Business Portfolio Expansion

Aiming for discontinuous sales growth by launching a new service in the "Domestic B2B Subscription" business, leveraging the know-how of the "Domestic B2C Subscription" business.



We have introduced meal kits for enterprise use in the nursery school wholesale business, which has been gaining popularity for its ability to reduce the burden of food purchasing and preparation at nursery schools. **We aim to achieve a sales target of 10 billion yen within five years through further growth in the number of nurseries and plan to consider subscriber businesses in other areas for the mid-term**

## -Launch of "B2B Meal Kit" service

Meal kits for enterprise use in the nursery school wholesale business



Menu development know-how cultivated through B2C subscriptions



Launch in Jun

Providing "premium time-saving" value for both nursery school and children

Nursery school



- ✓ Relieve manpower shortages at daycare centers and reduce the workload at meal sites

Children



- ✓ Improvement of picky eaters and support for nutrition education

We aim to achieve a sales target of **10 billion yen within five years**

*2-4. Enhance profitability*

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# Enhance profitability

## -1. CoGs

We will accelerate in-house production processing and improve the manufacturing efficiency of self-manufactured products such as Kit Oisix by utilizing manufacturing bases. In addition, by increasing the sales mix of private brand products with high originality, **the company aims to reduce costs by roughly 3% from FY2022/03 to FY2025/03 through overall cost improvement and increased royalties.**

### -CoGs

#### 1-1. Improved efficiency of the Kit manufacturing process and internalization of processing

Cost reduction through improved manufacturing efficiency of in-house products using the new Kit manufacturing plant and Food Rescue Center

Bumper crop, uneven ingredients

Food Waste



#### 1-2. Increase ratio of PB products

Enhance the composition of original products and services to improve continuous use and cost ratio.

-Ratio of PB products



85%



59%



57%

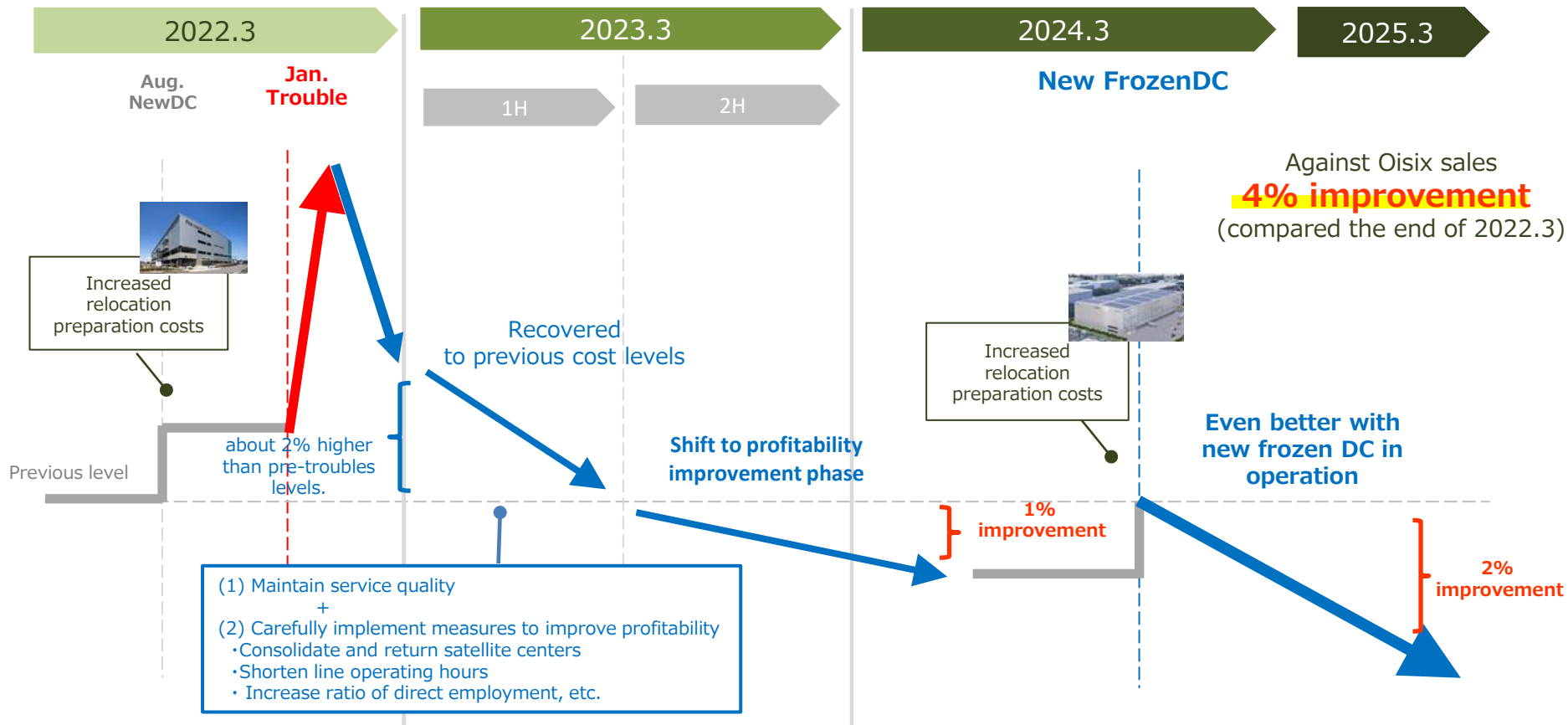


# Enhance profitability

## -1. Distribution

In the first half of 2023.3, the company will carefully implement measures to restore profitability to the cost level prior to the logistics trouble. In the second half of the year, further improvement measures and higher utilization rates are expected to bring costs gradually back to the level projected in the pre-transfer plan. After 2024.3, the company aims to achieve a 4% improvement in Oisix sales (2% with consolidated impact) by 2025.3 (compared to the end of 2022.3), including the relocation to new DC for frozen foods.

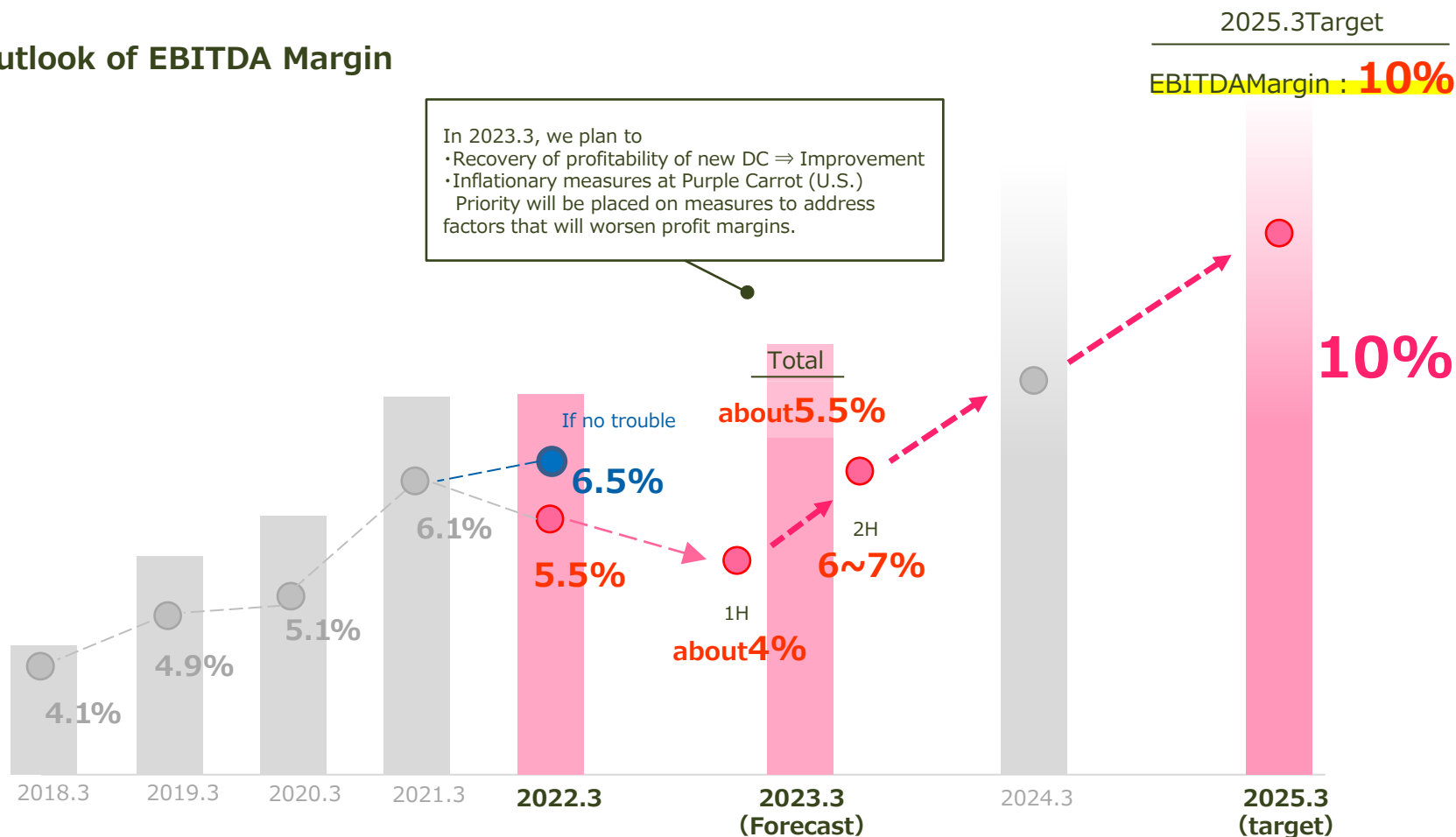
### -Oisix Distribution cost reduction



# Outlook of EBITDA Margin

In the first half of 2023.3, the company will carefully implement measures to restore profitability to the cost level before the logistics trouble. In the second half of the year, further improvement measures and higher utilization rates are expected to bring costs gradually back to the levels projected in the pre-transfer plan.

## -Outlook of EBITDA Margin



### *3. 2023.3 Outlook*

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## 2023.3 Outlook

- ✓ Regarding the forecast for the next fiscal year, we have factored in the possibility of a slowdown in membership growth due to Post COVID-19 pandemic atmosphere and a further decline in ARPU from this fiscal year's level.

- Sales**
- Domestic B2C subscription: membership growth slowed due to Post COVID-19, and ARPU may decline further from this year's level
  - Purple Carrot (U.S.): Includes impact of sales decline of -2.0 billion yen
  - As a result, sales are expected to increase by 7.0 billion yen (+6%) year on year.
- EBITDA**
- Domestic B2C subscription: Decline in profit margin due to further decline in ARPU from this fiscal year's level
  - Impact of a cautious schedule to improve the profitability of the new distribution center
  - Purple Carrot (U.S.): - billion yen in profit decline
  - As a result, EBITDA is expected to increase by 0.3 billion yen (+5%) year-on-year.

Sales

120.00bn yen  
( YoY + 6%)

EBITDA

6.50bn yen  
( YoY + 5%)

Operating  
Income

4.50bn yen  
( YoY + 8%)

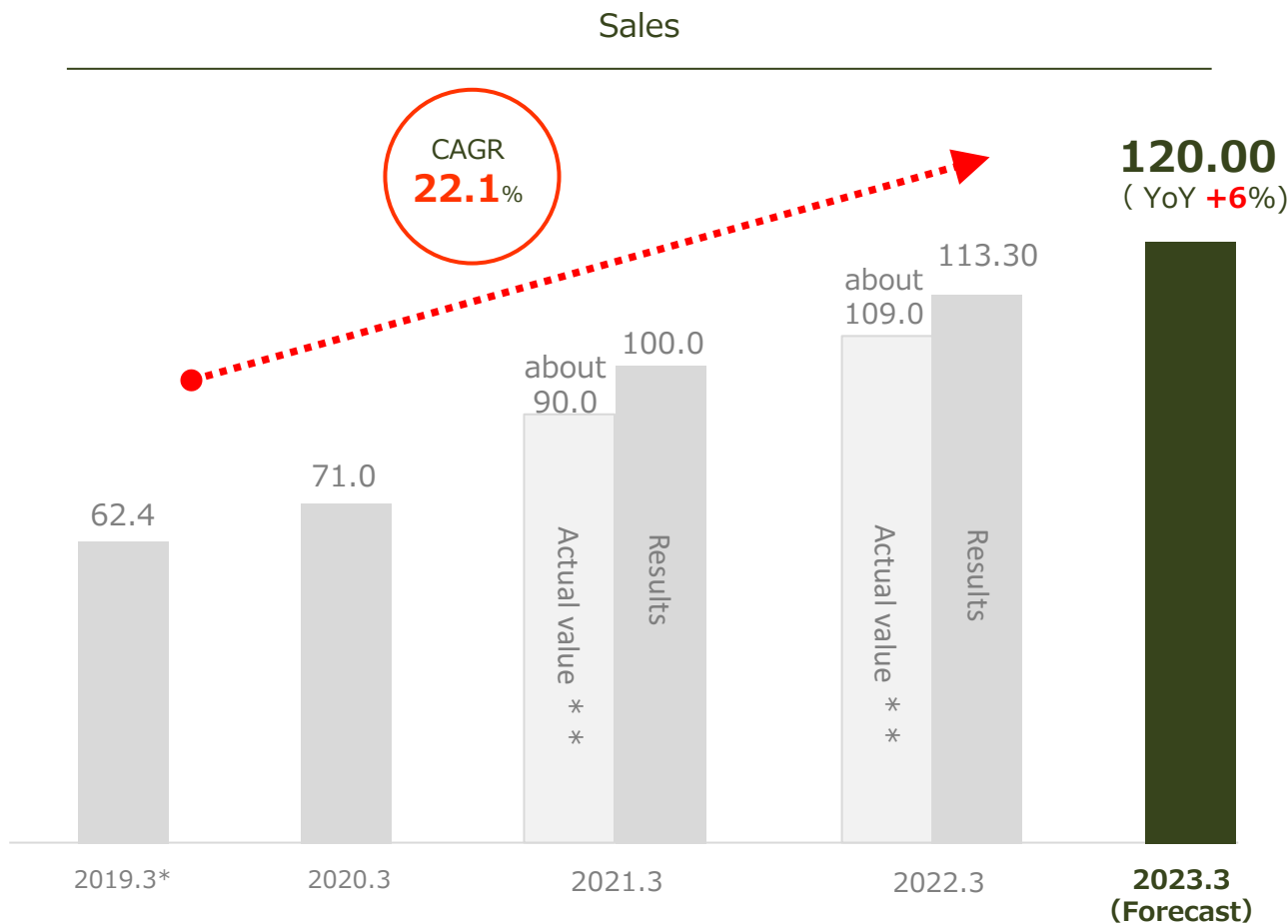
Net  
income  
Attributable to  
owners of the  
parent

2.50bn yen  
( YoY - 8%)

# 2023.3 Consolidated Results Overview Sales

\*\* (Note) Calculation of ARPU assumption.  
To eliminate the one-off boost effects of COVID-19 on ARPU, we assume ARPU to be equal to 2020.3 or the level posted before COVID-19.

- Sales
- Domestic B2C subscription: membership growth slowed due to Post COVID-19, and ARPU may decline further from this year's level
  - Purple Carrot (U.S.): Includes impact of sales decline of -2.0 bn yen
  - As a result, sales are expected to increase by **7.0 bn yen (+6%) year on year.**



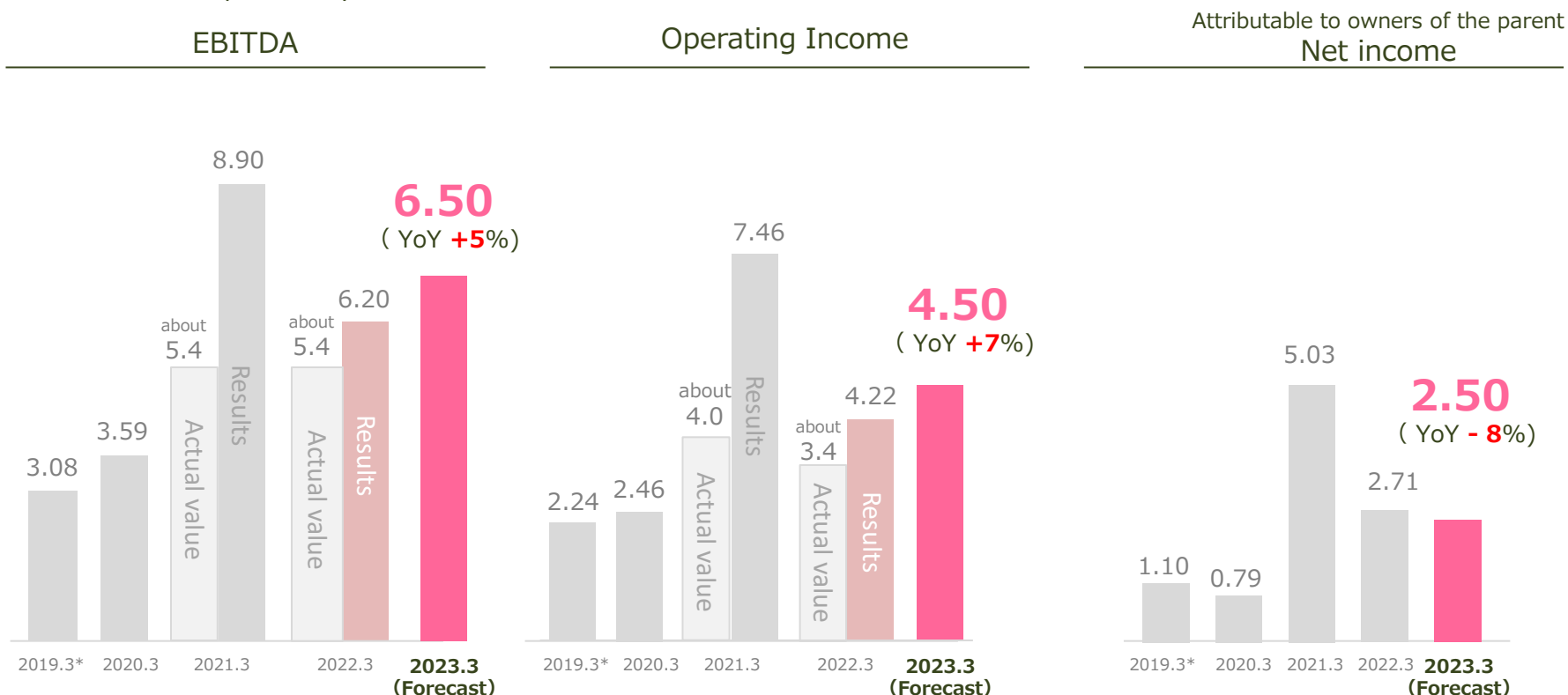
# 2023.3 Consolidated Results Overview Profits

(Note) Calculation of ARPU assumption.  
To eliminate the one-off boost effects of COVID-19 on ARPU, we assume ARPU to be equal to 2020.3 or the level posted before COVID-19.

- EBITDA
- Domestic B2C subscription: Decline in profit margin due to further decline in ARPU from this fiscal year's level
  - Impact of a cautious schedule to improve the profitability of the new Ebina Station
  - Purple Carrot (U.S.): -1.5 bn yen in profit decline
  - As a result, EBITDA is expected to increase by **0.3 billion yen (+5%) year-on-year**.

## Operating Income

- Depreciation of the new distribution center increased, while amortization of goodwill was completed.
- As a result, depreciation and amortization (depreciation, amortization of goodwill) did not change significantly from the previous year.



# Policies and Outlook for 1H and 2H

1H :

- Improvement of profitability of the new distribution center is a top priority. Priority was placed on improving the profitability of the new distribution center, and measures such as the return of satellite centers were implemented in stages.

2H :

- Further improve logistics efficiency and move into the phase of improving profitability. Aim to move into the phase of improving profitability by further improving logistics efficiency. New promotions will be aggressively launched by utilizing customer-attraction methods and product services that are compatible with Post COVID-19.

1H

**Improvement of profitability of the new distribution center as a top priority**

2H

**Entering profitability improvement phase**, resumption of growth investments such as promotions, etc.

Sales

- ✓ subscribers : Possibility of decrease in new acquisitions and increase in churn rate
- ✓ ARPU : Possible return to pre-COVID-19 levels  
⇒ Develop AfterCOVID and inflation-compliant methods of attracting customers, products and services



**Reinforce promotions by utilizing methods** and products developed in the first half of the fiscal year to attract customers.

Profit

- ✓ Decrease in income due to slower Subscribers growth and lower ARPU
- ✓ Oisix new Ebina Station's profitability recovery is complete



**Profitability recovery phase completed.** Aiming to improve profitability compared to the former DC through further improvements.



Started operation of Food Rescue Center **to promote in-house processing and reduce product costs** (from July).



# Purple Carrot (US) Strategy

Purple Carrot (U.S.) currently expects sales and operating profit to decline by -2.0 billion yen and -1.5 billion yen, respectively, in the next fiscal year due to a significant deterioration in profitability caused by a decline in membership due to After COVID-19 and inflation. We aim to return to profitability as soon as possible by raising LTV through service quality improvements and implementing inflation countermeasures as quickly as possible.

## FY2021 Status

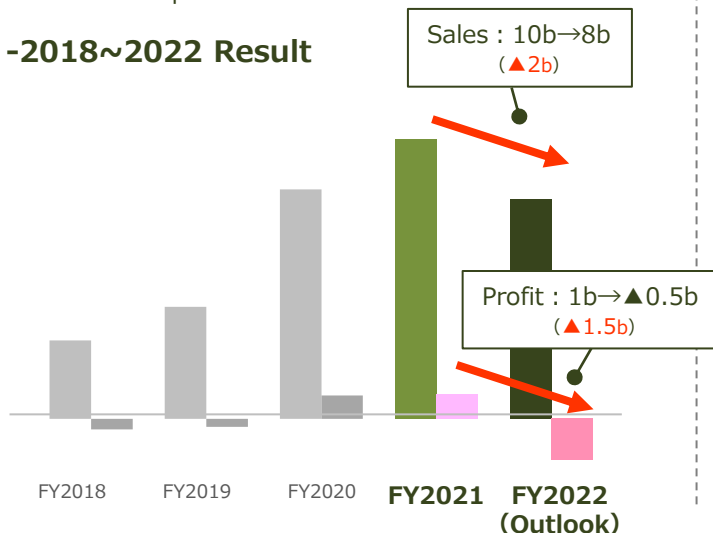
### Sales

- ✓ Decrease in Subscribers due to After COVID

### Profit

- ✓ Focused on raw material and logistics costs  
Profitability deteriorated significantly due to the impact of inflation

## -2018~2022 Result



## FY2022 Strategy

### Sales

### Outlook

- ✓ YoY: -2.0 bn decrease expected, mainly due to the impact of continued subscribers decrease by After COVID

### Measure

- ✓ To improve logistics quality, which has declined due to the rapid increase in the number of subscribers, we once again shared its expertise in the domestic home delivery business to reduce the complaint rate.

### Profit

### Outlook

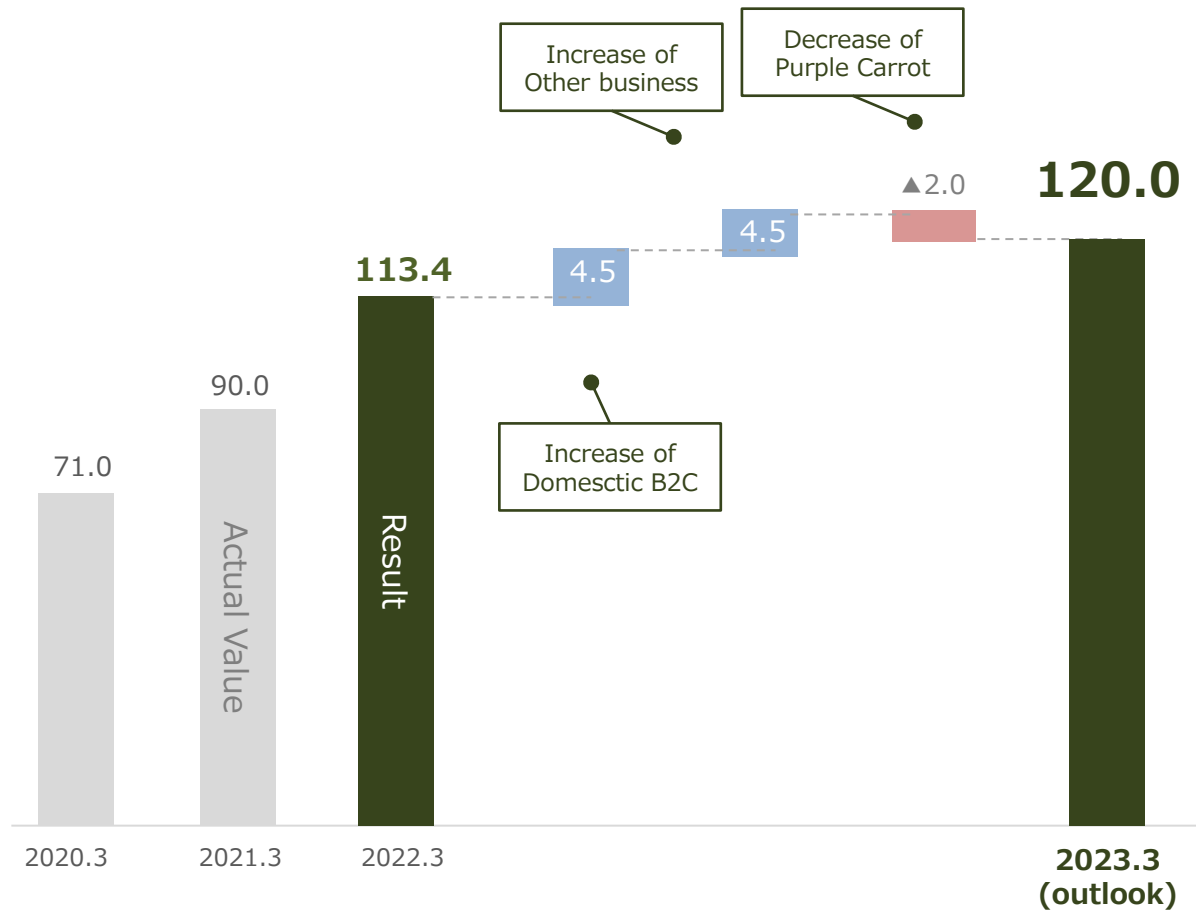
- ✓ Due to the possibility of further worsening of inflation, income is expected to decrease by approximately -1.5 billion yen YoY.

### Measure

- ✓ **Product price increase**
- ✓ Controlling cost ratio by reviewing procurement sources
- ✓ Expansion of products other than meal kits, such as "Ready to eat Improvement of profit margin per purchase"
- ✓ Change the shipping bar

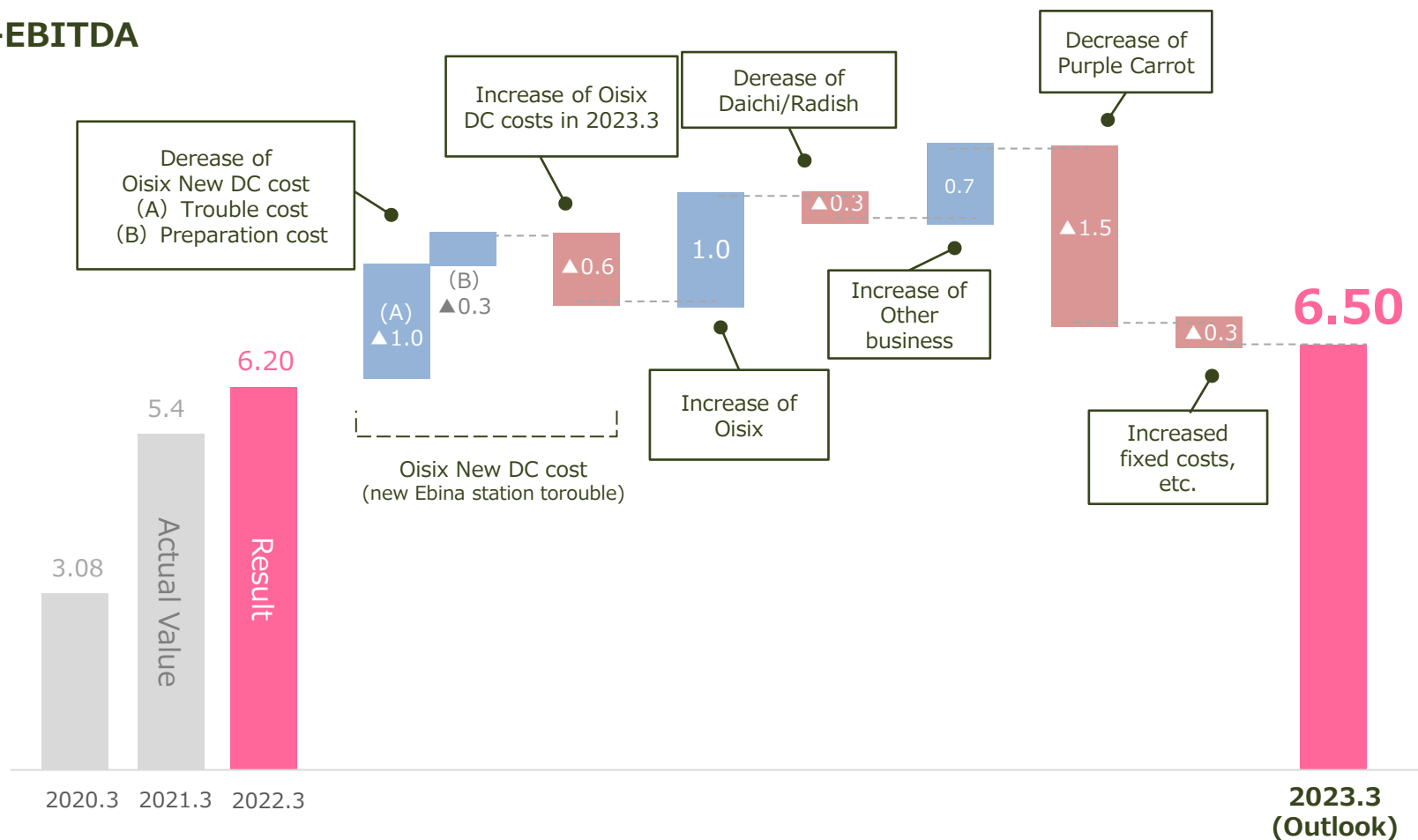
## 2023.3 Sales

-Sales



## 2023.3 EBITDA

### -EBITDA

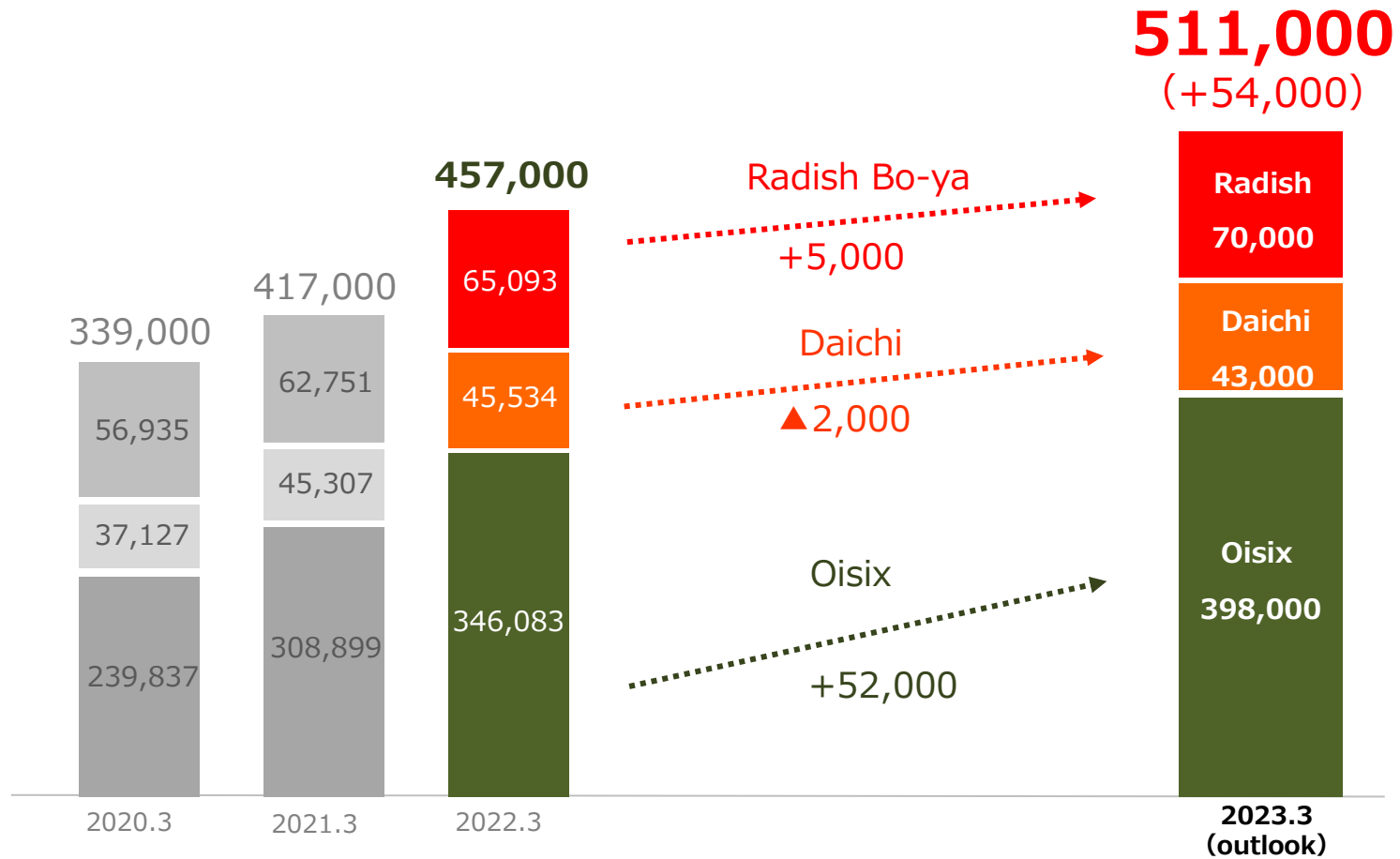


# Segment Outlook

	Sales	Segment Profit	2023.3 Growth Image
Oisix	64.00bn yen - YoY +9%	8.70bn yen - YoY +21%	<ul style="list-style-type: none"> <li>•Oisix sales are expected to increase by approximately 52,000 members, despite the pace of membership growth and the possibility of ARPU decline due to Post COVID-19.</li> <li>•Profitability recovery at the new distribution center was completed in the first half. Aim for further improvement in 2H and beyond.</li> </ul>
Daichi	12.50bn yen - YoY -5%	2.50bn yen - YoY 6%	<ul style="list-style-type: none"> <li>•Daichi has renewed its focus on creating products and services in line with its customer target of seniors living alone.</li> </ul>
Radish Boya	170.0bn yen - YoY -2%	2.20bn yen - YoY -9%	<ul style="list-style-type: none"> <li>•Radish Boya expands food loss reduction type services and items such as "Palette" and "Fuzoroi Radish"</li> <li>•Expand brand recognition that can contribute to the creation of a sustainable society by gradually strengthening new customer acquisitions.</li> </ul>
Purple Carrot* (Results for Jan to Dec)	8.00bn yen - YoY -22%	▲ 0.50bn yen - YoY -1.5bn yen	<ul style="list-style-type: none"> <li>•Purple Carrot has given top priority to addressing the deterioration in profit margins caused by the inflationary rise in raw material and logistics costs.</li> </ul>
Other Business*	18.50bn yen - YoY +42%	2.10bn yen - YoY +48%	<ul style="list-style-type: none"> <li>•Continued steady growth in the number of members is expected for other companies' e-commerce support services.</li> <li>•Domestic B2B subscriber business (nursery school business) and Tokushimaru are also expected to increase sales and profits compared to the previous year</li> </ul>

# Number of Subscribers

## - Outlook of Number of Subscribers



## *4. ESG Topics*

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## Working with Producers

We host a "Nouka (Farmers) of the Year Award" where our subscribers place votes based on their assessment of "deliciousness." From among some 4,000 farmers/manufacturers nationwide, we made one award per brand to those producers seeing particularly high support.



WeSupport Family, a food support platform for children's distressed families, is offered by 34 food and retailing support corporates.

The number of support households has greatly increased to 30 thousand households.

In addition, food aid for Ukrainian displaced persons visiting Japan has begun.

## WeSupport Family

Mainly for those led by single parents, WeSupport Family is a food support platform for needy families. Via such initiatives as use of excess inventories among supporting entities, we also aim to help solve the problem of food waste.

Support  
Company

34

Food and retail companies

Recipient of  
support

About

30,000 household



ひとり親家庭などのこどもの栄養を  
考えた支援をお考えの方へ

子どもたちの栄養を考えた食支援

WeSupport Family

## WeSupport

Through WeSupport platforms,  
Started providing food assistance to Ukrainian evacuees visiting Japan



▲ Handling vegetable juices to evacuees at a college dormitory  
( Japan University of Economics )



## ***APPENDIX • DATA SHEET***

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## *Company Profile and Financial Results*

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# Corporate Overview

<b>Name :</b>	Oisix ra daichi Inc.
<b>Location :</b>	Shinagawa-ku, Tokyo
<b>Established :</b>	June 2000
<b>Representative :</b>	Kohey Takashima, Representative Director & CEO
<b>Capital :</b>	3,994 mm yen
<b>Employees :</b>	986 (consolidated), as of the end of March 2021



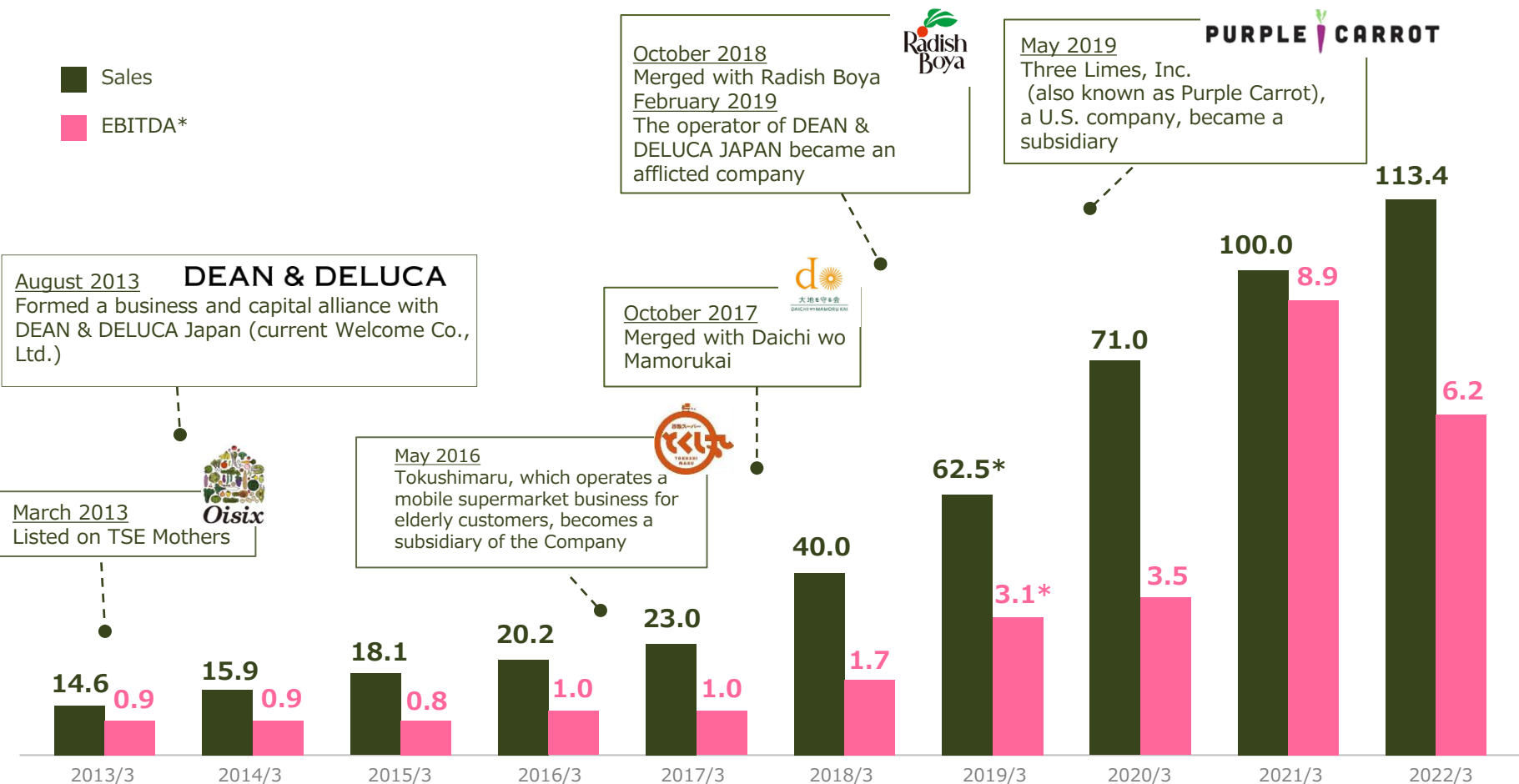
# Overview of Affiliates

		Percentage of Shares Held	Main Businesses
Oisix ra daichi	Tokushi-maru	90%	Develops alliances with supermarkets in the mobile supermarket business; provides expertise to sales partners.
	Fruits Basket	100%	Handles processing, product development, and sales, for agricultural produce, including fruits and vegetables.
	Karabiner	70%	Develops and operates platform systems for EC sites; produces websites.
	Crazy Kitchen	100%	Handles catering, event production, and space production businesses.
	Oisix Hong Kong	100%	Operates our businesses in Hong Kong under contract.
	Oisix Shanghai	100%	Operates the food products home delivery business in China.
	Oisix Inc	100%	Overseas investment business
	Purple Carrot	100%	Meal kit delivery service in the United States
	Future Food Fund	100%	Investment business for food-related startup companies
	Future Food Fund No.1 investment limited partnership	10%	Investment business for food-related startup companies
Main Affiliates	Toyosu gyosho sanchoku ichiba (Toyoichi)	51%	Wholesale sales of marine products mainly for the food service industry
	Nihon Agri	34%	Exports agricultural products.
	DEAN & DELUCA	20%	Lifestyle business through retail and restaurant businesses

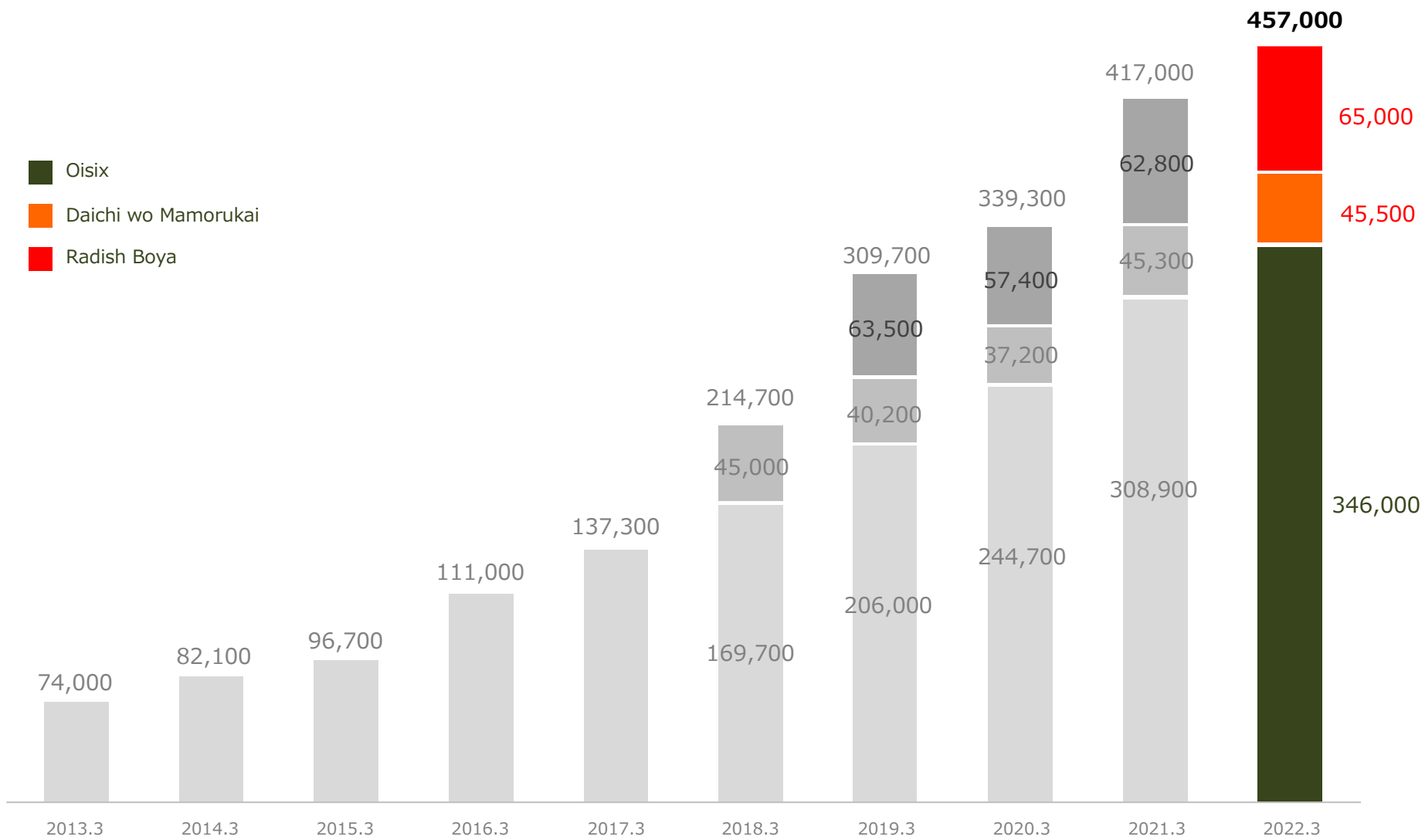
# Growth Trajectory

The Company has been built and rapidly grown on Oisix with mergers with Daichi wo Mamorukai and Radish Boya. Steady progress in overseas expansion with the acquisition of the U.S. Purple Carrot

■ Sales  
■ EBITDA\*



# Subscription subscriber numbers



*In the domestic B2C Subscription business  
Strengths of Business Models*

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# Our Business Model

Our main business is safe and secure foods that are carefully selected based on our own standards, Subscription-type food EC-commerce business delivered to approximately 460000 households throughout Japan

## Producers

### fruit and vegetable producer

**Approximately 4000 households nationwide**



### Manufacturer



Procurement

## Oisix ra daichi

### Domestic Delivery business



Oisix



Daichi wo Mamorukai



Radish Boya

### Other Business

- EC support
  - Mobile supermarket business (Tokushimaru)
  - Overseas Home Delivery
  - Store business (Shop in Shop)
  - Nursery School Wholesale
- etc.

Regular delivery

## consumers

**About 460,000 people**

(Oisix, Radish Boya, Daichi, 3 brands total)





# Our Subscription Model

Holds asset know-how specializing in consistent food × subscription home delivery

## Producers



Procurement

## Oisix ra daichi



Oisix

Radish Boya

Daichi wo  
Mamorukai



Regular delivery

## consumers



Our Strengths

1 With Producers  
Direct Network

2 Subscription  
Marketing

3 One of the largest in Japan  
Food x Subs distribution center and meal kit manufacturing plant

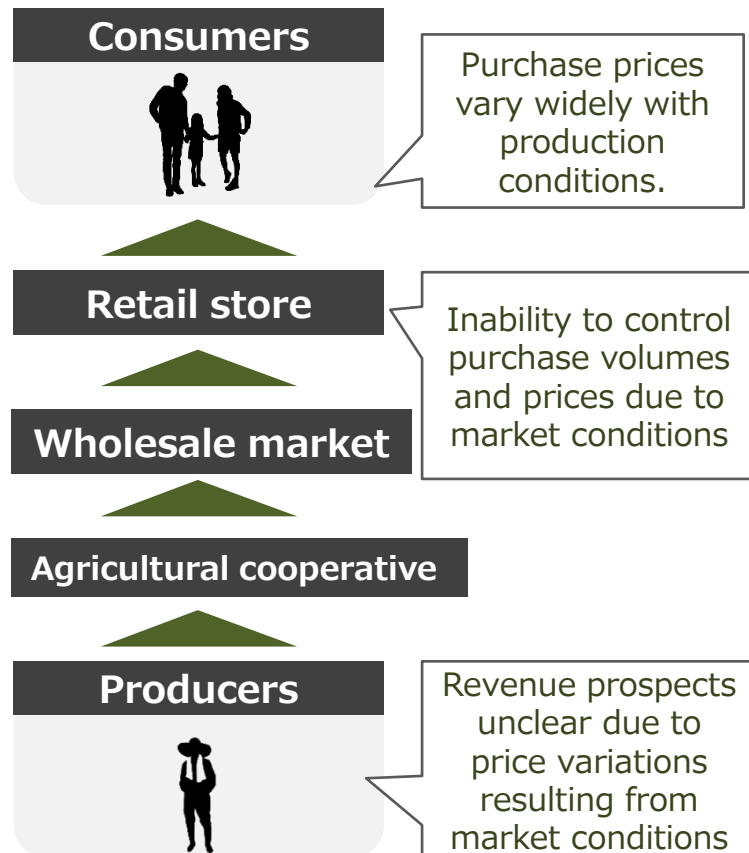
*Oisix ra daichi*

# ① Direct network with producers

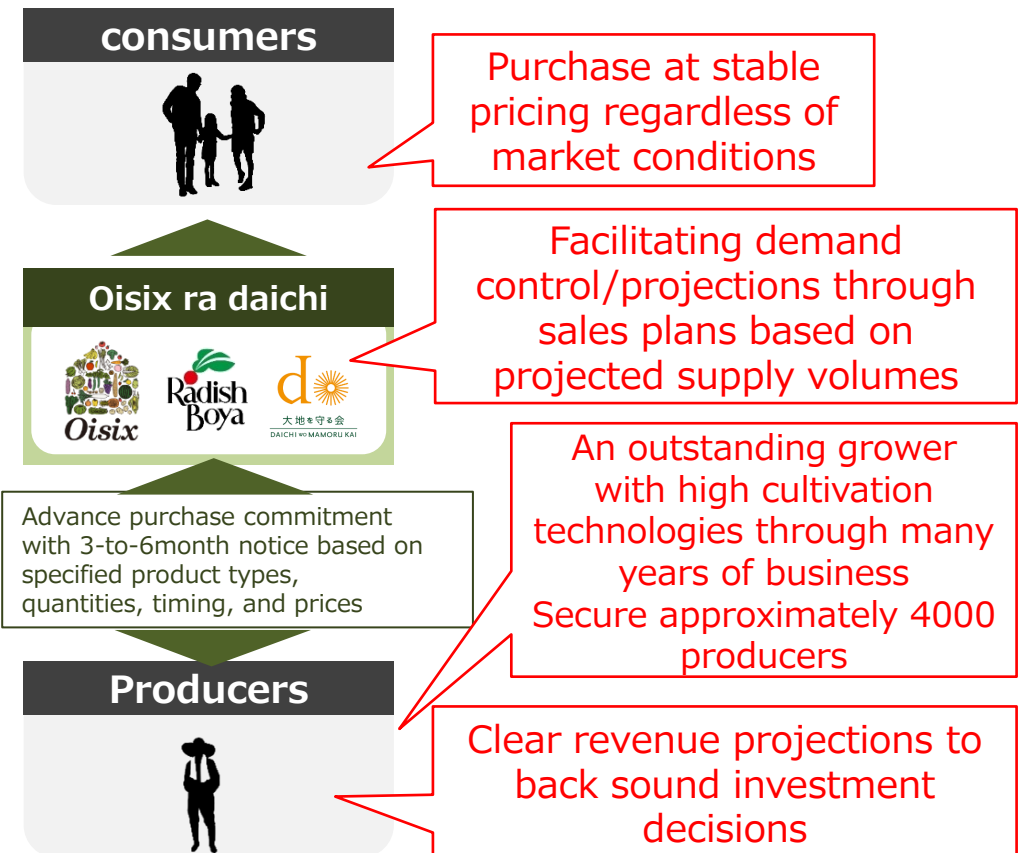
Direct transactions with about 4000 producers nationwide without going through markets or intermediate distributors.

Able to secure high-quality producers with high price stability and cultivation technologies

## Typical distribution of agricultural products



## Strengths of Direct Transactions

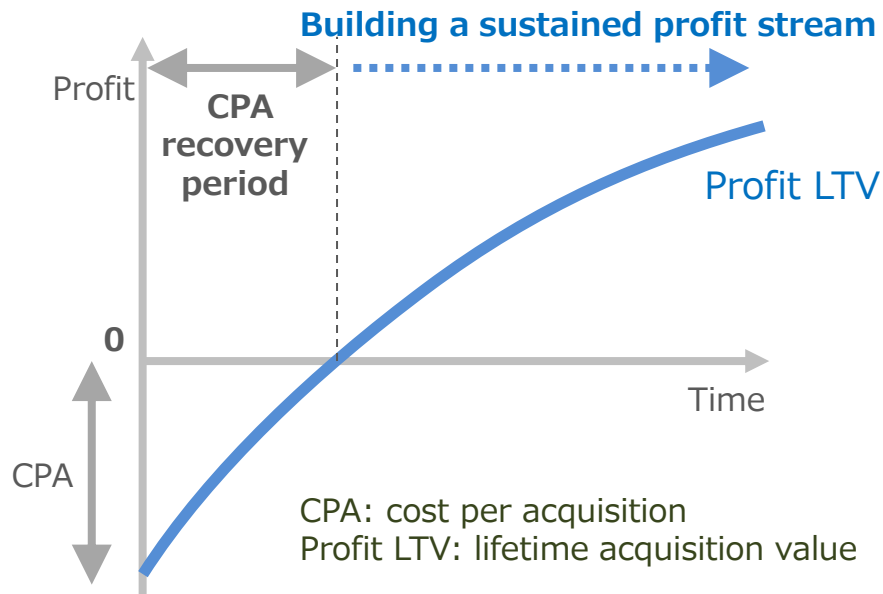


## ② Subscription Management

Introduced "Subscription management Accounting" which accurately measures the profitability per order and per customer,  
Building a Sustainable Profitable Subscription Model

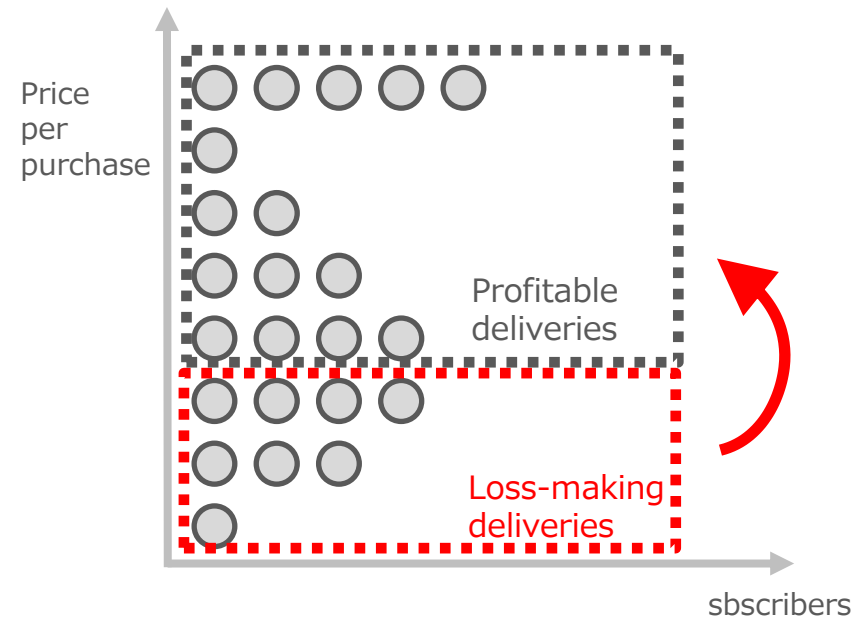
### ■ Rigorous CPA and LTV management

Setting a period to recoup CPA and rigorously managing CPA within this range



### ■ Rigorous management of unit revenues and expenditures

Making percentages of loss-making deliveries visible for each unit and reducing them structurally



### ③ Support food x Subscription

#### Distribution center and meal kit production plant

Able to operate 1 of the largest domestic distribution centers and meal kit production plants of Food X Subscription, maintaining a level of quality control

#### ■ One of the largest in Japan Food x Subscription distribution center

••Through strict temperature zone management specializing in food products, can maintain freshness until delivery

- ✓ Maximum shipment : **220,000**/week
- ✓ **24** hours a day, **365** days a year
- ✓ Room temperature, refrigerated, frozen, and vegetable  
Strict temperature zone control



#### ■ Uniquely developed Sales and inventory system

••With our proprietary sales and inventory system, reduce loss ratio and achieve high inventory turnover

- ✓ product loss : about **0.2%**  
(Retail Store Average : 5~10%)



#### ■ Meal kit production plant

••Rapidly growing original meal kit  
Owned in-house plants with raw material processing and asset functions for 「Kit Oisix」

- ✓ Maximum shipment : **320,000set**/week
- ✓ Number of manufacturing menus per day : **50**type
- ✓ HACCP acquisition



## *Domestic B2C Subscription Business Details*

---

# Differences in the assets of the three brands



How to  
join

WEB mainly

WEB/  
door-to-door sales

WEB mainly

How to  
order

WEB mainly

WEB/  
Paper catalogs/  
TEL

WEB/  
Paper catalogs/  
TEL

Logistics  
bases

4 place  
in Kanagawa

4 places  
in Hokkaido,  
Tokyo, Kanagawa,  
Osaka.

1 place  
in Chiba

Last One  
Mile

Yamato trucks  
about 99%

Our trucks  
about 95%  
(area around  
Logistics bases)

Our trucks  
about 80%  
(area around  
metropolitan area)

# What Our Three Brands Deliver

Based on the distribution of safe, reliable food products, each of our three brands delivers products tailored to the lives and values of our customers.

Two-worker households  
with small children



Meals that can be boasted  
without taking time



Oisix

Households who want to  
enjoy cooking



Contributing to Society  
through Cooking



Senior household  
with two people



Easy feeling of health



大地を守る会  
DAICHI WO MAMORU KAI

Producers

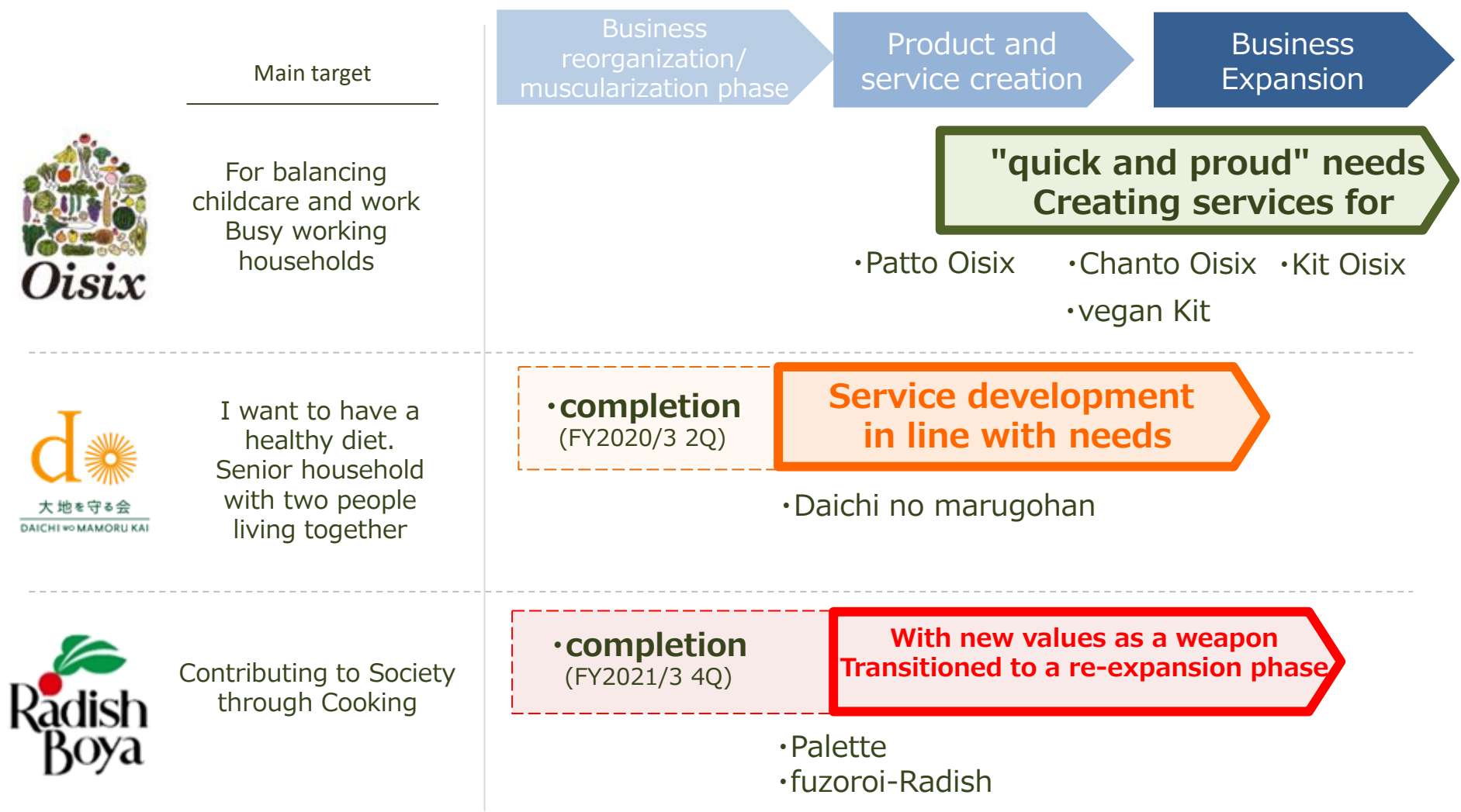


*Oisix ra daichi*



# Business Phase of the 3 Home Delivery Brands

Appropriately implement business strategies in line with the business phases of each brand

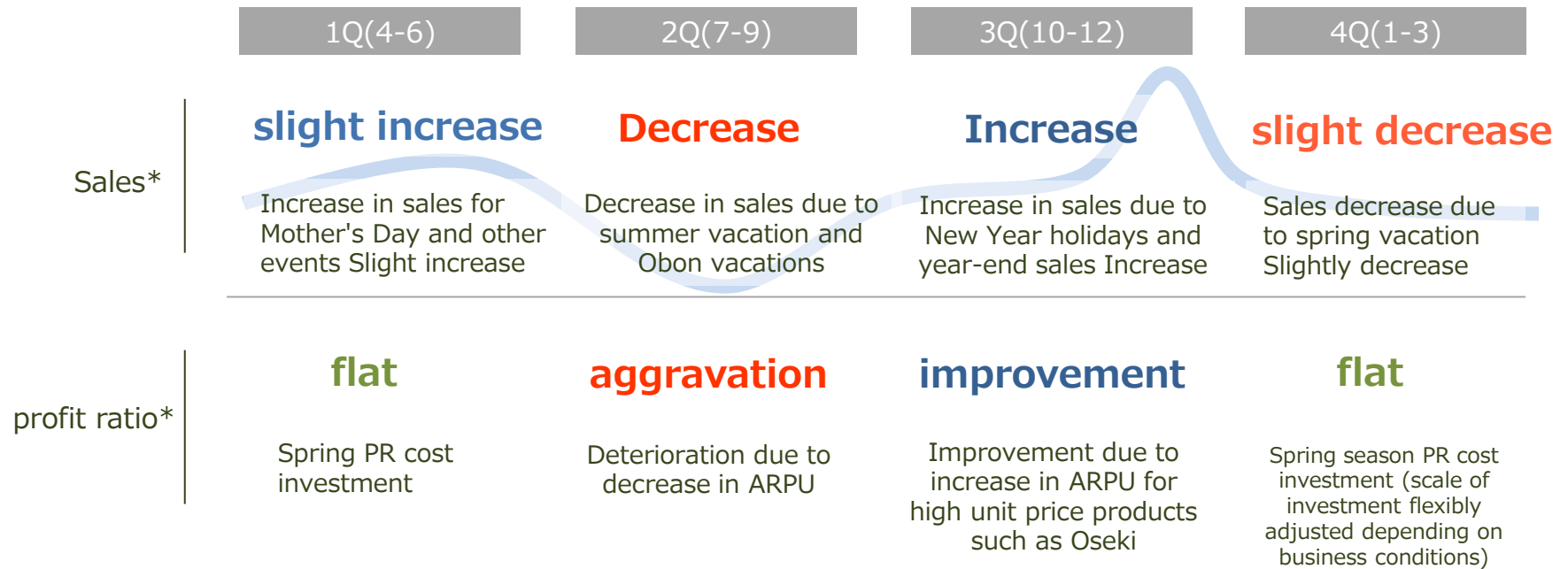




# Seasonal fluctuations in business performance

We have a business model in which sales and profit margins fluctuate from quarter to quarter. Sales and profit margins improved in 3Q due to sales of high unit price products during the year-end and New Year holidays, while sales and profit margins declined in 2Q due to the summer vacation.

## - Seasonal changes in normal conditions



## - Impact of COVID-19 Seasonal Variations

Due to the impact of COVID, seasonal fluctuations such as the impact of summer vacation are expected to be smaller than normal in FY2021.3 and FY2022.3, but seasonal fluctuations are expected to return to normal in the future.

# EC support

We will provide our strengths and develop businesses to support other companies' EC.  
For example, we will provide subscription know-how cultivated through our domestic food delivery business and logistics assets specialized in food delivery.

## *Oisix ra daichi*

### E-commerce Marketing

Operation and management of  
e-commerce sites focusing on food



### Logistics and Distribution

Providing assets for  
food delivery



### product development

Development and provision of  
products that meet client needs



DEAN & DELUCA



dメールキット powered by *Oisix*

# "Tokushimaru" (subsidiary)

Offering mobile supermarkets for seniors and "shopping refugees" difficult to approach via the Internet



## overview

Operating a mobile supermarket for seniors

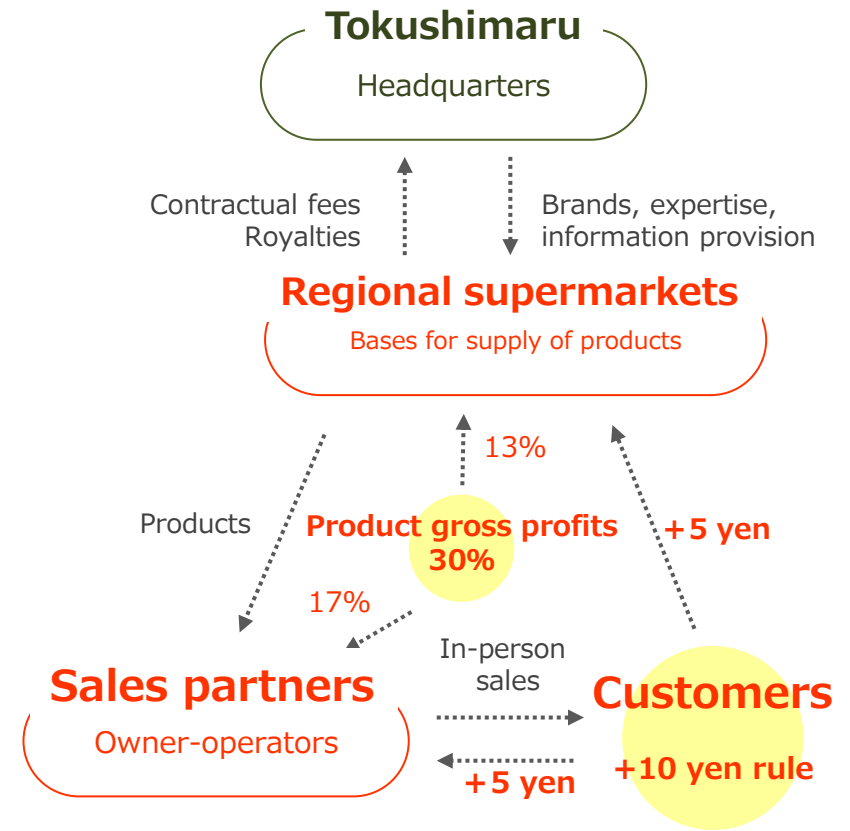
## aim

Provide value to customers who cannot be approached through EC

- Solving the Social Problem of "Shopping Refugees" Who Cannot Go Out to the Neighborhood Supermarket

- Strong network of customers with weekly face-to-face sales.

## - Revenue Model



*Other Business*

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# Overseas B2C Subscription Business

Domestic B2C Subscription

Overseas B2C Subscription

Domestic B2B Subscription

Food tech

Hong Kong / Shanghai: Aim to establish services that meet the needs of local Chinese consumers

U.S.: Utilize management know-how in food subscription model for Purple Carrot

## - Oisix Shanghai



- Started the service in 2017. Grasp the needs to establish the subscription model for Chinese customers

## U.S. Meal Kit Market\*

\$2.5  
bn  
USD

2017

\$9  
bn  
USD

2025

## - Oisix Hong Kong



- Launched the service in Hong Kong in 2009.  
**Cross-border delivery of Japanese products**
- With the spread of COVID-19  
**both users and sales are dramatically increasing**

## - Purple Carrot Business(U.S.)

*Oisix ra daichi*



PURPLE CARROT



- **Global expansion of vegan food x Japanese food "Health Conscious Food" both in Asia and the U.S.**
- Recognize consolidated from FY2020/3 Q3

# Nursery School Wholesale

(suku-suku Oisix)

Domestic B2C Subscription

Overseas B2C Subscription

Domestic B2B Subscription

Food tech

Provide nursery schools with unique system to order food ingredients based on lunch menus, since 2015.

## *Oisix ra daichi* menu~shipping



Nursery School



### overview

Support for nursery school facility management for food service and food education

### aim

Fostering food awareness at an early age  
Expanding awareness among parents

- The workload of nutritionists and nursery school teachers is reduced because menus can be ordered in bulk.
- Confronting children's food problems. And to raise awareness of our company among parents.

### - Image of nursery school



Setting up booths for individual brands in the produce sections of partner supermarkets to sell produce and products that meet each brand's standards



## overview

Wholesale of the Company's products to affiliated supermarkets

## aim

Expand awareness to customers who cannot be reached online

- By selling our products in real supermarkets, we will expand our recognition to the segment that we cannot reach through online advertising.
- Our products are expected to attract customers to our partner stores.

## - Image of affiliated supermarkets





# Future Food Fund

Domestic B2C Subscription

Overseas B2C Subscription

Domestic B2B Subscription

Food tech

Established as a CVC specializing in Japan's first food tech, procured 2 billion from LP14 in Dec. 2020.  
Invested in a wide range of new food agritech, including overseas start-up companies

Future Food Fund

**Japan's "first" CVC  
specializing in food tech**  
(Corporate Venture Capital)



**Raised 2 billion funding from LP14**

## Food Tech Startups

**Both domestically and internationally  
Investing in a variety of startups**

### Food tech New Food



### Agritech



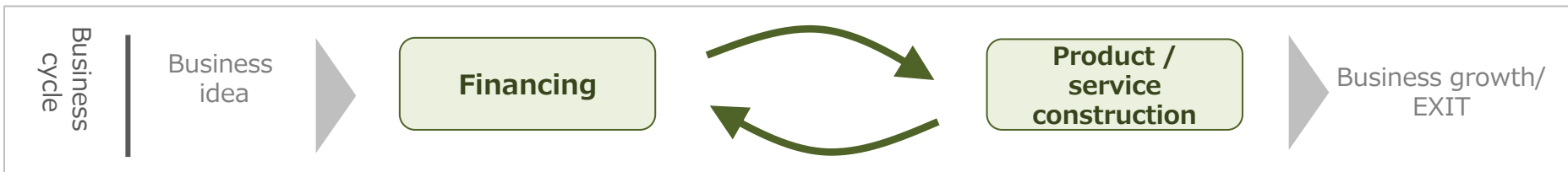
*Oisix ra daichi*



# Future Food Fund

Domestic B2C Subscription  
Overseas B2C Subscription  
Domestic B2B Subscription  
Food tech

Utilizing our experience at the time of our founding, we will build an ecosystem of food tech that provides a wide range of support by making maximum use of the platforms of operating companies that participate as LPs, not just investment activities.



**Comprehensive support accelerates the speed of the business growth for startups.**

Utilization of various LP assets and know-how

Collaboration and support with proven American VCs and incubators

Service experiment utilizing startup specialty EC sales floor

## ◆ Example

Sales



Import /Logistics



Infrastructure



powerplant VENTURES



*Oisix ra daichi*

## *Stock-Related and Governance Information*

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# Stock Price and Trading Value

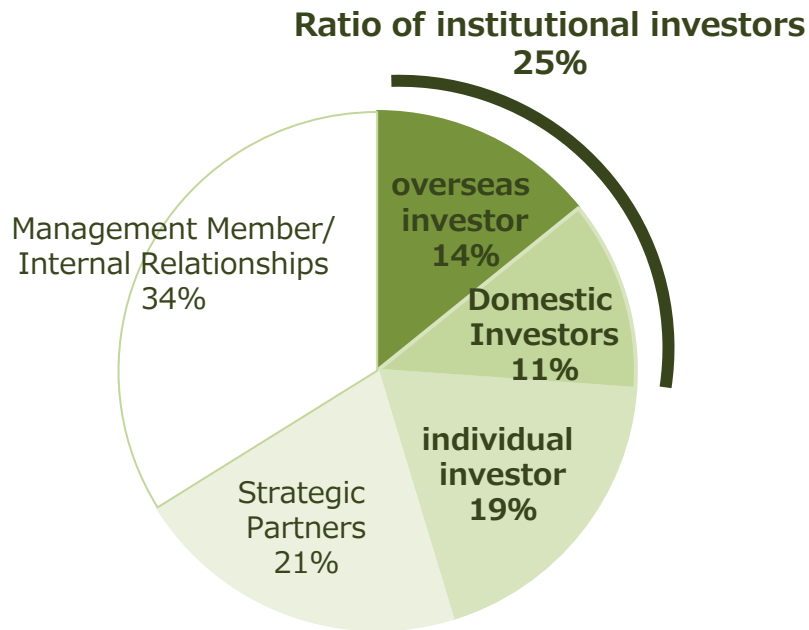
Compared to 2018, when the 3 companies merged, the stock price grew approximately 5 times.  
Trading value: Approx. 1 billion/day, annual turnover rate of over 200%



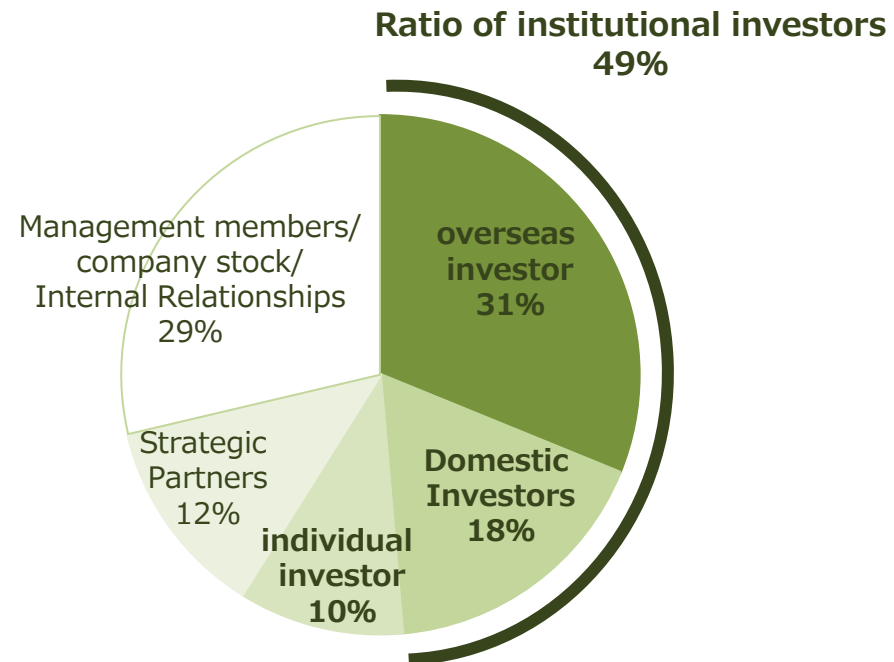
## Trends in shareholder composition

Institutional shareholdings increased to about 50%, doubling from 3 years ago.  
No shareholder with overhang concerns at present

End of Mar. 2019



End of Mar. 2022



# Financial Condition

## •B/S

End of March 2022	(Millions)
Current assets	28,514
Cash and cash equivalents	13,071
Fixed assets	24,135
<b>Total assets</b>	<b>52,650</b>
Current liabilities	15,917
Short-term interest-bearing debts	1,010
Long-term liabilities	12,845
Long-term interest-bearing debt	101
<b>Total liabilities</b>	<b>28,762</b>
Shareholders' equity	21,966
Shareholders' equity	
<b>Total net assets</b>	<b>23,887</b>
<b>Total liabilities and net assets</b>	<b>52,650</b>

## •Selected financial data

End of March 2022	
Equity Ratio	42.0%
ROA	9.1%
ROE	13.2%
<b>Financial leverage</b>	<b>2.4</b>
Total asset turnover	2.1
Net income margin	2.4%

## • Level of cash holdings

2 year's worth of personnel expenses (including variable personnel expenses) is set at about 10 bn yen as a benchmark for an appropriate level of retention.

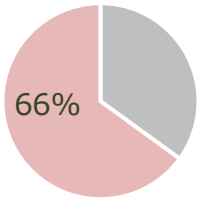
## • ROE/ROIC target level

Continuous achievement of ROE10% above the assumed cost of capital (5-6%)

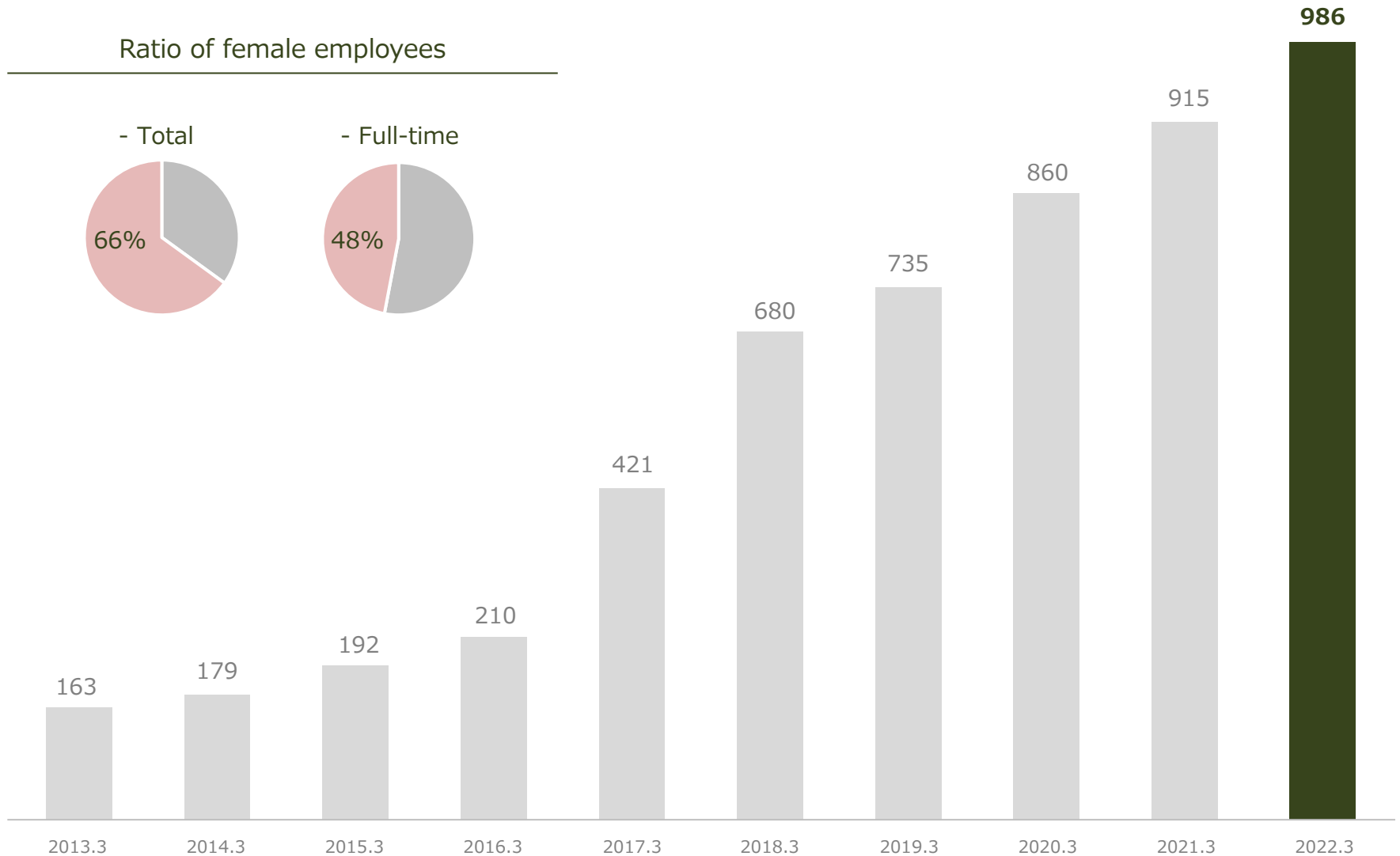
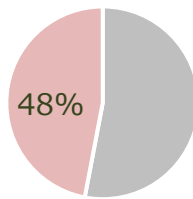
# Trend in No. of Employees

Ratio of female employees

- Total



- Full-time



# Directors Profile

The Board of Directors, consisting of five outside directors with variety of experience and knowledge, actively discuss sustainable growth of the company in the rapidly changing business environment.

## ■ Inside Directors



Chairman  
Yoshikazu Fujita

Appointed 2017  
Director of Fruit Basket Co., Ltd



President and CEO  
Kohey Takashima

Appointed 2000  
Vice Chairman of Japan Association of Corporate Executives, Director of Benesse Holdings, Inc., Chief Director of Eat, and Energize the East., Japan Wheelchair Rugby Federation  
Chairman of the Board of Directors



Director  
Yusuke Tsutsumi

Appointed 2000  
Executive Officer of Oisix Inc., General Manager of Solution Business Division, Radish Boya Mail Order Division, Daichi wo Mamoru Kai Home Delivery Division, Director of Karabiner, Inc



Director  
Hiroyuki Ozaki

Appointed 2010  
Executive Officer of Oisix Inc., General Manager of Human Resources Division



Director  
Kouhei Matsumoto

Appointed 2018  
Executive Officer of Oisix Inc., General Manager of Corporate Planning Division  
Representative Director of Future Food Fund, Inc.

## ■ Outside Directors



Director  
Mitsuyo Hanada

Appointed 2008  
Keio University Honorary Professor, Chief Director of FC Forum, Representative Director of Corporate University Platform, Inc.



Director  
Hitoshi Tanaka

Appointed 2015  
President and Representative Director of JINS Inc., President and Representative Director of Brand New Day Co., Ltd., President and Representative Director of JINS NORMA Co.



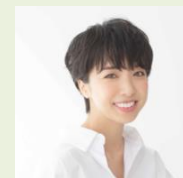
Director  
Junko Watabe

Appointed 2019  
General Manager of Quality coordinate Office of Recruit Holdings Co., Ltd., Director of Loyalty Marketing, Inc.



Director  
Wakako Sakurai

Appointed 2018  
Department Manager of business alliance Department of NTT docomo Inc.  
President and Representative Director of Plus W, Inc.  
Director of Toreta, Inc.  
Director of AI CROSS Inc.



Director  
Misato Kowaki

Appointed 2021  
Sabae City Advisor, Female Advancement Promotion.  
Advisor Web media "MOTHERS editorial department" established

# Main Business Risks

## ■ Effects of climate change

Fresh produce accounts for about 30 % of Group sales. We deploy a structure for fresh produce that makes it possible to secure supplies from other regions if poor weather in specific regions prevents harvests or results in poor quality. The system distributes transactions and in principle allows procurement of key products from multiple producer regions. Nevertheless, poor weather lasting longer and having more broad-ranging effects than expected may lead to product shortages and quality issues, with potential consequences for Group businesses and business results.



## ■ Effects of concentration of logistics centers

We operate our own logistics centers, where logistics functions such as inspection, storage, sorting, and packing of our products are concentrated. For the most part, products under the Oisix brand are shipped to customers through our logistics center located in the city of Ebina, Kanagawa Prefecture. Those under the DWMK brand are shipped through a center located in the city of Narashino, Chiba Prefecture. If a natural disaster, fire, or other cause were render either or both logistics centers unable to operate, potential consequences include inventory losses, shipping delay, and temporary suspension of services, which in turn would affect Group businesses and business results.

## ■ Issues related to food safety

We have established proprietary standards for the products handled for all our major brands. Whenever possible, we seek to offer produce grown without pesticides or chemical fertilizers. Our processed food products are made using the fewest possible additives. We have also established unique inspection systems for produce (including inspections of production sites and testing for residual pesticides) and processed food products (including use of third-party experts and independent institutions). We also strive to secure appropriate quality and safety that can be objectively demonstrated and evaluated through health and safety management guidance provided to suppliers and other means. Nevertheless, it remains possible that those who produce the products we offer may provide misleading or fraudulent labels regarding use of pesticides and similar matters or provide false quality information. Such cases could well lead to rebuke or penalties from regulators, customer complaints, and compensation for damages, in turn damaging the image of the Group's brands or leading to a loss of confidence in the Group and potentially affecting Group businesses and business results.

## ■ Governance throughout the supply chain

The Group develops its business in collaboration with many business partners, from procurement to logistics and the last mile. If any of these supply chains were to experience an increase in occupational accidents caused by the working environment, or governance violations such as human rights abuses or concealment of wrongdoings, it could have an impact on our business and business performance.

The Group will strive to avoid or mitigate risks through close communication with business partners that make up the supply chain, jointly recognizing the possibility of incidents and security systems, and through collaborative work. We will also strive to transfer risks through the use of insurance and exemption and cancellation clauses in contracts.





*KPI Data Sheets*

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# DATA SHEET : Results

## ■ Results

	2020.3				2021.3				2022.3			
mn yen	1Q	1-2Q	1-3Q	1-4Q	1Q	1-2Q	1-3Q	1-4Q	1Q	1-2Q	1-3Q	1-4Q
Sales	16,265	32,552	52,425	71,040	23,132	47,567	74,790	100,061	27,911	56,167	87,400	113,476
Operating Profit	543	900	1,597	2,467	2,076	3,976	6,131	7,465	1,950	3,347	4,979	4,171
EBITDA	755	1,348	2,381	3,595	2,419	4,679	7,198	8,902	2,316	4,188	6,385	6,216
Net income Attributable to owners of the parent	270	390	695	790	1,184	2,452	3,900	5,031	1,293	2,156	3,294	2,727

# DATA SHEET : Business Segment Result

## ■ Business Segment Result

		2020.3				2021.3				2022.3			
(mn yen)		1Q	1-2Q	1-3Q	1-4Q	1Q	1-2Q	1-3Q	1-4Q	1Q	1-2Q	1-3Q	1-4Q
Oisix	Sales	8,308	16,524	26,522	35,829	11,265	23,047	37,036	49,863	14,145	28,580	45,190	58,546
	Segment profits	933	1,868	3,261	4,801	2,367	4,335	7,012	8,984	2,057	4,045	6,525	7,036
Daichi	Sales	2,587	5,137	7,936	10,541	3,636	7,094	10,761	13,978	3,314	6,628	10,154	13,240
	Segment profits	457	885	1,397	1,889	724	1,368	2,160	2,751	663	1,319	2,010	2,619
Radish Boya	Sales	3,770	7,459	11,410	14,980	4,721	9,083	13,653	17,704	4,331	8,732	13,336	17,432
	Segment profits	688	1,273	2,001	2,667	899	1,626	2,449	3,023	584	1,143	1,883	2,429
Purple Carrot	Sales	-	-	-	-	-	-	-	-	2,842	5,536	7,893	10,208
	Segment profits	-	-	-	-	-	-	-	-	549	811	985	959
Other Business*	Sales	1,663	3,529	6,383	9,497	3,601	8,522	13,600	18,922	3,373	6,911	11,194	14,578
	Segment profits	256	557	656	846	391	1,038	1,599	2,320	427	869	1,295	1,423
Companywide fixed costs, Goodwill etc		1,792	3,683	5,719	7,736	2,305	4,391	7,089	9,655	2,329	4,842	7,720	10,296

# Data Sheet : Main KPI

## KPI trend

		2020.3				2021.3				2022.3			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Oisix	Subscribers (number)	221,612	226,187	230,393	239,837	252,303	274,929	285,168	308,899	333,850	347,772	345,409	346,083
	ARPU (yen)	11,095	10,634	11,379	11,745	13,822	12,986	13,106	13,042	12,891	12,564	12,880	12,166
	Price/ purchase (yen)	5,884	5,840	6,055	6,166	6,748	6,201	6,315	6,215	6,098	6,057	6,220	6,096
	Purchase Frequency (number)	1.89	1.82	1.88	1.90	2.05	2.09	2.08	2.10	2.11	2.07	2.07	2.00
Daichi	Subscribers (number)	38,517	37,532	37,121	37,127	43,941	44,878	44,998	45,307	45,196	45,394	45,730	45,534
	ARPU (yen)	20,821	21,159	22,391	21,604	27,117	24,128	24,356	23,520	23,025	23,251	24,079	21,728
	Price/ purchase (yen)	8,195	8,292	8,732	8,508	9,234	8,610	9,000	8,729	8,425	8,557	9,002	8,218
	Purchase Frequency (number)	2.54	2.55	2.56	2.54	2.94	2.80	2.71	2.69	2.73	2.72	2.67	2.64
Radish Boya	Subscribers (number)	61,009	59,400	58,528	56,935	62,515	61,822	61,518	62,751	65,320	66,464	66,206	65,093
	ARPU (yen)	18,202	17,926	19,659	18,621	23,189	20,884	21,000	20,259	20,188	19,748	20,137	18,790
	Price/ purchase (yen)	6,055	6,060	6,398	6,206	7,028	6,373	6,696	6,441	6,402	6,407	6,589	6,247
	Purchase Frequency (number)	3.01	2.96	3.07	3.00	3.30	3.28	3.14	3.15	3.15	3.08	3.06	3.01

# Disclaimers

- ◆ This material is intended to provide an understanding of Oisix ra daichi activities, not to solicit investment
- ◆ Forecasts of Oisix ra Daichi's operating results and future performance are based on information available to Oisix ra daichi at the time this material was drafted and are not guaranteed to be accurate.
- ◆ Actual operating results may differ from the future outlooks contained in this material.

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