



# *2023/3 Q4 Results Explanatory Materials*

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*Oisix ra daichi Inc.*

*2023.5.11*

# 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.

## 1. 2023.3 Achievements

1-1. Achievements

+ Review

+ Business Results

1-2. Results on Business Segment

## 2. Medium-to long-term strategy

2-1. Growth Strategies and Targets

2-2. B2C Subscription Business

2-3. B2B Subscription Business

2-4. sustainable

2-5. strengthening of earning power

## 3. 2024.3 Outlook

## 4. Other Topics

### ■ APPENDIX・DATA SHEET

# *1. 2023.3 Achievements*

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## *1-1. Achievements*

*+ Review*

*+ Business Results*

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

## *1-1. Achievements*

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*1-1. Achievements*

*+ Review*

*+ Business Results*

*1-2. Results on Business Segment*

## 2023.3 Achievements

### - Review : 2023.3 Initiatives

1Q

- ✓ Oisix Ebina Station **recovered from logistics problems**
- ✓ Deterioration in earnings due to inflation

2Q

- ✓ **Completion of recovery** from logistics problems
- ✓ Start of **profit structure reform**
- ✓ **Commencement of TOB** for SHiDAX shares

3Q

- ✓ **Progress in Profit Structure Reform**
- ✓ **TOB** for SHiDAX shares established

4Q

- ✓ **Steady profit structure reforms**
- ✓ **Began considering collaboration** with SHiDAX
- ✓ Invested PR expenses and Oisix branded  
**Subscribers significantly expanded**

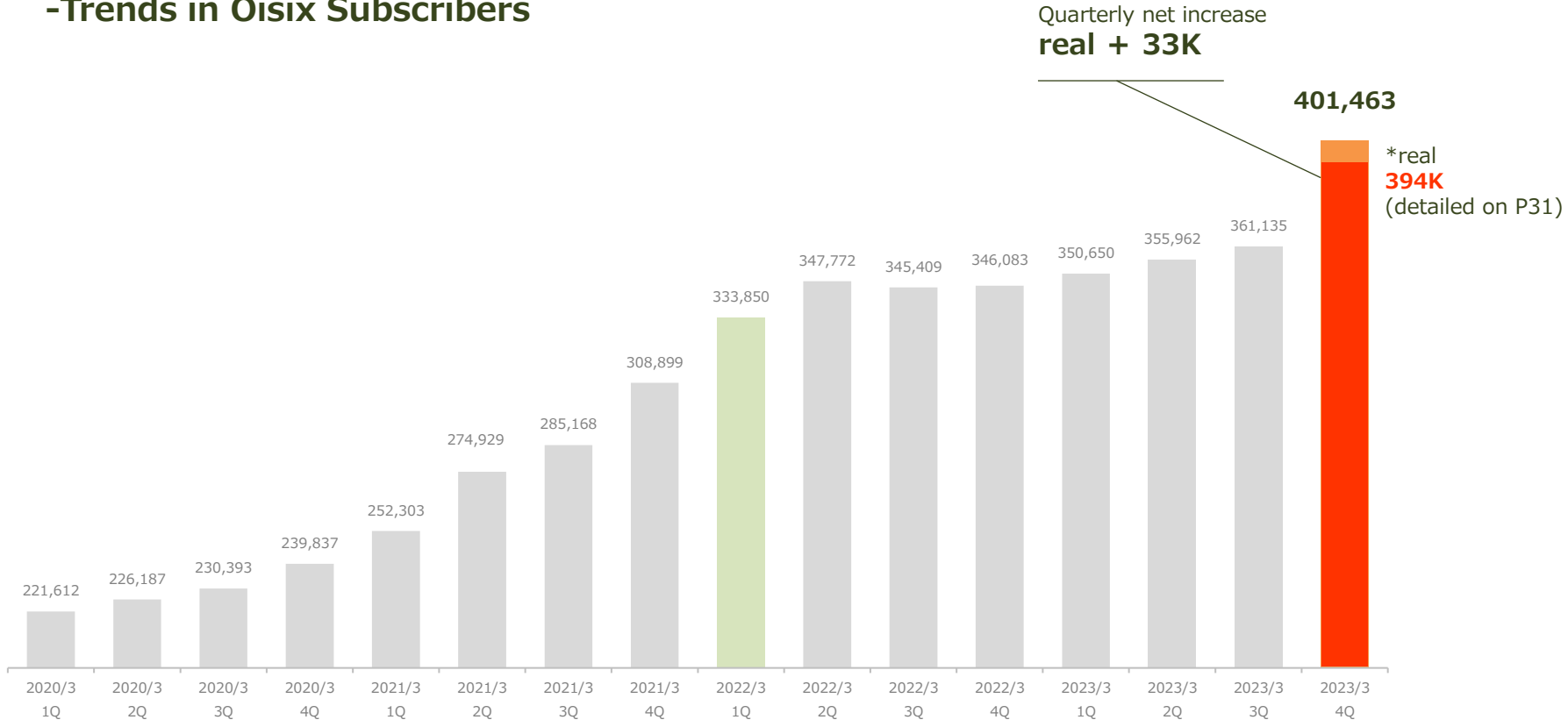
# 2023.3 Business Results

## - Review : Oisix 4Q New subscribers Acquisition

\* Special additional PR implemented in 4Q brought the number of members to 401,000 at the end of the period, though, However, due to early cancellations of subscriptions, the number of "real" members was calculated at 394,000, excluding those who cancelled their subscriptions within 5 weeks of becoming members. The "actual" number of members was calculated to be 394,000 (see page 31 for details).

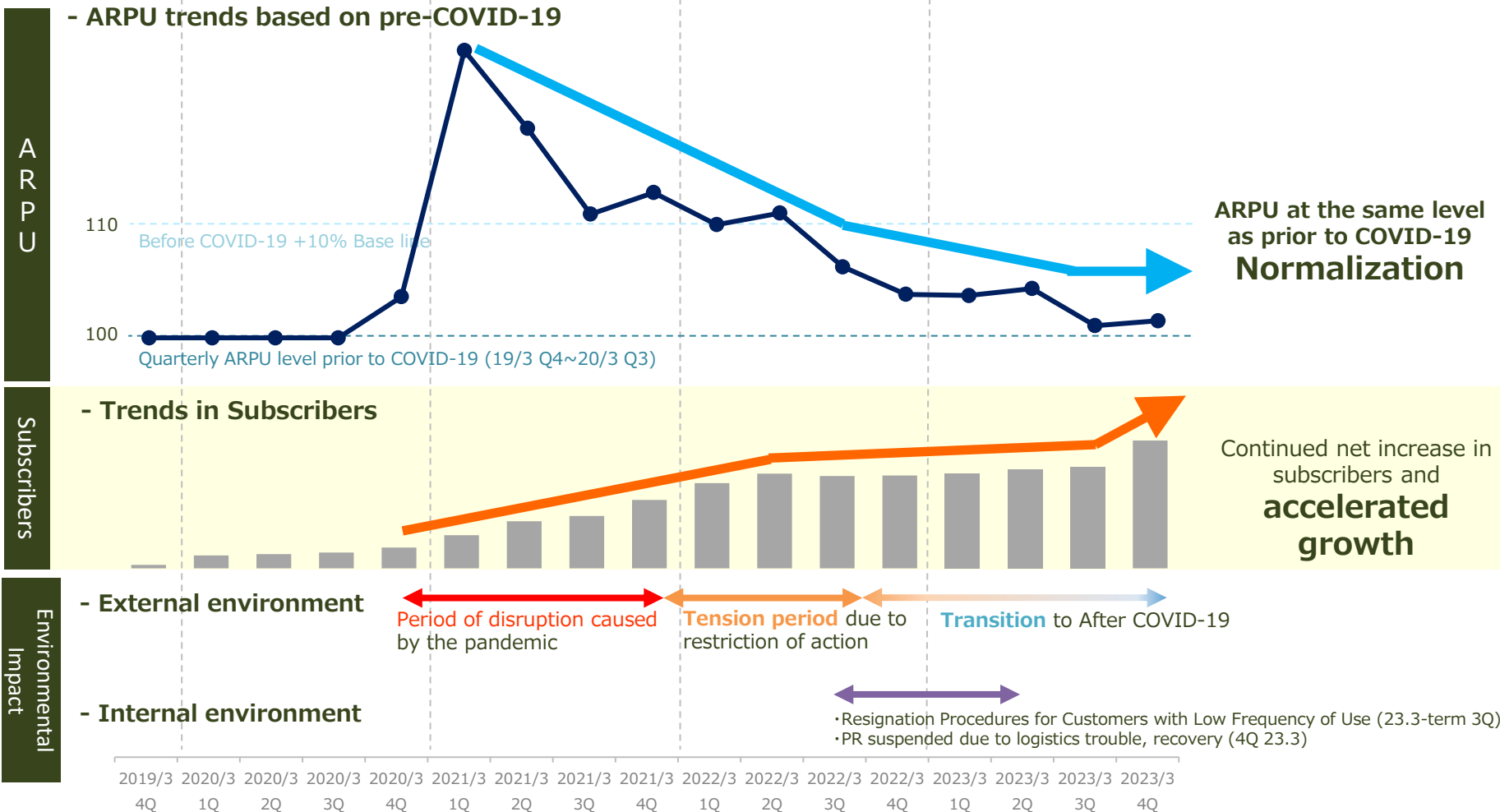
① Profitability improved due to the completion of recovery from logistics troubles and the profit structure reforms initiated in 2Q, ② Established a PR method for after-sales corona. This led to a special additional PR expense of 1.1 billion yen in the 4Q. As a result, the number of members increased by 33,000 from the end of the 3Q, to 394,000 in real terms\* (401,000 in actual terms).

### -Trends in Oisix Subscribers



# Review of KPI Trends

From about March 2020, both subscriptions and ARPU saw sharp increases reflecting a rapid rise in home delivery demand vis-à-vis COVID-19. The COVID tailwind, however, has weakened with subsequent relaxation of activity restrictions and the correlation between COVID-19 and business performance has largely disappeared. As such, from FY/24 we aim for growth reversion under normalized conditions.





## 2023.3 Achievements

✓ Despite the ARPU decline that has accompanied economic resumption, a **continued rise in net subscriptions and recovery of other businesses has allowed growth of 2% YoY.**

✓ With steady progress in reforming our profit structure **4Q invested an additional PR outlay of ¥1.1 billion.**

Meanwhile, **with subscribers having increased in real terms to 394K (401K nominally),** preparations are well underway for reversion to growth.

Sales

115.17 bn yen  
( YoY + 2 %)

EBITDA

5.59 bn yen  
( YoY - 10 %)

Operating  
Income

3.34 bn yen  
( YoY - 20 %)

Net  
income  
Attributable to  
owners of the  
parent

1.80 bn yen  
( YoY - 34 %)

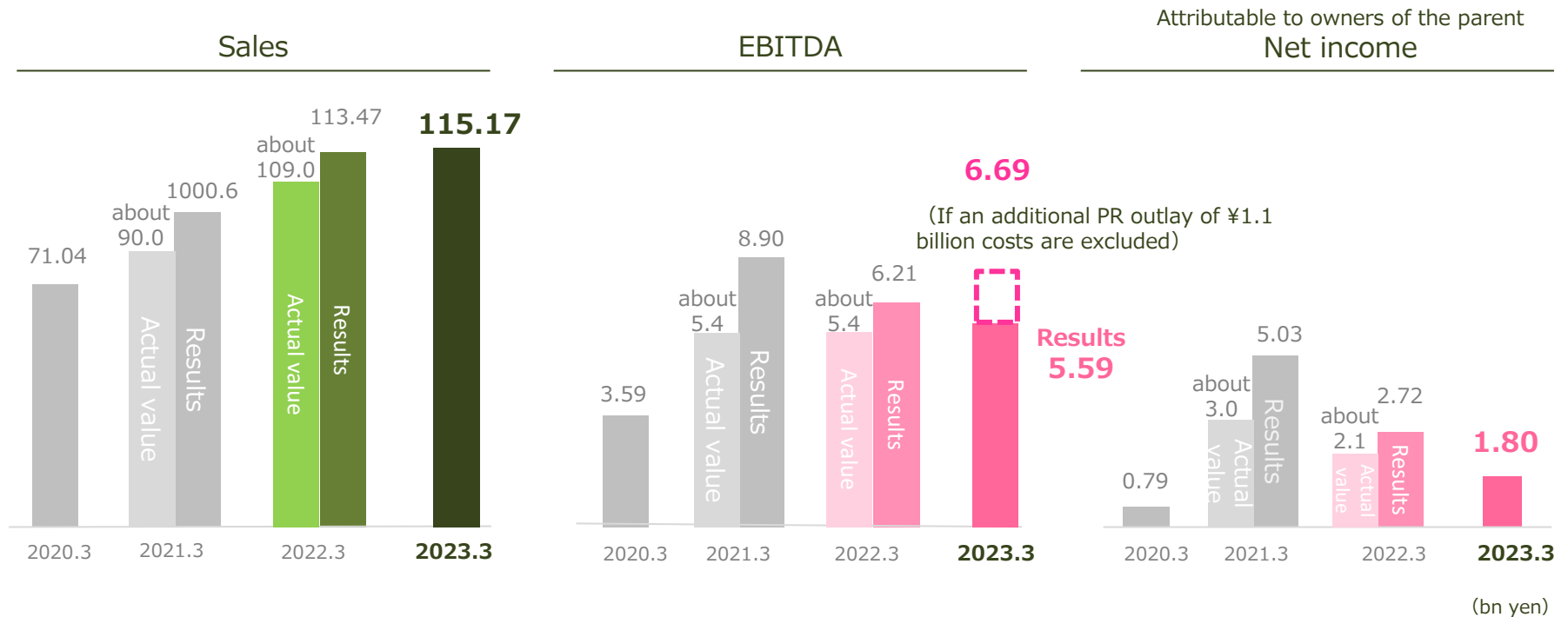
# 2023.3 Consolidated Results Overview

Sales : Relative to the one-off inflated levels seen in FY3/21, ARPU has gradually been returning to levels prior to COVID-19. It appears to have bottomed out in the 4Q. Meanwhile, **led by Oisix, subscriptions have seen continued growth and sales have continued to increase even in the post COVID-19 environment.**

EBITDA : Whilst profits fell relative to the inflated COVID-19 driven margin level of the past two years, solid progress in profit structure reforms has meant that actual **EBITDA has seen steady growth.**

Net

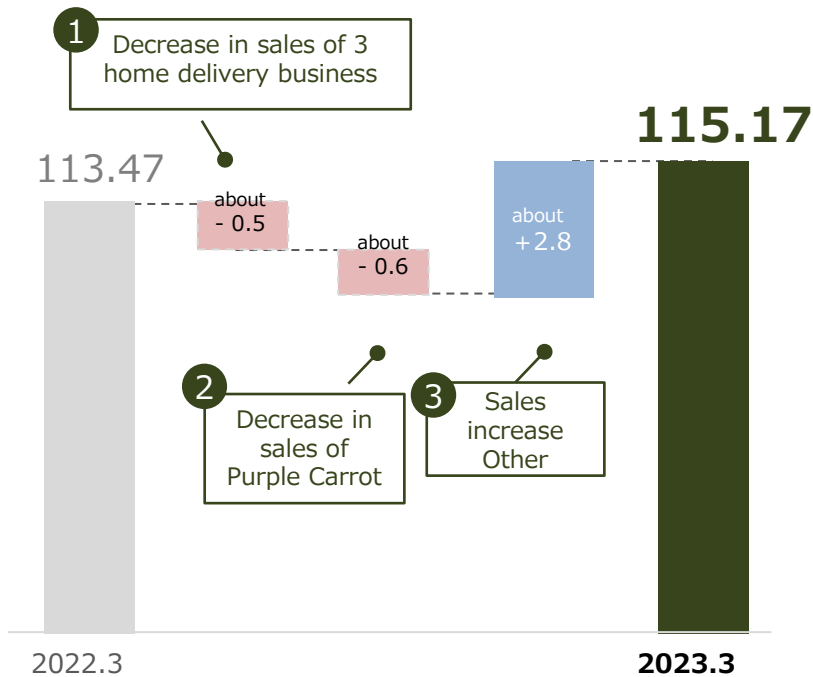
income : **Whilst equity earnings from SHiDAX was generated** (accounted for from the 4Q, see page 39 for details), the effect of losses from other affiliated companies and/or investments meant that net income attributable to the parent company fell.



# YoY : Sales

As a result of net subscription growth led by Oisix, even as full-year ARPU fell 4~5% YoY, sales at the three domestic home delivery businesses came in essentially flat. Additionally, reflecting recovery of businesses that were negatively impacted by pandemic activity restrictions, **overall sales grew 2% YoY.**

- Sales (bn yen)



## Breakdown

### ① Decrease in sales of 3 home delivery business : about - 0.5 bn yen

- Increase in sales due to increase in subscribers : about +3.0 bn yen
- Decrease in sales due to decrease in ARPU : about - 3.5 bn yen

### ② Decrease in sales of Purple Carrot : about - 0.6 bn yen

- Downward trend in Subscriber after peaking in the previous Q1

### ③ Sales increase of Other : about + 2.8 bn yen

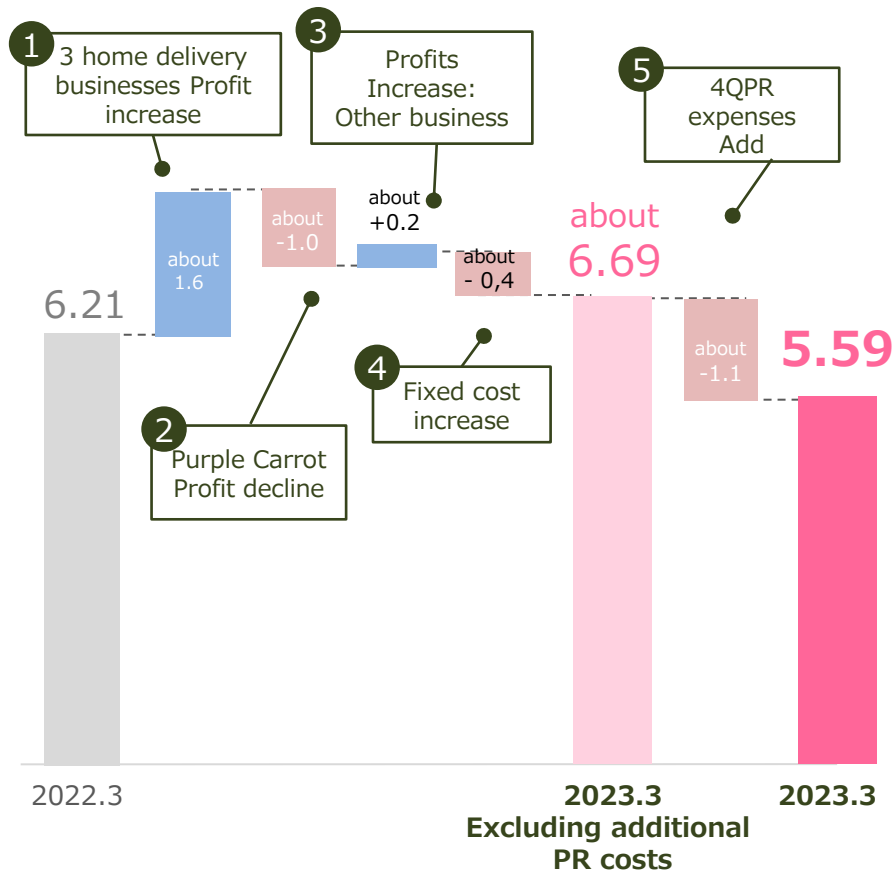
- With an increase in offline events and an increase in sales of businesses such as Nursery School and wholesaling to restaurants.
- EC support +0.6 bn yen
- Nursery School +0.2 bn yen
- Consolidated subsidiaries +1.0 bn yen

# EBITDA

Whilst sales at the three home delivery businesses remained essentially flat, margins improved on implementation of profit structure reforms. **Excluding the impact of additional PR expenses made in 4Q, profit increased YoY.** Whilst Purple Carrot posted a loss reflecting such factors as soaring raw material and labor costs, losses are expected to narrow more than expected.

Breakdown

## -EBITDA (bn yen)



## ① 3 home delivery businesses

### Profit increase

: about +**1.6** bn yen

## ② Purple Carrot (U.S) Reaching a deficit

: about -**1.0** bn yen

- Cumulative total for the previous fiscal year: about 9.5 bn yen
- ⇒ Cumulative total for the current fiscal year: about - 0.5 bn yen
- Loss in the current fiscal year due to the impact of inflation in addition to the decrease in sales

## ③ Other business : about+**0.2** bn yen

## ④ Companywide fixed costs increase

: about-**0.4** bn yen

- Preparatory expenses for renewal of system infrastructure (enhancement of speed and data utilization).
- Strengthening personnel for business enhancement and expansion
- Retirement of materials handling systems not used in Purple Carrot

## ⑤ Addition of 4QPR expenses

: about - **1.1** bn yen

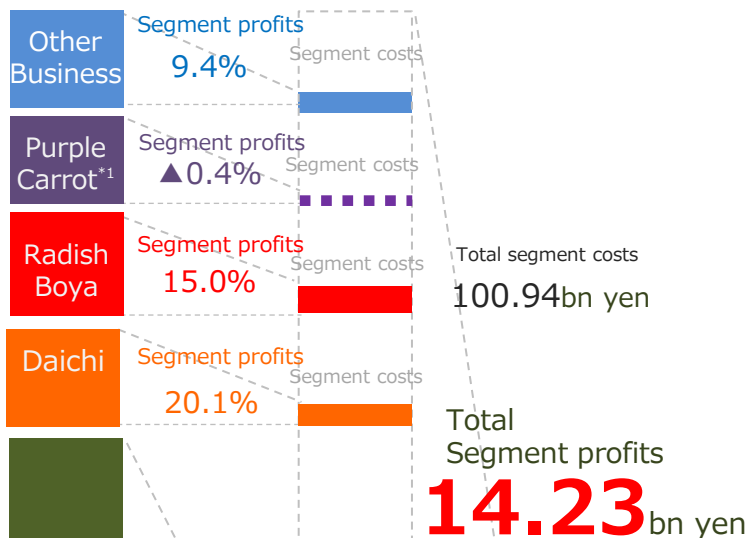
# Business segment Results

	Sales	Segment profit*	Overview
Oisix	59.41 bn yen (YoY + 2%)	7.56 bn yen (YoY + 8%)	<ul style="list-style-type: none"> <li>• Reflecting PR expenditures in the 4Q, subscriptions saw an increase of 40K. Excluding expected short-term cancellations due to issues with acquisition methods, the increase was 33K. We note also the discovery of future growth opportunities and needs.</li> <li>• ARPU decreased YOY partly due to a return to normal seasonal fluctuations.</li> </ul>
Daichi	12.34 bn yen (YoY - 7%)	2.48 bn yen (YoY - 5%)	<ul style="list-style-type: none"> <li>• We continue to experiment with the development of new subscriber acquisition methods. Slight decrease from the previous fiscal year due to inability to strengthen new PR</li> <li>• ARPU decreased YOY partly due to a return to normal seasonal fluctuations.</li> </ul>
Radish Boya	16.93 bn yen (YoY - 3%)	2.54 bn yen (YoY + 6%)	<ul style="list-style-type: none"> <li>• Whilst price increases resulted in churn rate, Increase in Subscribers by 2,700 about due to elongation by acquisition of "fuzoroi Radish".</li> <li>• Price/purchase increased due to a review of services for vegetable boxes for mainstay products, but the frequency of orders declined, and ARPU decreased from the previous year.</li> </ul>
Purple Carrot*	9.79 bn yen (YoY - 4%)	-0.04 bn yen (YoY - 1.01 bn yen)	<ul style="list-style-type: none"> <li>• Decreased from the same period of the previous fiscal year due to the impact of sales continuing and Subscribers declining after peaking in 1Q.</li> <li>• Profits are remains on a downward trend owing to inflation and weaker sales. Reflecting, however, 2Q implementation of price hikes and delivery fee effects, full-year profits are likely to exceed initial forecasts.</li> </ul>
Other Business*	17.94 bn yen (YoY + 23%)	1.69 bn yen (YoY + 19%)	<ul style="list-style-type: none"> <li>• The EC Support business continuous net increase in Subscribers</li> <li>• The Nursery School Wholesale business has implemented measures to expand the business partner base as well as to develop meal kits for commercial use.</li> <li>• With relaxation of pandemic activity restrictions. sales at the likes of Toyoichi (Toyosu Gyosho Sanchoku Ichiba), a wholesaler catering to restaurants, saw renewed growth.</li> </ul>

# Business segment Results Overview

Sales

**115.17** bn yen



Companywide fixed costs

10.21bn yen

(Of depreciation and amortization Segment costs posted)  
\*\*

1.57bn yen

EBITDA

**5.59** bn yen

Depreciation and amortization

2.25bn yen

Operating Income

**3.34** bn yen

# *1. 2023.3 Achievements*

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## *1-1. Achievements*

*+ Review*

*+ Business Results*

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

# Oisix KPI

\* Reflecting additional PR spending in 4Q, we achieved fiscal year-end subscriptions of over 400K. However, we have noted an increase in early cancellations of subscribers acquired via a particular program. We have thusly calculated an "adjusted" figure that excludes from the subscription number those subscribers acquired by said program and cancel within five weeks (details on P31).

Subscribers : New PR costs were invested additionally, **resulting in a quarterly real about of +33K net increase, a record high, and a real Subscribers of 394K (401K nominally)**

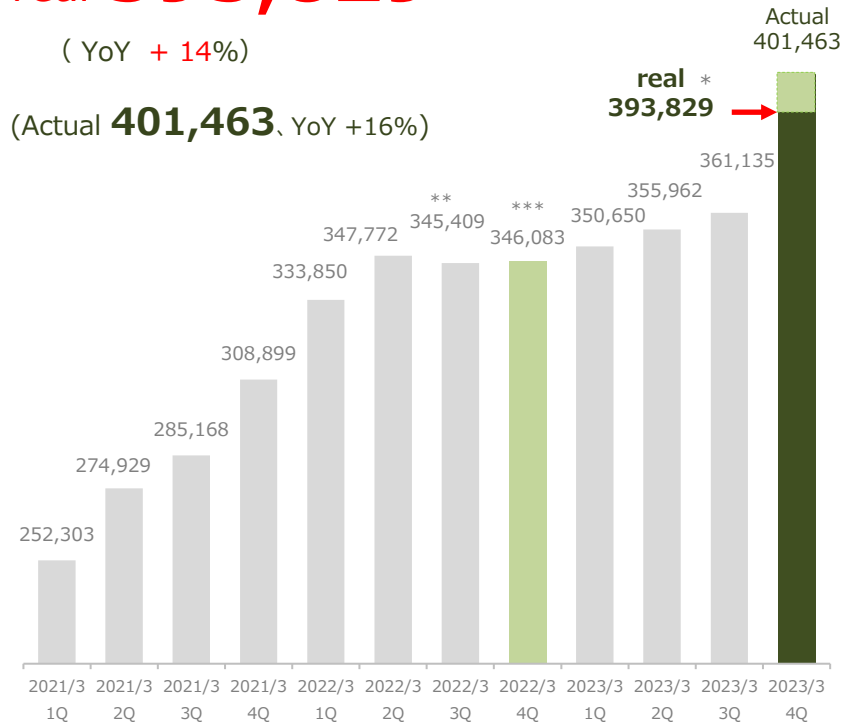
ARPU : New customer acquisitions saw a large increase but the increased weight of low ARPU new subscribers meant that overall ARPU weakened declining 2% YoY.

Subscribers

real **393,829** \*

( YoY + 14%)

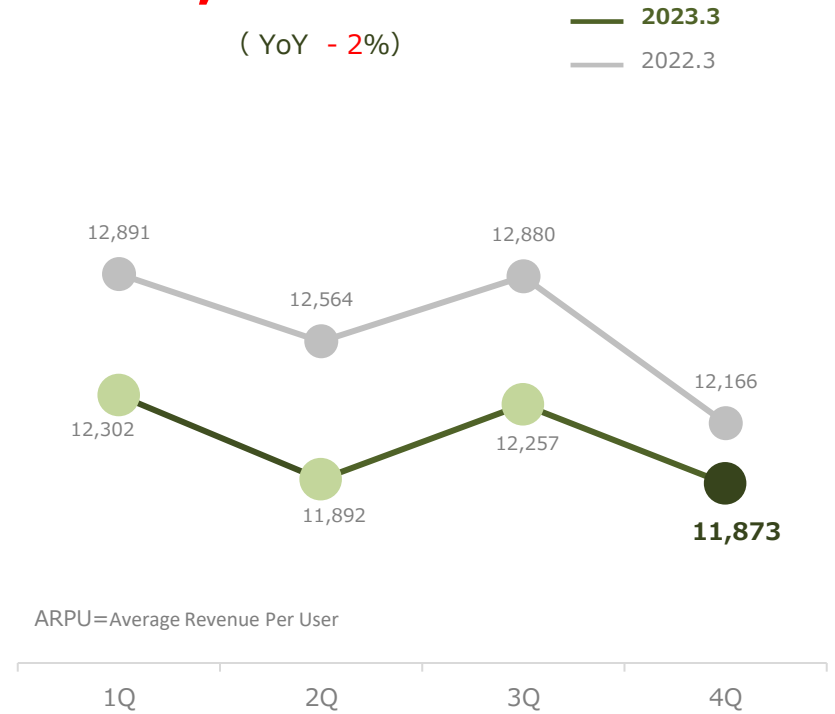
(Actual **401,463**, YoY +16%)



ARPU

**11,873** yen

( YoY - 2%)

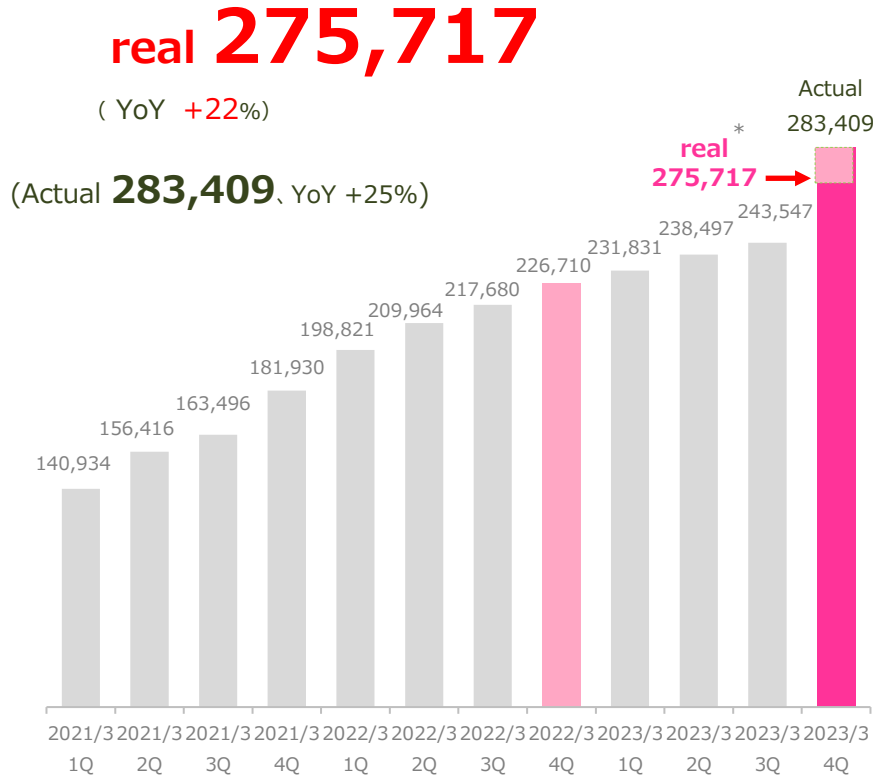




\* Reflecting additional PR spending in 4Q, we achieved fiscal year-end subscriptions of over 400K. However, we have noted an increase in early cancellations of subscribers acquired via a particular program. We have thusly calculated an "adjusted" figure that excludes from the subscription number those subscribers acquired by said program and cancel within five weeks (details on P31).

Kit Oisix Course subscriptions (included in Oisix subscriptions) **grew 22% YoY** (Actual +25%) driving growth in overall.

No. of Kit Oisix course subscribers\*



## ◆ 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



# Daichi KPI

※Regarding changes to definition of subscriber at Daichi wo Mamorukai. Owing to discrepancies regarding the definition of a subscriber at Oisix and Radish Boya, we have at this time revised such definition. Specifically, we have excluded from the definition of subscriber those who plan not to make any orders for a certain extended period of time.

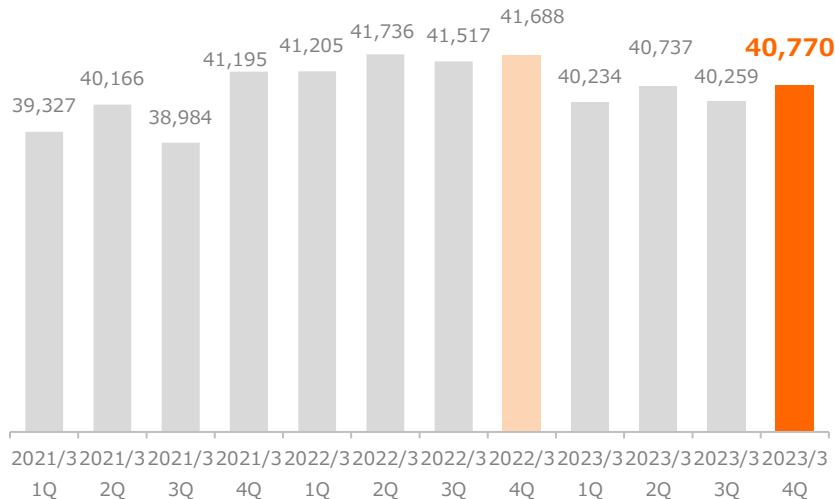
Subscribers \* : Continue to prioritize the creation of products and services aimed at acquiring new subscribers, **Up slightly from the previous fiscal year**

ARPU : Due to the impact of pricing rationalization, the frequency of orders declined in Price/purchase despite an increase, resulting in a 2% YoY.

## Subscribers

**40,770**

(YoY - 2%)

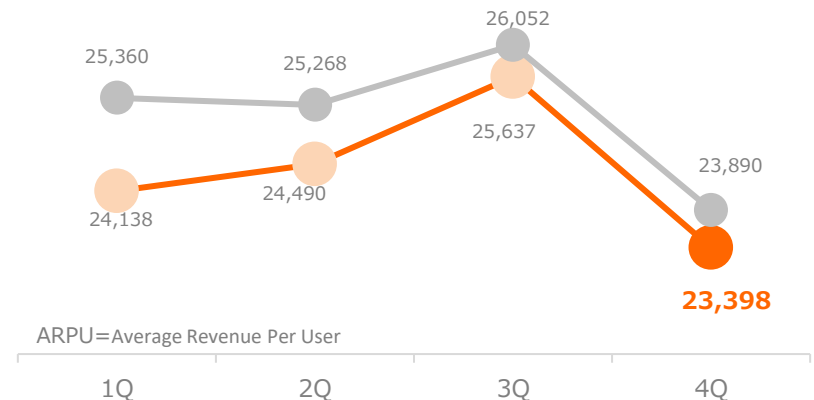


## ARPU

**23,398** yen

(YoY - 2%)

— 2023.3  
— 2022.3



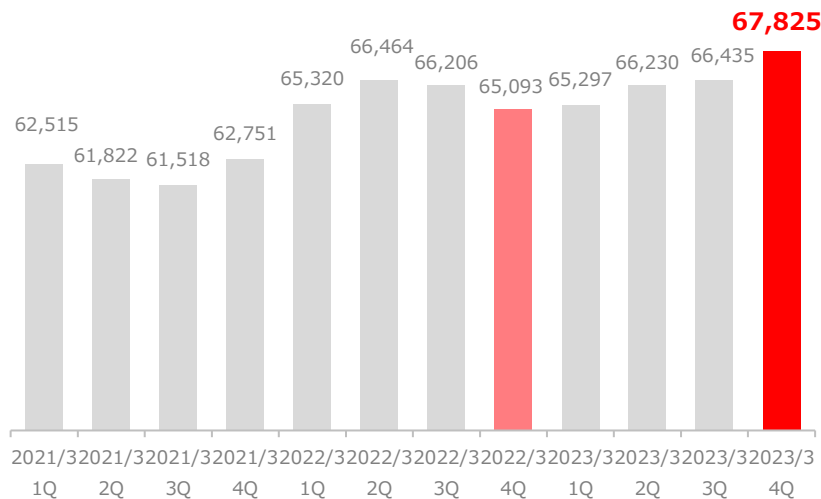
# Radish Boya KPI

- Subscribers : Centered on “Fuzoroi Radish,” our appeal for support for producers has found an audience. For the first time since the merger, we were able to secure a net increase in subscriptions for all quarters of the year allowing reversion to growth.
- ARPU : Due to a review of the services of the mainstay vegetable Omakase Box, Price/purchase increased, but the frequency of orders declined, resulting in a 4% YoY .

Subscribers

**67,825**

( YoY + 4%)

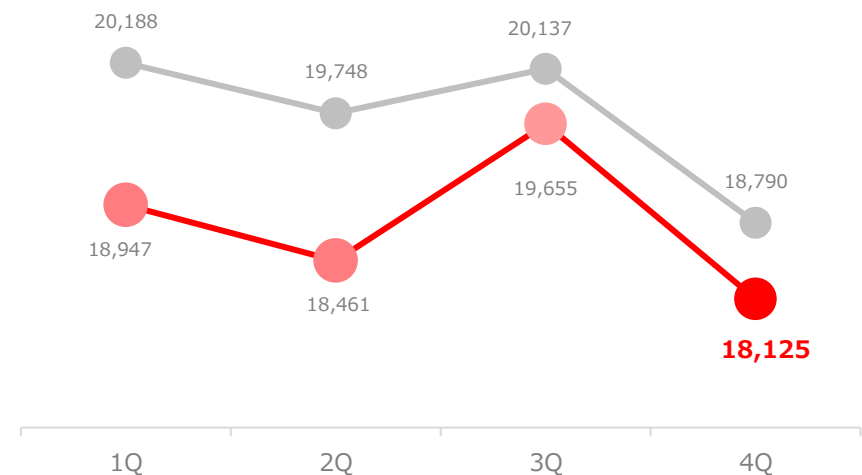


ARPU

**18,125** yen

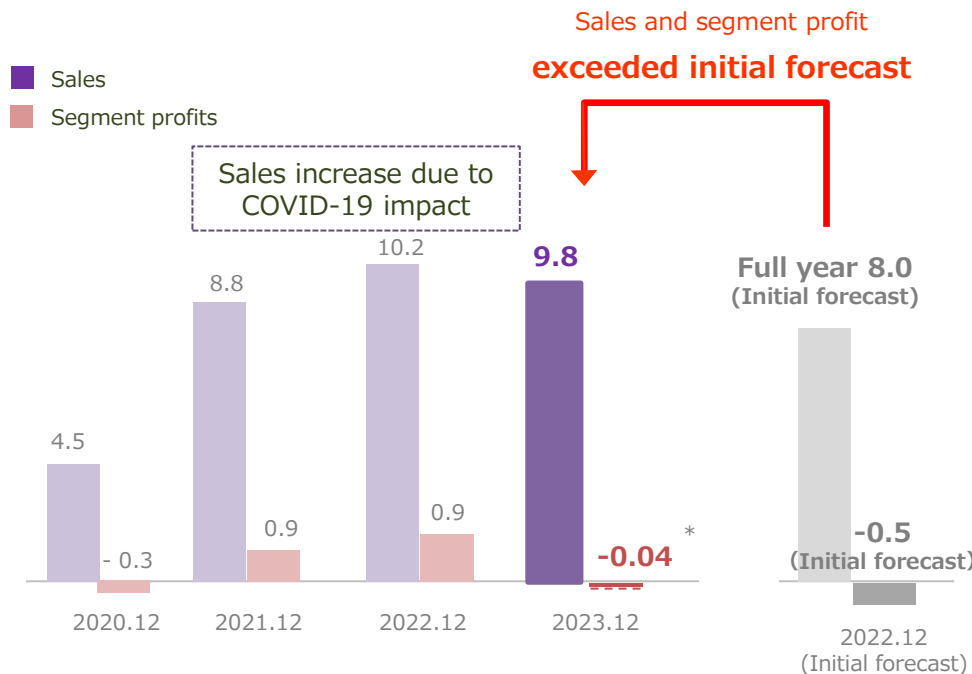
( YoY - 4%)

— 2023.3  
— 2022.3



Sales continued to decline due to the impact of AfterCOVID-19, The extent of the decline in Subscribers was slower than planned, and **both full year sales and segment income exceeded initial forecast**. Profitability improved due to a review of prices and delivery charges for anti-inflation measures.

## Quarterly results (bn yen)



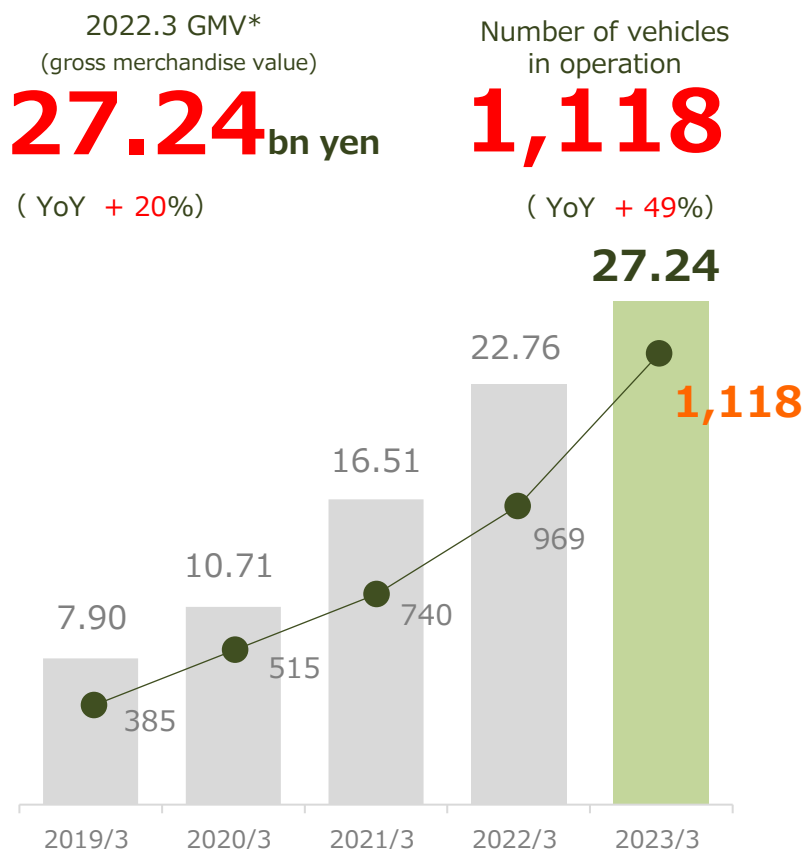
## Review of the current term

Sales | ✓ Improve quality by improving logistics system and providing domestic know-how. churn rates improved, **and subscribers decline slower than planned**

Segment profits | ✓ Rapidly deteriorating profitability due to rapid inflation  
 ✓ **Improve profitability** by optimizing prices, such as by reviewing product prices and delivery charges, and reducing waste by improving operations

Vehicles in operation surpassed 1,000 units in May/22 and **full-year GMV continued to grow in excess of 20% YoY**. Implementing profit structure reforms to permit continued business expansion as well as initiatives to create a system enabling high-quality services soon after business commencement.

Impact scale



Review of the current term

✓ **Reforming our profit structure** to invest in growth

- Initiated a hike in sales commissions, system investments, and investments into substitute vehicles (in the event of vehicle breakdown) to enable a transition to an earnings model that will make aggressive growth investments possible.

✓ Strengthen support for **providing high-quality services**

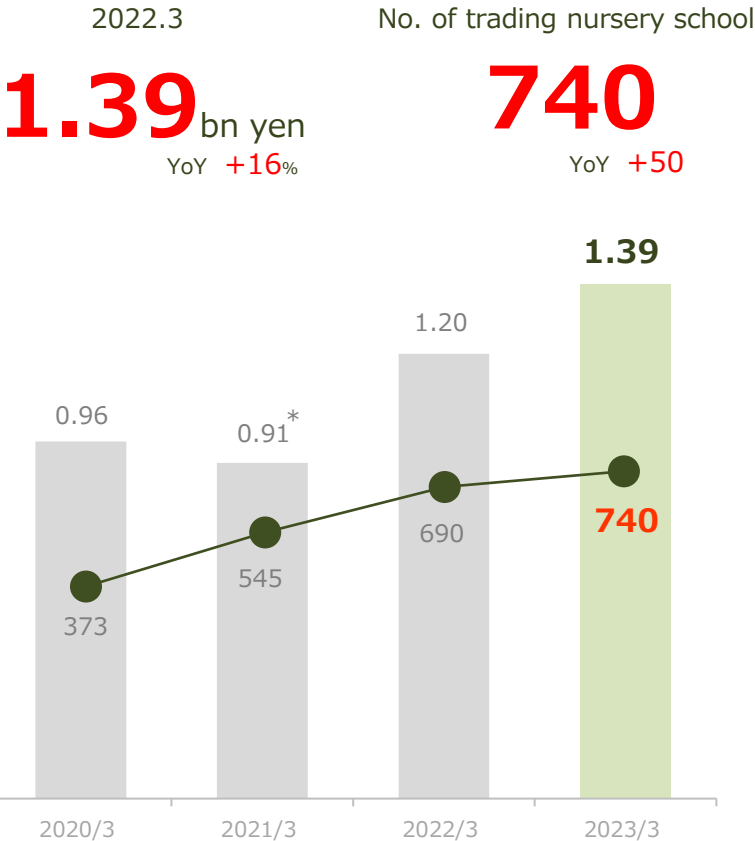
- Online training to enable sales partners to continue to play an active role
- Strengthen training prior to opening. Providing entry know-how with stable quality.



# Nursery School Wholesale

Sales grew **16% YoY** and the number of participating nursery schools expanded by **50 YoY**. Introduced experimental services with regard to commercial meal kits for nursery schools (first offered in June 2022) and initiated new methods when conducting sales approaches.

Sales · No. of trading nursery school



## Review of the current term

- ✓ Launched Commercial Meal Kit for Nursery School
  - In addition to conventional meal production and food procurement, labor-saving cooking time is also realized.



- ✓ Holding events/seminars for managers to expand No. of participating Nursery School



\*In the 2021/3 period, the nursery school was closed one after another due to COVID-19, resulting in an irregular decrease in sales.

## *2. Medium-to long-term strategy*

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*2-1. Growth Strategies and Targets*

*2-2. B2C subscription business*

*2-3. B2B Subscription Business*

*2-4. sustainable*

*2-5. strengthening of earning power*

## *2. Medium-to long-term strategy*

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*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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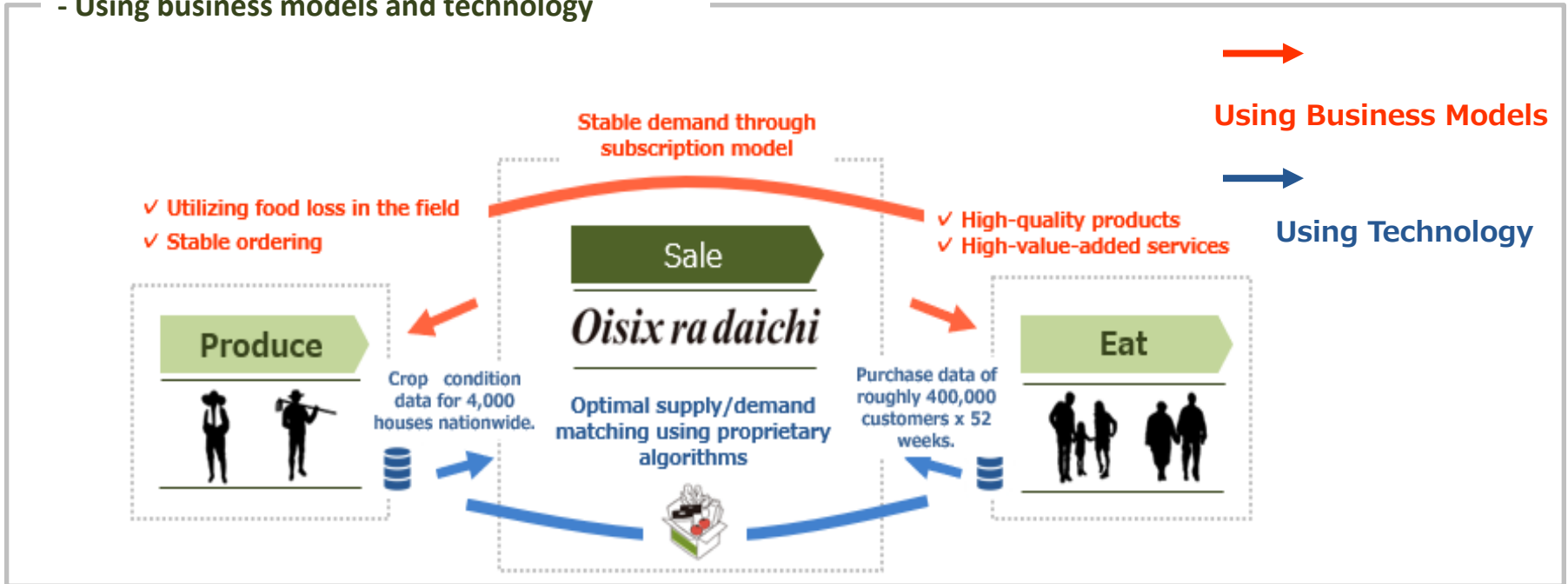
***Sustainable Retail***

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# Business features and strengths

We have a distinctive business model and technology, and **we are building high barriers to entry through our unique procurement network**, efficient sales through the use of data, low-cost Fulfillment, and ability to develop high-value-added products and services.

## - Using business models and technology



**High-quality, low-cost procurement** through direct networks

**Data-Utilization Skills** to Match Producers with Customers

**Low-cost Fulfillment** in logistics and delivery

**Developing high-value-added products** and services that meet customer needs

# Medium-term growth targets

In the mainstay domestic B2C subscription business, we aim for continued GMV growth in excess of CAGR 10% and look to achieve ¥200 billion from the current ¥125 billion.

In addition, centered on the tens of billions of yen in sales in the B2B subscription business, we aim to expand into new nonconsolidated growth areas such as the overseas B2C and next generation food.

FY2023.3

Achieved in the medium term

## - Discontinuous growth

Next Generation Food

Overseas B2C Subscription

business expansion

B2B Subscription

(Sales)

1.4 billion

tens of millions of yen

Achieved in the medium term

## - Drive growth

Domestic B2C Subscription

(GMV) \*



¥125 billion

(Domestic 3 business about 90 billion)

¥200 billion

At present

## *2. Medium-to long-term strategy*

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*2-1. Growth Strategies and Targets*

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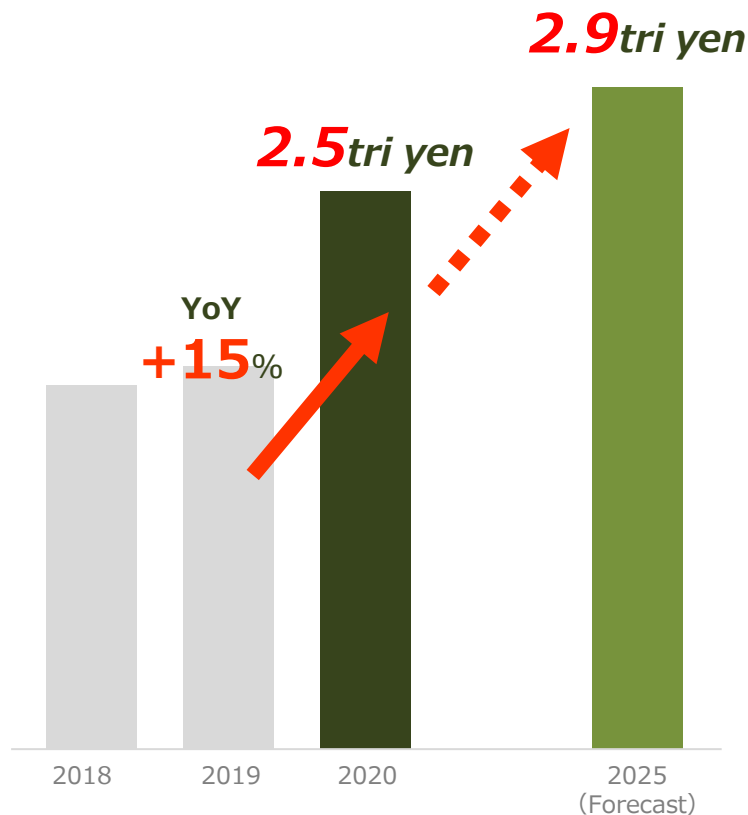
*2-5. strengthening of earning power*

# Domestic food delivery market

## -Market Size and Environmental Changes

In FY3/21, the domestic food delivery market expanded 15% YoY. We think the market will continue to expand in the future. However, with entry of various domestic and overseas players, we are beginning to see selectivity in terms of which services will continue to be used with elimination of pandemic activity restrictions.

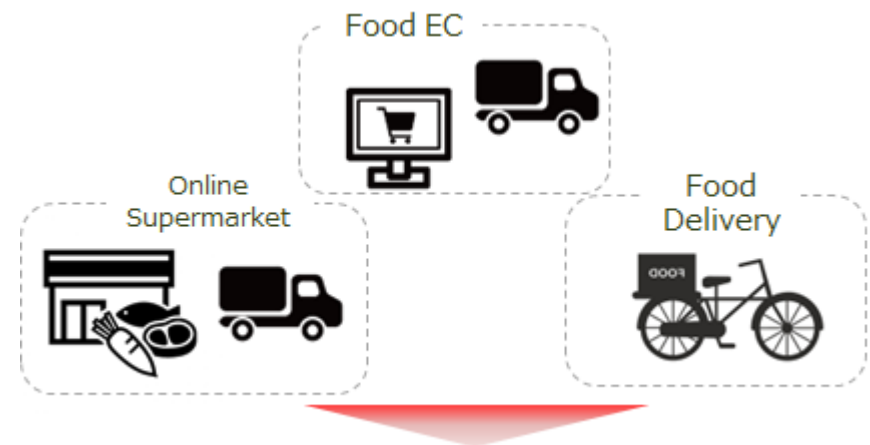
Domestic food delivery market size \*



Environmental changes

### - New entry of EC player

COVID-19 spurred the increase of players and revitalization



### - Transition to After COVID-19

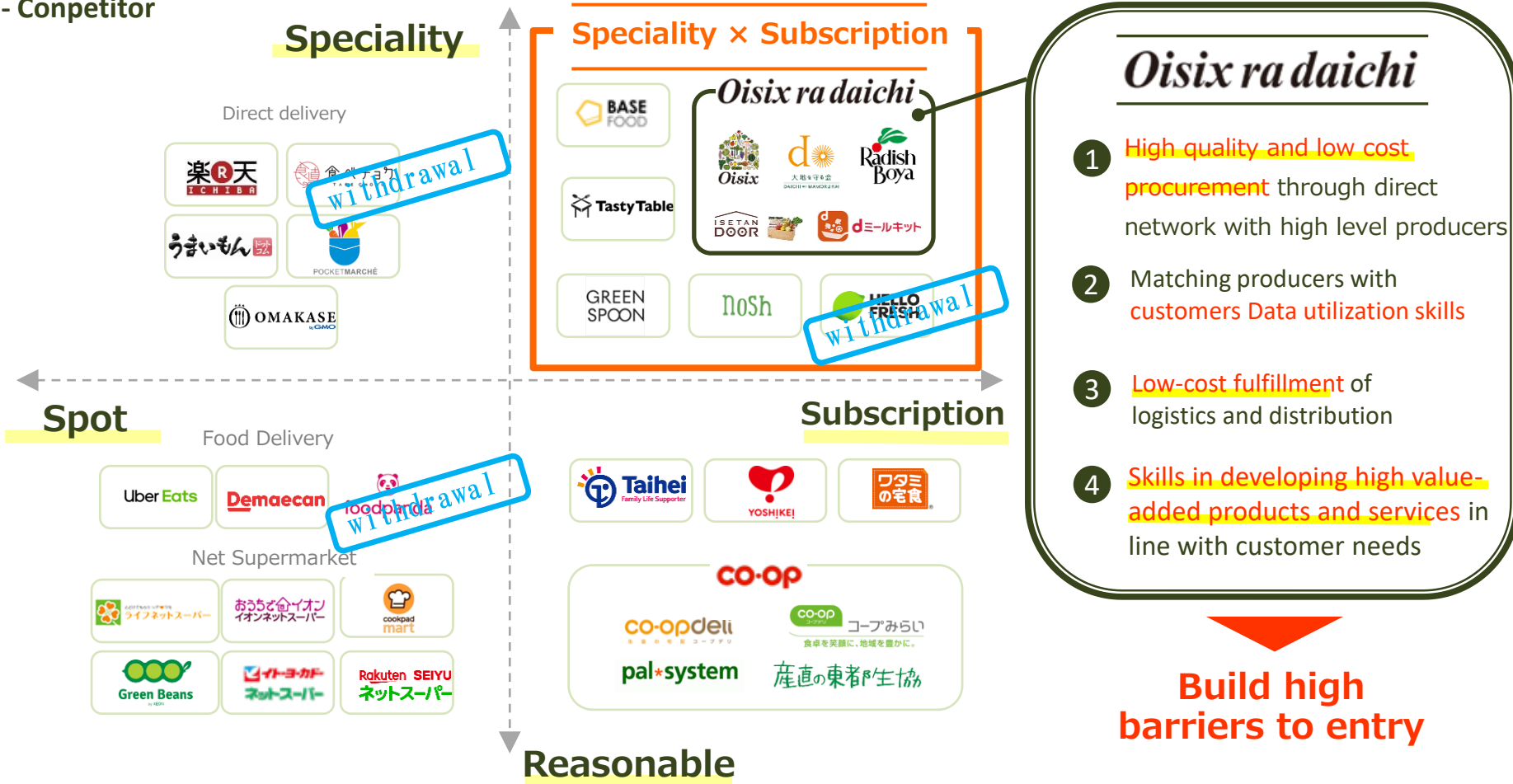
Some companies are also withdrawing from successful restaurant delivery and food EC companies abroad

# Domestic food delivery market

## -Positioning

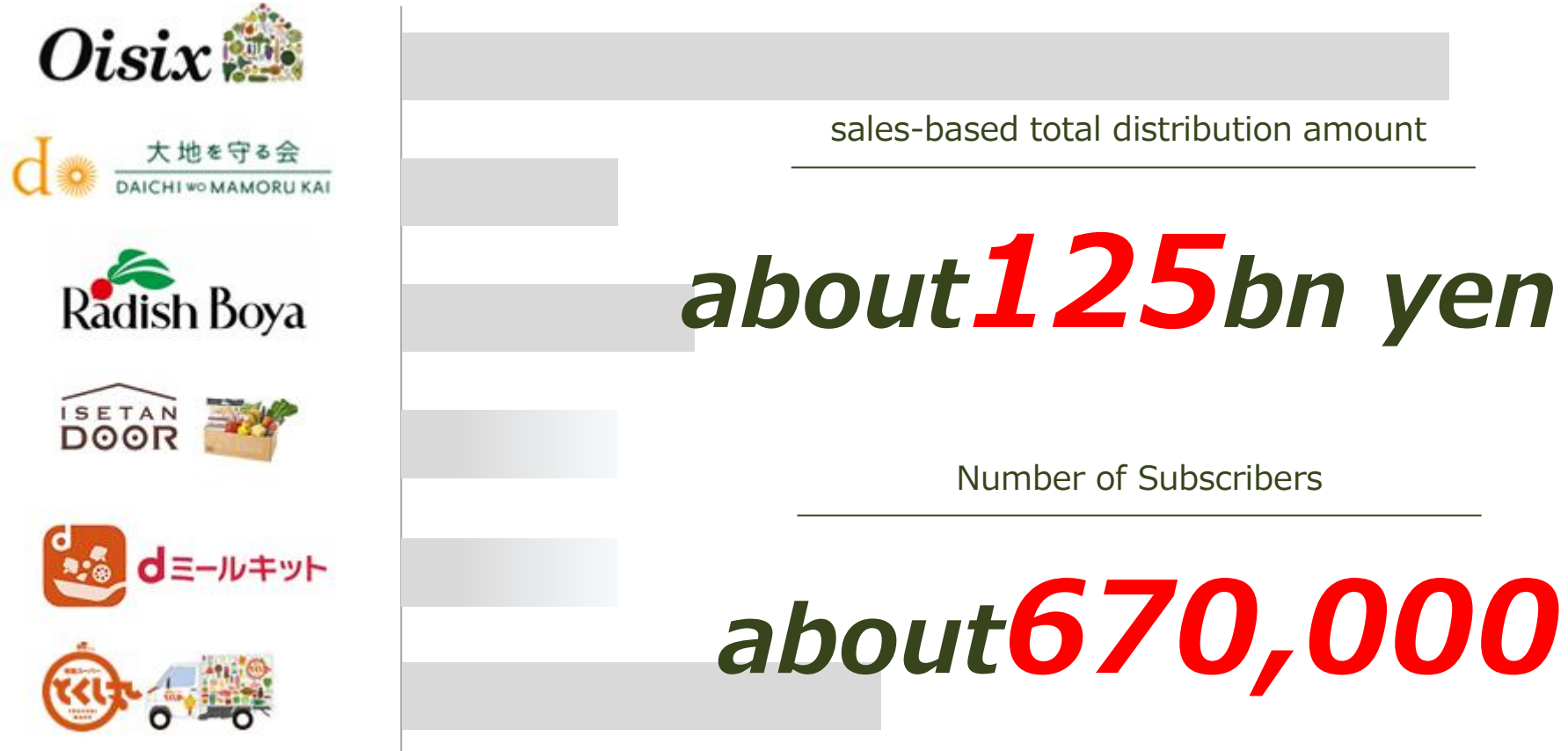
We specialize in the area of **Specialty × Subscription**, which is 1 of the areas where there are many players entering the market and where the market is being energized. ① High-quality, low-cost procurement capabilities, ② Data utilization skills, ③ low-cost Fulfillment capabilities, and ④ high-value-added services create high barriers to entry

- Competitor



# Expansion of domestic B2C subscription-business

We develop several brands in the domestic B2C Subscription home delivery business, including EC support business branded by other companies. **Specialized in Subscription × Specialty Services. Sales on a gross transaction value basis: about 125 bn yen, and the number of subscribers expanded to reach roughly 670,000.**

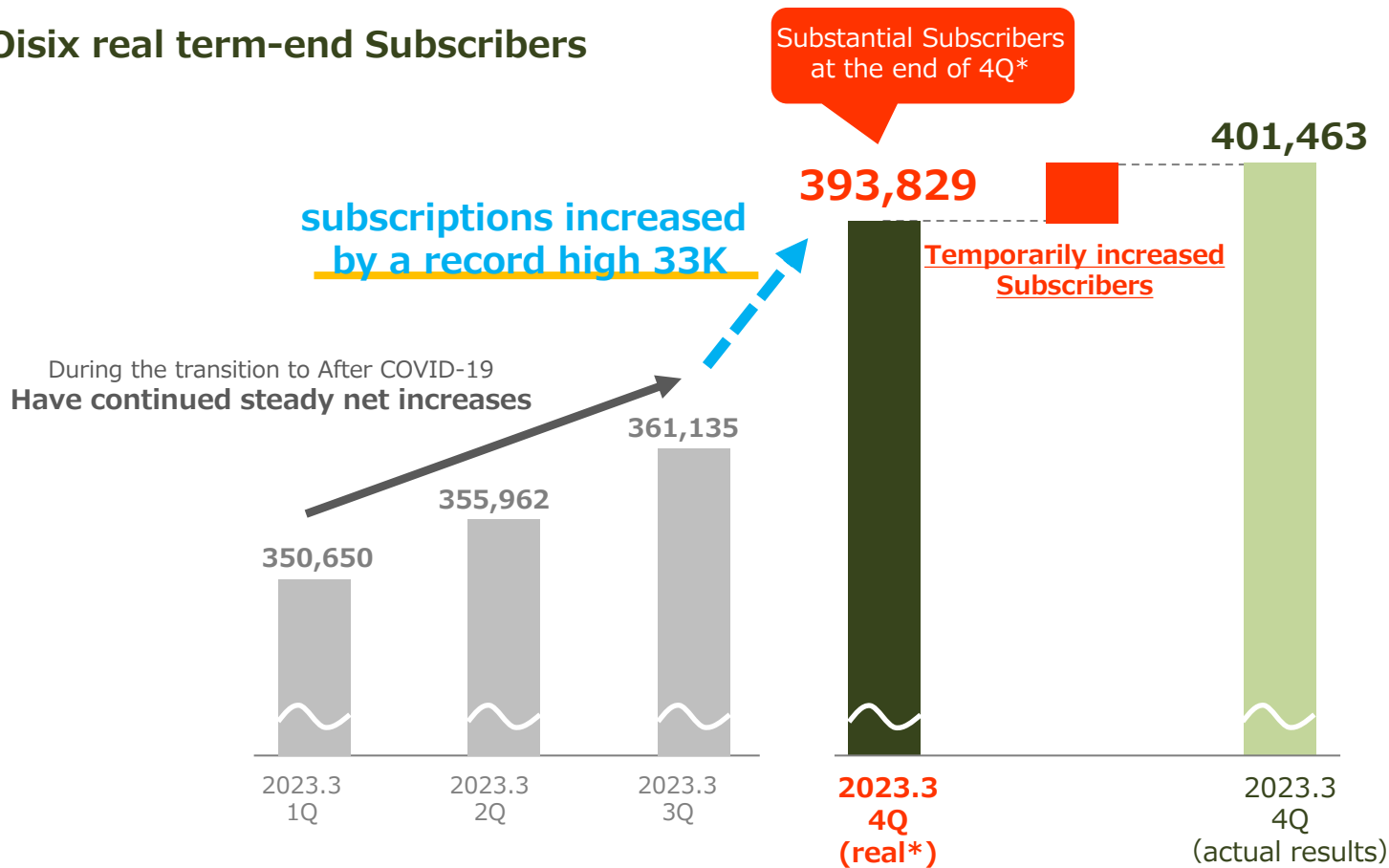


# Domestic B2C Subscription Growth Strategy

- ① Accelerate the pace of Subscribers acquisition

We invested an additional 1.1 billion in 4Q for new PR expenses, achieving a record-high net increase of 33000 subscribers (actual result +40000 net increase). On the other hand, early solution about rates are particularly high for some of the experimentally challenged PR methods.

## -Oisix real term-end Subscribers





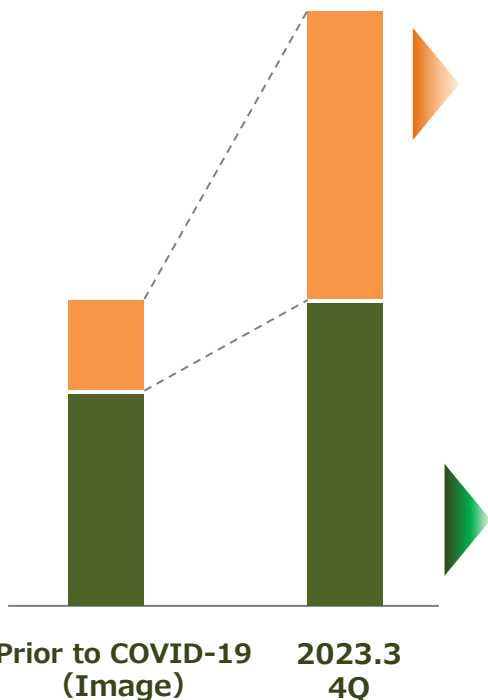
# Domestic B2C Subscription Growth Strategy

- ① Acquisition PR : Discovery of potential markets

Reflecting additional PR investments and a strategic hike in CPA, the weight of DINKs in their 20s and households in their 50s increased. **Not only has the customer base expanded, we were able to confirm the existence of latent needs among a customer base that we have not yet been able to reach.**

## -New subscriber breakdown

Other than Young Family  
Young Family



## Increased share of **Other than Young Family**

- ✓ Strategically relaxed acquisition conditions in some acquisition channels
- ✓ DINKs in their 20s and households in their 50s account for a 10% about increase in new subscribers

With diversification of the market for "Premium-time Savings," **those markets with growth potential are expanding.**



## **In households with small children in dual-income Households'** Steady growth in acquisition volume

- ✓ Stable growth in the number of young families in 4Q as well, the main target



# Domestic B2C Subscription Growth Strategy

## - ①Acquisition PR: Improved Acquisition Efficiency

In FY2023.3, cost improvement accelerated after the opening of the Food Rescue Center, despite the impact of inflation, 1% reduction in March 2023. In addition, we plan to further improve the company-wide impact by 2% from FY2024.3 onward .

### -Efficiency of acquisition methods

Horizontal development of brand collaborations that have had a significant impact on 4Q



Improve acquisition attribution through posting, newspapers and other offline media and Youtube



**Improve the acquisition CPA,  
Efficiently Increase  
New Subscribers**

### -Improvement of encounters with products after membership

Increase points of contact with premium-time savings products after joining to improve experience



**Increase the rate  
of continued use**

# Domestic B2C Subscription Growth Strategy

## - ②Strengthen specialty of products and services

We look to further expand and develop the range of products that makes possible the realization of Oisix primary value offering - "premium-time savings." We aim for product advances that provide for further time savings and that are more delicious and healthier.

### - More premium-time savings

- ✓ Double growth in both Patto Oisix product numbers and sales
- ✓ Added 3servings to Super Easy Kit Series that can be made in 10 minutes



▲Patto Oisix ・ Super Easy Kit

### - More delicious

- ✓ The evolution of popular collaborative planning makes it easy to enjoy the flavors of shops and professionals at home



▲Develop products in collaboration with popular stores and chefs

### -More sustainable

- ✓ Aiming for 0.5 bn yen in sales of Zero Food Waste products, such as Kit made from discarded foodstuffs



▲Kit Oisix

## ***2. Medium-to long-term strategy***

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*2-1. Growth Strategies and Targets*

*2-2. B2C subscription business*

***2-3. B2B Subscription Business***

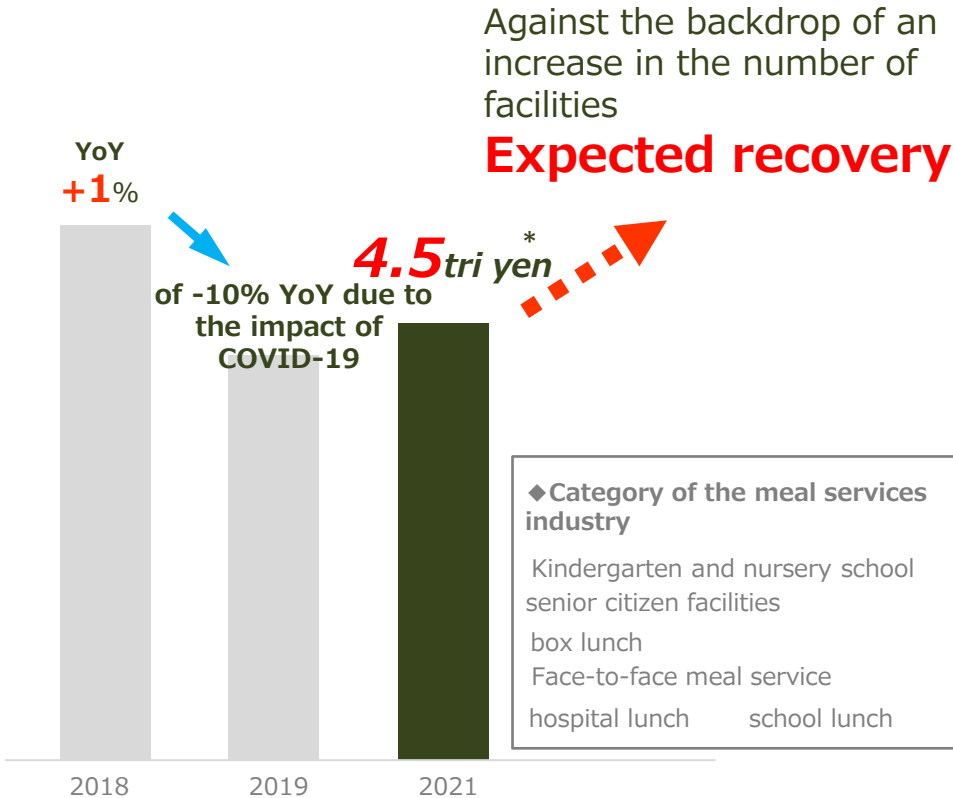
*2-4. sustainable*

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# B2B subscription market (meal services)

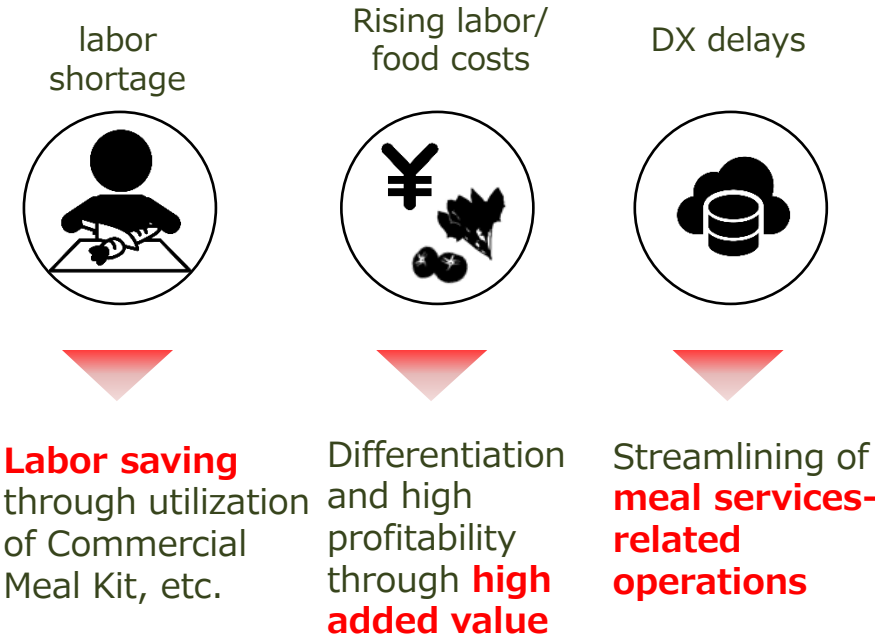
The overall meal catering market is large at about ¥4.5 trillion. It is in need of transitioning to a business model with higher productivity. Via both in-house and outsourced meal preparation models, we aim to leverage 1) our strengths cultivated in B2C, and 2) collaborative work with SHiDAX, to grow the B2B subscription business to several tens-of-billions of Yen.

Domestic food delivery market size \*



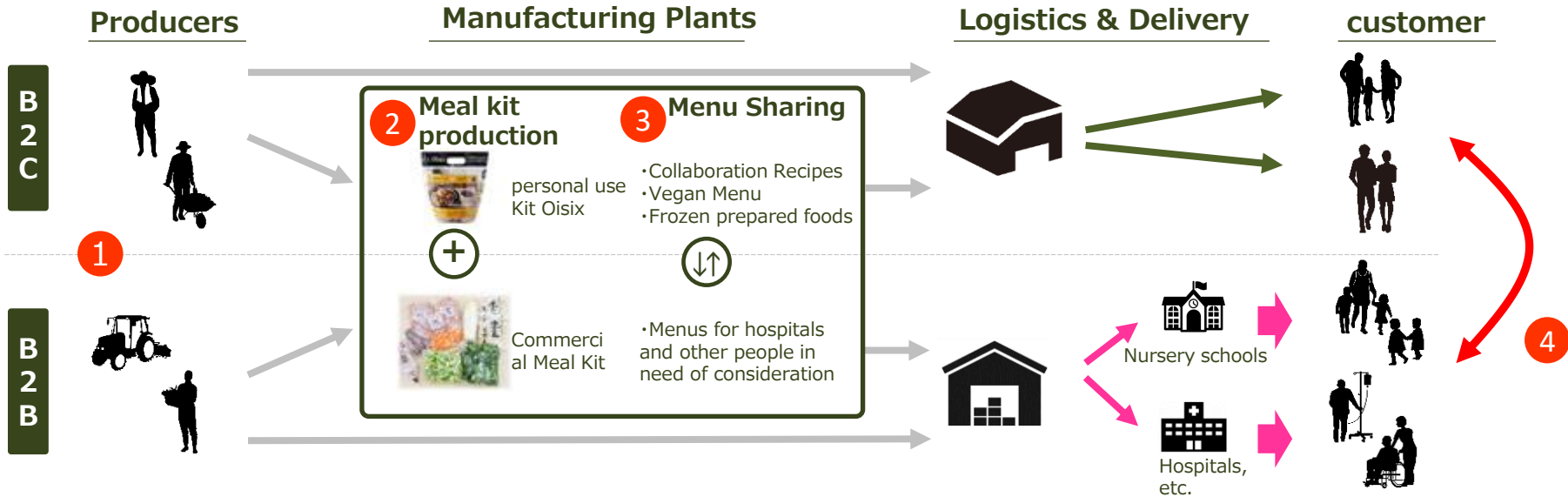
Environmental changes

- Industry Challenges and Changes



# Synergies between B2C and B2B (lunch business)

By developing the Strengths we have built in B2C subscription area in B2B subscription area, Create synergies in 4 areas: ① Food Procurement ② Commercial Meal Kit manufacturing, ③ menu sharing, and ④ reciprocal PR



Synergies between businesses

Our strengths



Promote DX through the system-building capabilities cultivated through the operation of B2C services.

# B2B Subscription Growth Strategy

## - ①suku-suku Oisix

With nursery school services “suku-suku Oisix,” Utilize Commercial Meal Kit to **reduce 18%\*** of the total cost of foodstuffs and personnel at in-house cooked childcare facilities. Via cost-cutting and such support services as dietary education/facility audits, we aim to realize labor savings and achieve **sales on the scale of ¥10 billion by FY2027.3**

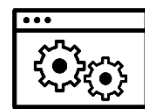
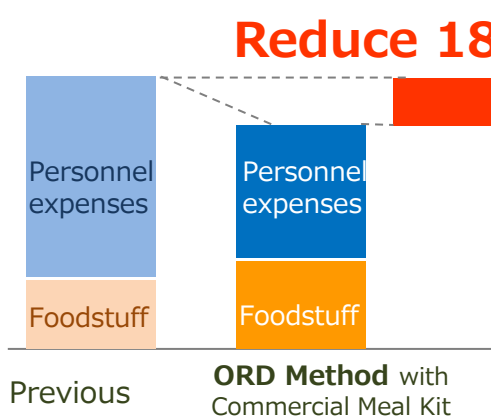
### Full-scale launch of commercial meal kits.

- ✓ Leveraging commercial meal kits to cultivate business with new nursery school customers.
- ✓ **The introduction reduced the total cost of foodstuffs and personnel by 18%.** Raise the ratio of pre-cut foodstuffs to achieve further labor saving

### Business support related to school lunch

- ✓ Nutrition education and labor saving in food service by DX Aiming to solve problems in childcare facilities.

### - Cost-cutting through Commercial Meal Kit



▲Labor-saving measures such as facility audits

## Achieving sales of ¥10 bn yen by FY2027.3

# B2B Subscription Growth Strategy

## - ② Collaboration with SHiDAX

Regarding collaborative work with SHiDAX – a company engaged in food catering services, we look firstly to implement test marketing of medical services at such facilities as childcare and elderly care. Utilizing commercial-use meal kits, we aim firstly to build a consignment model at childcare facilities. From FY3/25, we aim to expand into new areas such as elderly care facilities.

### Start of test marketing

- ✓ Started test marketing in Apr. at a new childcare facility commissioned by SHiDAX for cooking
- ✓ We aim to quickly build a model for childcare facilities using commercial meal kits and expand the number of childcare facility customers.

### - Utilization of Commercial Meal Kit at consigned cooking facilities



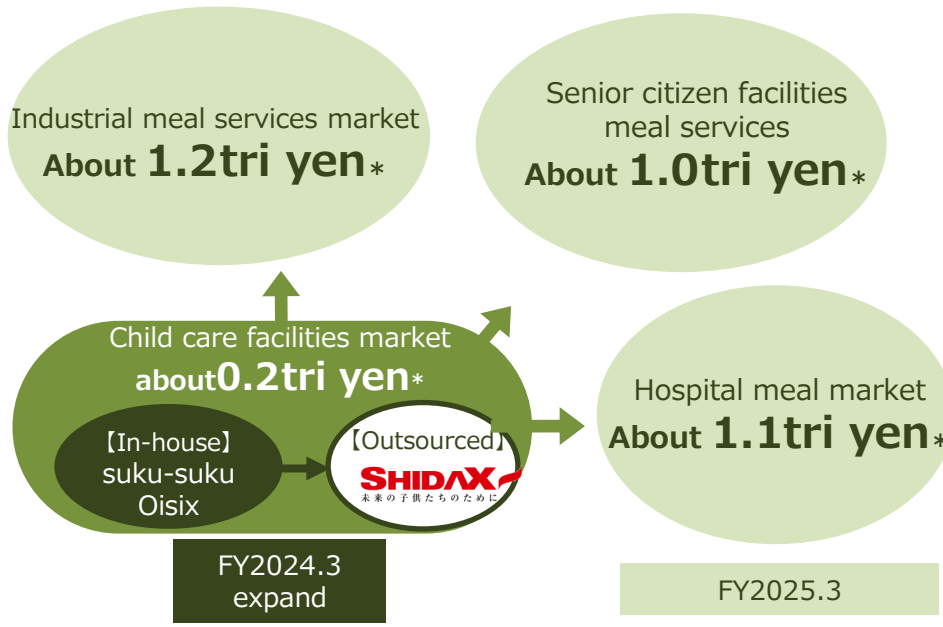
Oisix ra daichi



Childcare facilities that SHiDAX has contracted to provide meal preparation services

### Preparation for expansion of the offering market

- ✓ Owing to collaborative efforts, we have been able to accelerate our understanding of the peculiarities of such facilities as hospitals and elderly care centers. Discussions are underway with a view to business launch in FY3/25



▲ Market Size and Image of Expansion of Facilities Provided



# Impact of acquisition of shares of SHiDAX

With regard to near-term business performance, the acquisition of SHiDAX shares is expected to affect non-operating income (ordinary profit).

- ① Equity in earnings of affiliates : Incorporated from 2023.3 Q4, However, owing to goodwill amortization, the impact on equity method investment gains/losses (non-operating income) is expected to be minor.
- ② Dividend income : No impact on net income. Operating cash flow is expected to increase from 1Q FY2024.3.

① Equity in earnings of affiliates

## A) Profit contribution to our consolidated results

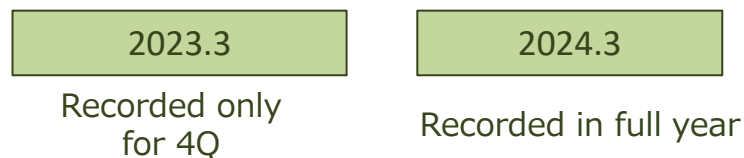
Of the net income of SHiDAX for the quarter, the Company's share (28.47%) is included in the net income of SHiDAX's. Our share (28.47%)

## B) Intangible assets and goodwill equivalent (annual amount) 250 million yen

- Total amount of goodwill: 5.3 billion yen
- Payback period (weighted average) : 21 years

## C) Equity in earnings (A-B) is expected to be positive

## ▼ Regarding the recognition of equity investment income in the future



From 4Q of FY2023.3, Recurring profit and net income

② Dividend income

The dividend for FY3/23 is expected to be resolved at SHiDAX's general meeting of shareholders to be held in June.

stock holdings **15,582,759 Stocks** × Dividend per share (forecast) **10~17yen/share**  
 ※ SHiDAX's medium-term management plan

## ▼ Recognition of dividend income

- **No impact on consolidated net income**
  - Non-consolidated net income was positive due to the recognition of dividends received
  - On a consolidated basis, there was no impact on net income due to the offsetting of dividends received
- **Operating cash flow is expected to increase from 1Q FY2024.3**

## *2. Medium-to long-term strategy*

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*2-1. Growth Strategies and Targets*

*2-2. B2C subscription business*

*2-3. B2B Subscription Business*

*2-4. sustainable*

*2-5. strengthening of earning power*

# Sustainable

## - green shift : ②Zero Food Waste

Our distribution food loss ratio is roughly 0.2% - by far the lowest within the food retailing industry. Via further efforts, we aim to contribute to the further reduction of food loss not only at ORD , but within the entire supply chain.

### Oisix ra daichi

#### Produce



Promotion of sales of irregular and substandard products, and upcycling of discarded parts

#### Sale



Using the Subscription Model  
Supply and demand data matching between field and table

#### Eat



Offer "Kit Oisix", "Chanto Oisix" and other services for using up ingredients

#### Reduction of food loss in the field \* (FY2023.3)

About **300-ton**  
reduction

(not including the use of off-specification products at Kit Oisix)

#### Food Loss in Distribution

General retail  
About **5-10%**

Oisix ra daichi  
About **0.2%**

The amount of food wasted at home has been reduced through the use of Kit Oisix.

About **1/3**

Contributing to ORD food loss zero program as well as to the program for food loss reduction in the entire supply chain.

\*Food loss reduction refers to the weight of food sold/ reduction in food ingredients disposed of for items that were edible but were not consumed. Sales weight of food loss from partner plants during production/processing (includes those from third-parties) and/or undistributed items owing to not meeting shipping standards. Amount of food loss reduced by using the Kit Oisix meal kit. Derived by using 77g/meal of food loss reduction (based on internal research, June 2019) and the cumulative number of kits sold.

# Sustainable

## - green shift : ②Zero Food Waste

Upcycle by Oisix has developed 66 products over about 2 years, expanding collaborative and other initiatives, and **growing to a cumulative about 4 bn yen in sales.**

In addition, the entire company will reduce Food Waste in about **300t production areas in 1 year by responding quickly to "Motainai"** through close cooperation with production areas, etc.

### Upcycle by Oisix

- ✓ Utilizing materials formerly discarded in production areas and manufacturers
- ✓ Expand efforts such as commercializing coffee meal generated in the restaurant chain PRONTO



▲Snacks made with coffee beans after extraction

### Domestic home delivery business Initiatives

- ✓ Promote non-standard products and "Motainai" products affected by poor weather, focusing on domestic home delivery brands



**Reduce Food Waste in about 300t production areas in 1 year\***

\*Food loss reduction refers to the weight of food sold/ reduction in food ingredients disposed of for items that were edible but were not consumed. Sales weight of food loss from partner plants during production/processing (includes those from third-parties) and/or undistributed items owing to not meeting shipping standards. Amount of food loss reduced by using the Kit Oisix meal kit. Derived by using 77g/meal of food loss reduction (based on internal research, June 2019) and the cumulative number of kits sold.

# Sustainable -Utilization of food tech

To realize sustainable retail, we promote food-tech use and the activation of the start-up ecosystem. Besides initiating sales of meal kits using "P Meat," we aim to wholesale original products to the likes of supermarkets, restaurants, and hospitals.

## -Production and sales of next-generation food

- ✓ Using plant-based meat "P Meat" 7 original products including meal kits .
- ✓ Start wholesale sales as soon as possible, and aim to establish a unique position in the industry by taking charge of everything from manufacturing to sales.



▲(left) prepared dish using plant-based meat "P Meat",  
(right) Kit Oisix "P Meat and 8 kinds of vegetables with sweet and sour sauce

## -Food Tech Investments by Future Food Fund

Future Food Fund, an investment subsidiary, contributed to sustainable retail by revitalizing domestic and overseas food-tech companies through food-tech specific CVCs.

- ✓ **Base Food Co., Ltd.**, one of the companies in which an investment was made, **achieved its IPO in the TSE Growth Market** in only about 1.5 years following investment.



- ✓ **We have initiated launch of a second fund.** We aim for faster growth of newer technologies within the food-tech space.

*Future Food Fund*

# Sustainable

## - green shift : ① Carbon Neutral

From around March 2020, both membership and ARPU rose due to a sharp increase in home delivery needs by Corona. Subsequently, the tailwind on membership and ARPU weakened with the easing of behavioral restrictions, and the impact on KPIs normalized in FY2023.3 second half of the fiscal year

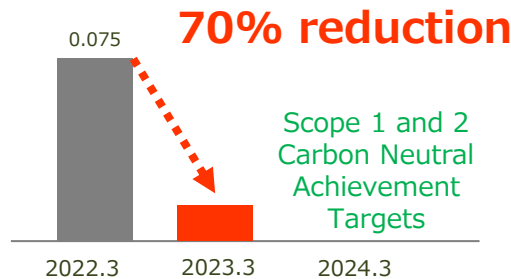
### Reduce in-house emissions of CO2 (Scope 1 and 2)

✓ Completed the switch to effectively renewed energy of 100% at all distribution sites and offices.

✓ CO2 emissions (scope 1, 2) to have been reduced by roughly 70%.

### - CO2 emissions (scope 1, 2) change

単位 : t-CO<sub>2</sub>e/百万円 (売上高あたりの温室効果ガス排出量)



### Reducing Plastic in Kit Oisix Packets

✓ Plastic consumption of Kit packaging materials and other products manufactured in-house was reduced by 48% compared to the previous fiscal year, far exceeding the target of a 22% reduction.

- Review of the thickness of the Kit Oisix outer bag
- Elimination of vegetable clips

✓ Plans for further evolution of packaging for environmental impact in FY2024.3



## *2. Medium-to long-term strategy*

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*2-1. Growth Strategies and Targets*

*2-2. B2C subscription business*

*2-3. B2B Subscription Business*

*2-4. sustainable*

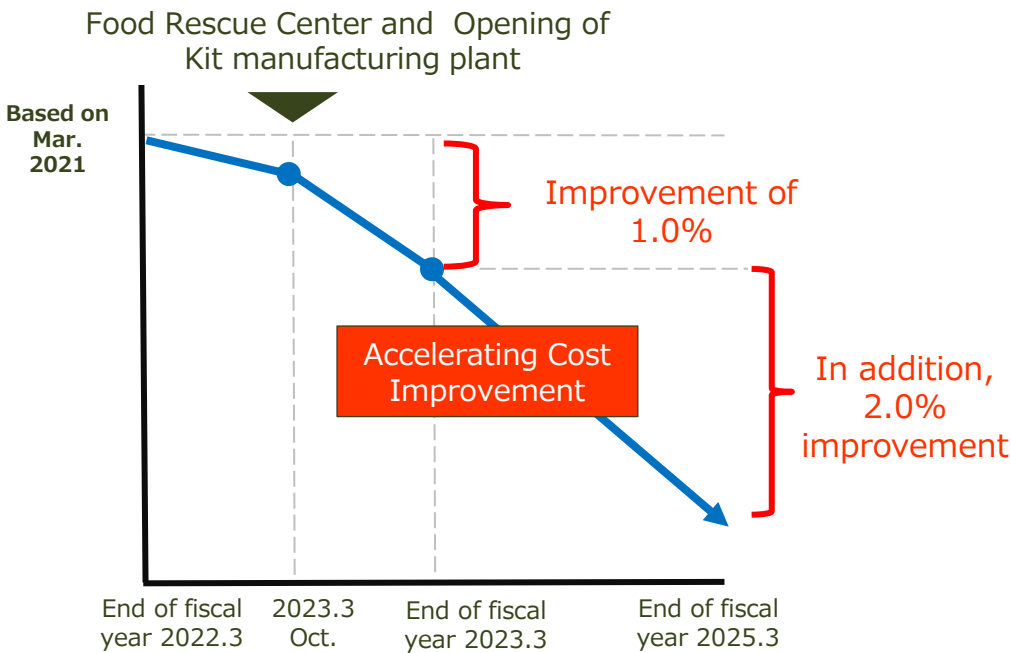
*2-5. strengthening of earning power*

# Enhance profitability

## -1. CoGs

Enhancing efficiency of in-house manufactured products and accelerating shift to in-house processing. Additionally, by advancing development of food rescue products, **we aim to achieve a company-wide impact reduction of 3% by FY3/25 (vs. FY3/22).**

–Reduce Oisix product cost ratio



–Food Rescue Center operational benefits

Number of manufacturing points per week

**2.3 times** YoY



In-house production of food cutting processes

**70% increase** before operation



–Room for improvement

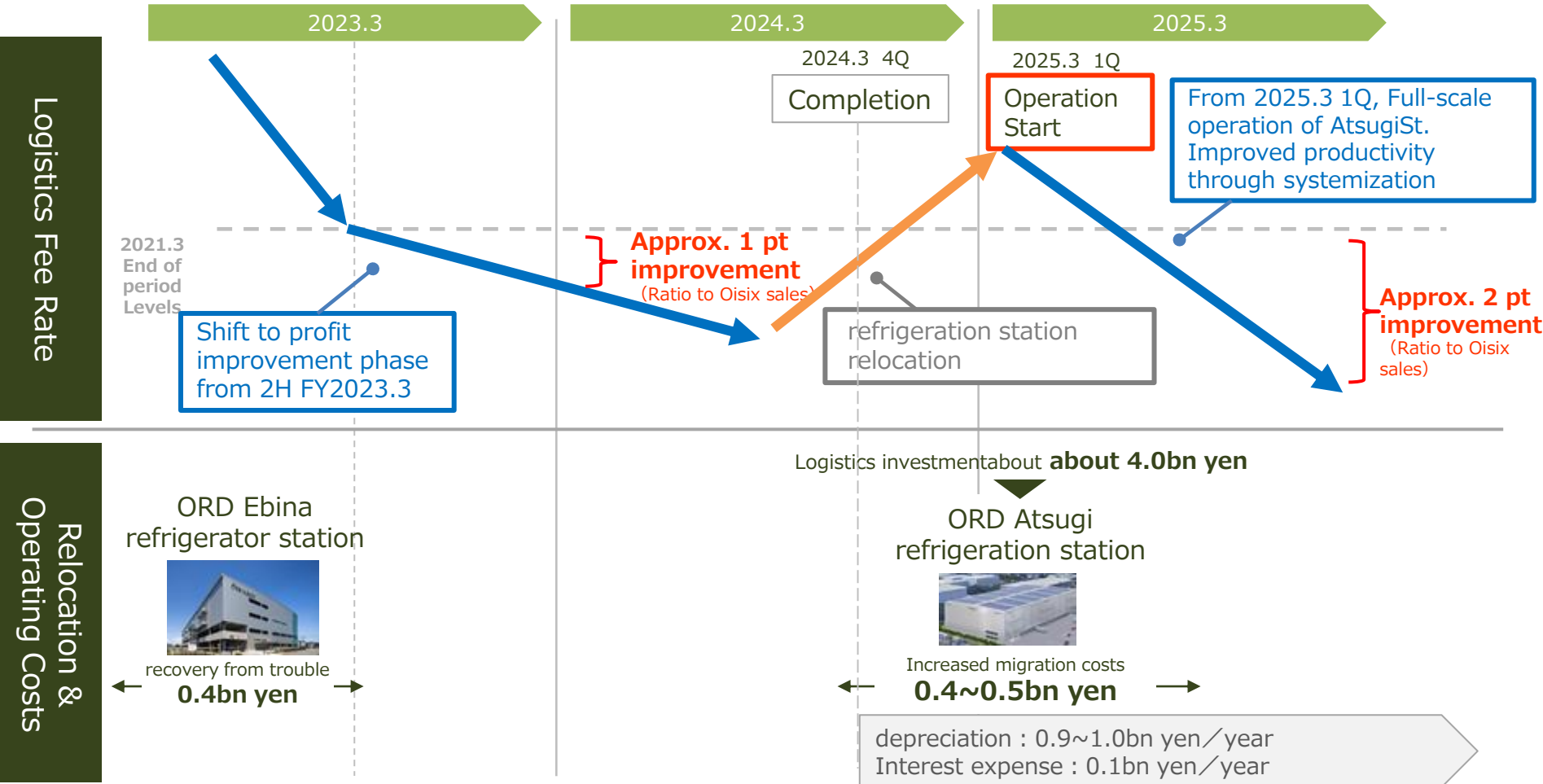
- ✓ Improve productivity by improving staff proficiency
- ✓ Improve the manufacturing cost ratio by promoting the conversion of processed foodstuffs to processed foodstuffs.



# Enhance profitability

## -2. Reduce logistics costs

The refrigeration center has recovered from the relocation troubles and is now in the profit improvement phase. Aim to reduce logistics costs **by 2% in FY2025.3** (compared to the end of FY2022.3) by accelerating logistics efficiency through the full-scale operation of the new refrigeration station to be relocated in 4Q2024.4. With relocation of the refrigeration station in the 4Q 2024 and subsequent full-scale operation, we aim to achieve a 2% reduction to logistical costs in **FY3/25 (vs. FY3/22) via acceleration of overall logistical efficiency.**



# Enhance profitability

## -2. Reduce logistics costs

To reinforce refrigeration capacity, capital expenditures were made at ORD Atsugi Frozen Station. Shipping capacity has been expanded roughly 3-fold (vs. Mar/23). With completion in Jan/24, test operations will be initiated, and relocation is scheduled to be completed in spring.

### ■ Expansion of facilities at refrigeration bases (ORD Atsugi Frozen Station)



▲ORD Atsugi Frozen Station image

#### Expected Effects

- Secured frozen shipment capacity 3-times larger versus Mar/23. Via progress in automation
- Reduced logistics costs by promoting automation

#### Investment Amount

About 4 billion

#### Relocation Plan

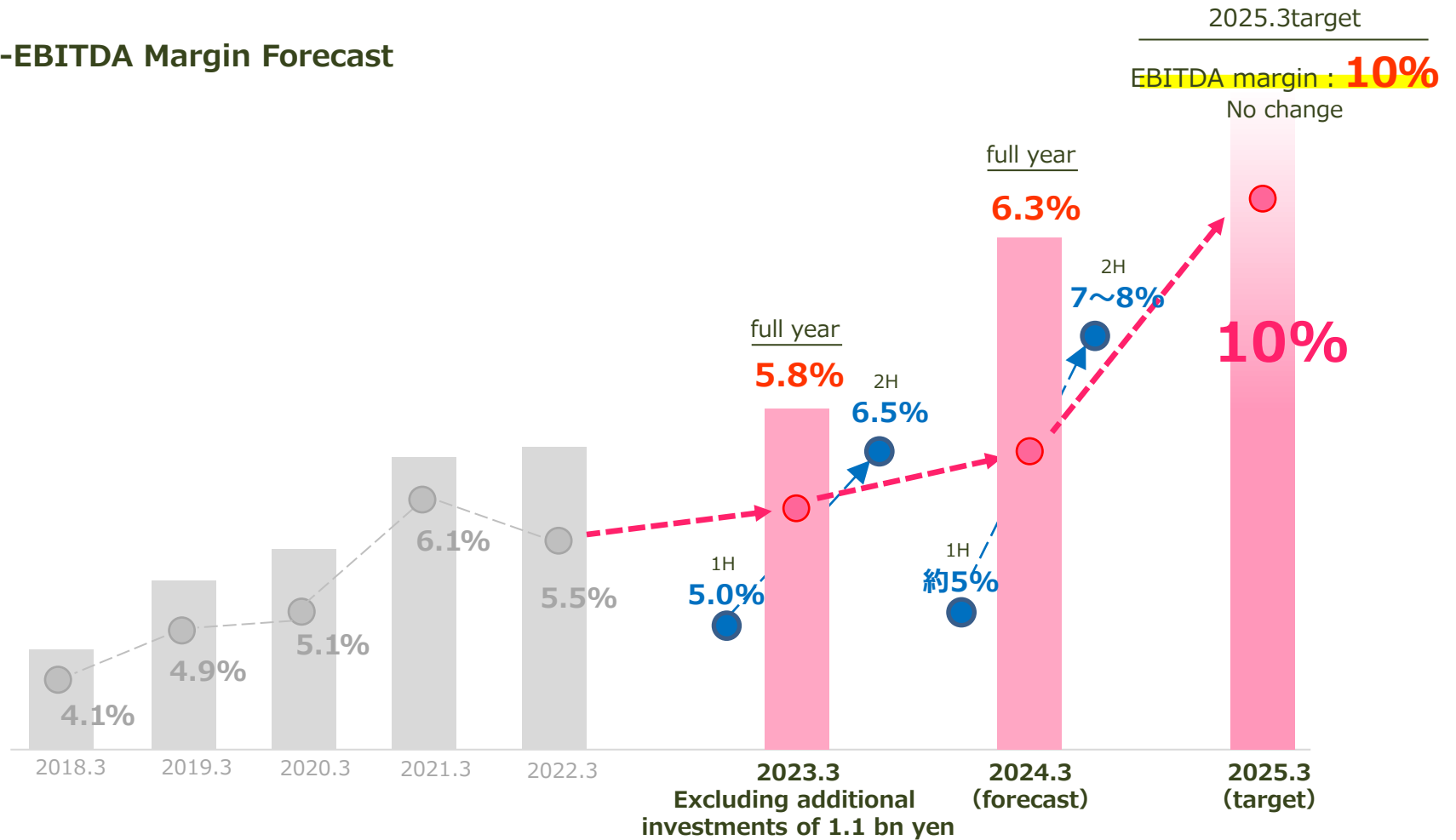
Formation of plans that include a phased roll-out of operations between Jan and spring 2024

Reinforcement of the relocation plan itself (in the wake of troubles related to the relocation of the distribution center)

# EBITDA Margin Forecast

On the backs of ongoing efforts to reduce logistical costs and CoGS, we maintain our FY3/25 EBITDA margin target of 10%. For FY2024.3, we expect profit margin growth to be slow in the first half of the year, in line with normal seasonality.

## -EBITDA Margin Forecast



### *3. 2024.3 Outlook*

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# 2024.3 Outlook

**Sales** • Led by Oisix, all three home delivery businesses are expected to see increasing subscriptions and help propel overall sales.

**EBITDA** • Whilst we anticipate sharp cost increases such as raw material/labor costs, we look to the beneficial effects of improved profitability (led by the three home delivery businesses) since 2H FY3/22.

**Net income** • In addition to higher operating income, we anticipate increased non-operating income from equity earnings of affiliated companies such as SHiDAX, Inc.

Sales

**126.50**bn yen  
( YoY + 10%)

EBITDA

**8.00**bn yen  
( YoY + 43%)

Operating  
Income

**6.00**bn yen  
( YoY + 79%)

**Net  
income**  
Attributable to  
owners of the  
parent

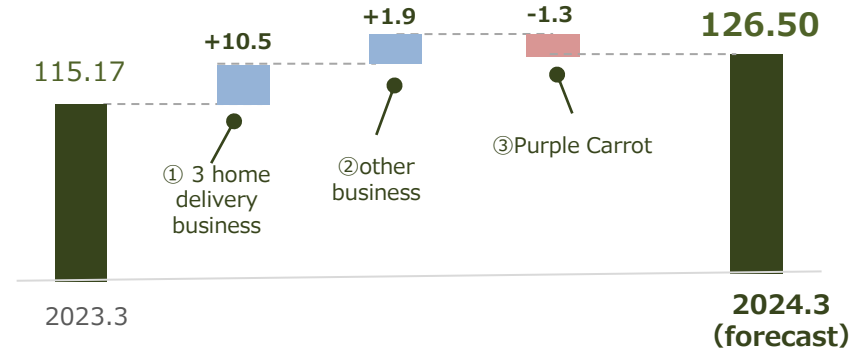
**3.80**bn yen  
( YoY + 110%)

# Forecast for 2024.3

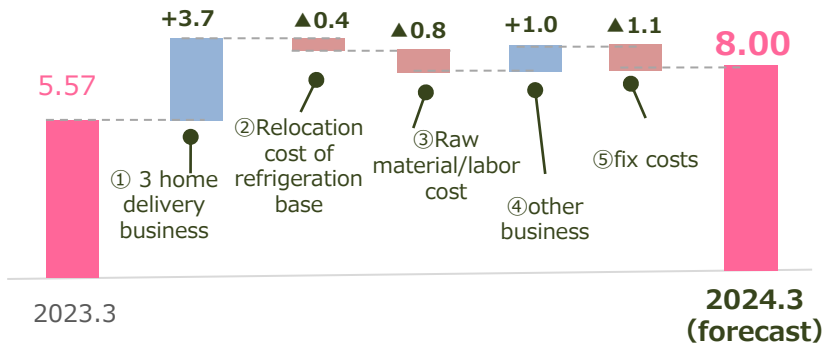
## ◆ Main change factors compared to the previous period

- + Growing subscribers and increasing sales
- Distribution center relocation costs, inflation
- + Improve profitability of main brands
- + Increase in equity method investment income

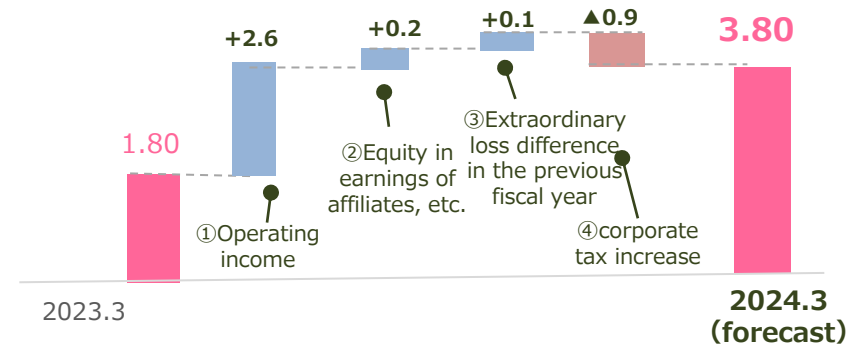
## - Sales



## - EBITDA



## - Attributable to owners of the parent Net income

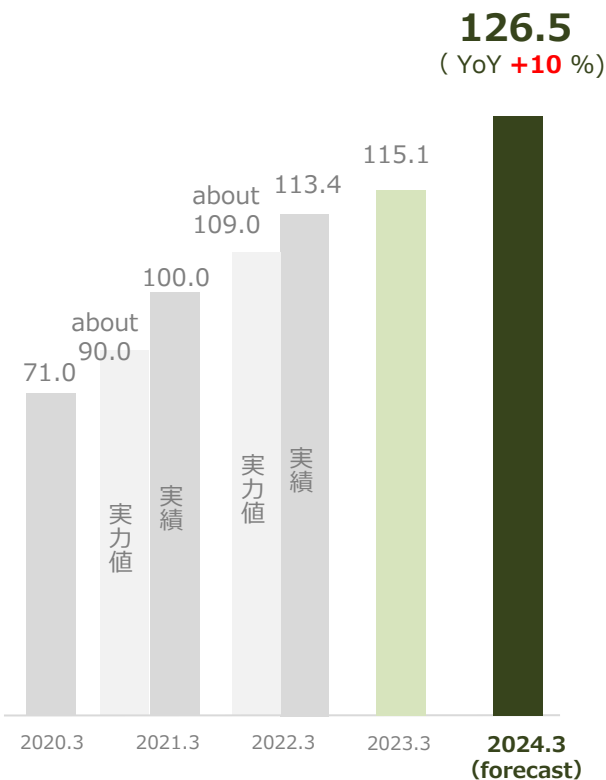


# Performance trends

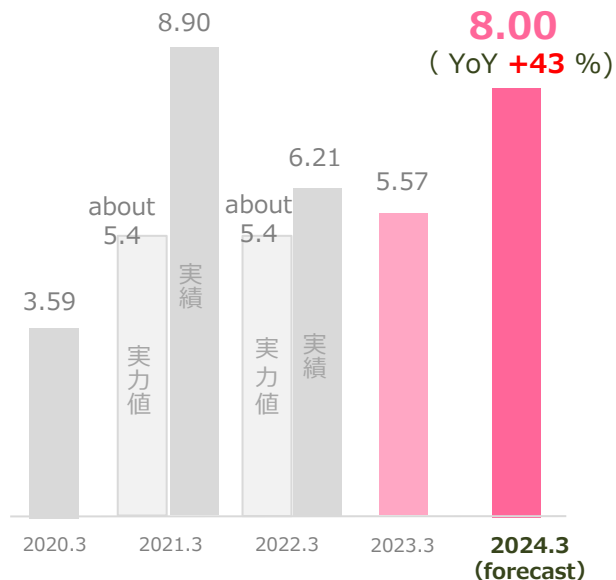
## - Sales/EBITDA/Net Income

(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.

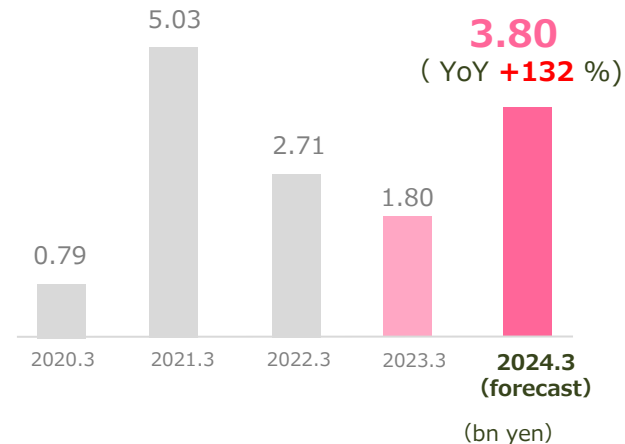
Sales



EBITDA



Attributable to owners of the parent Net income



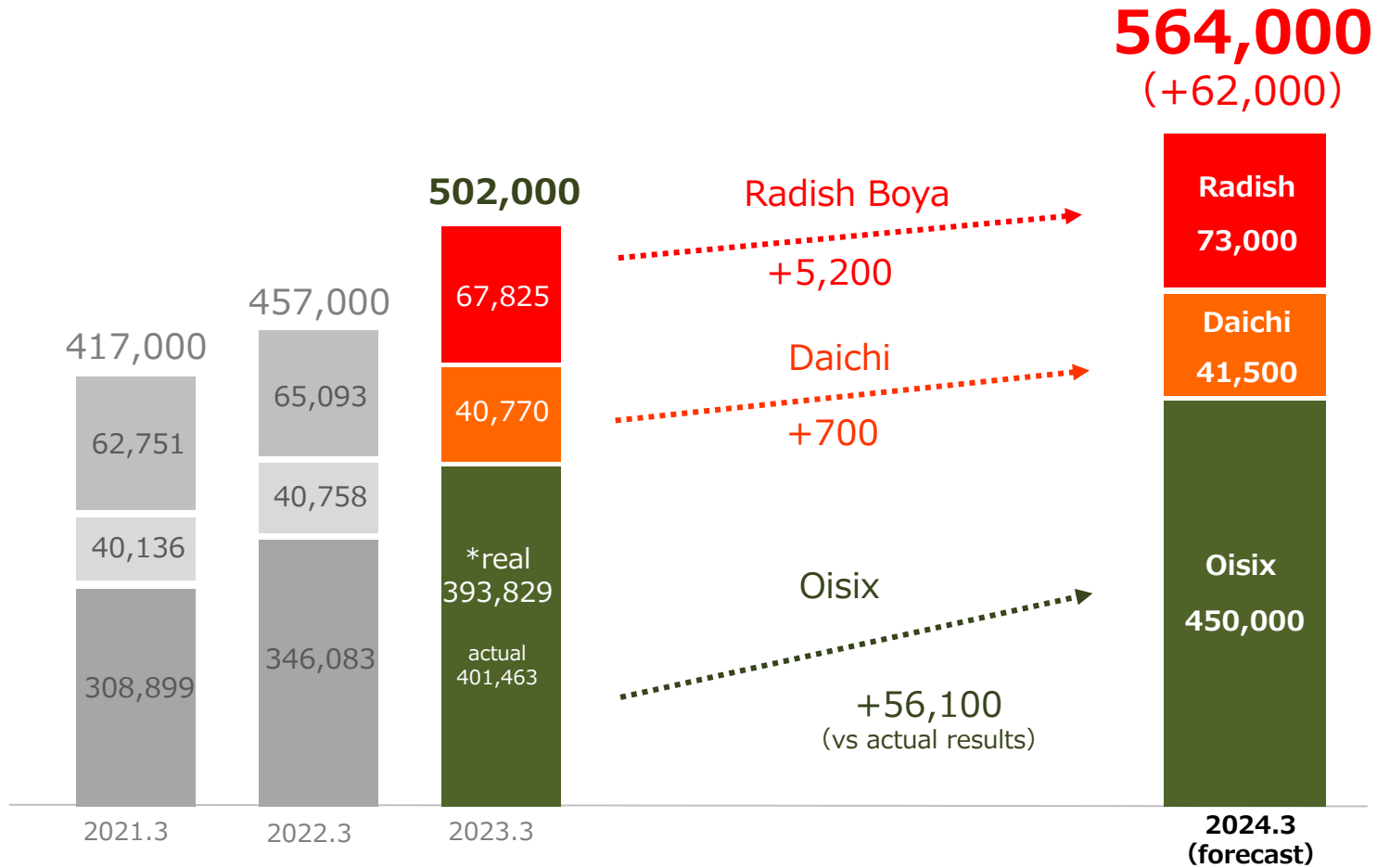
# Segment Outlook

	Sales	Segment Profit	2024.3 Growth Image
Oisix	69.00bn yen - YoY +16%	9.80bn yen - YoY +30%	<ul style="list-style-type: none"> <li>•Notwithstanding a possible structural decline in ARPU owing to the increased weight of low ARPU new subscribers, we expect higher sales driven by a 56K increase (adjusted) in fiscal year-end subscribers (vs. FY3/23).</li> </ul>
Daichi	12.50bn yen - YoY +1%	2.65bn yen - YoY +7%	<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	17.75bn yen - YoY +5%	2.75bn yen - YoY +8%	<ul style="list-style-type: none"> <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)	8.25bn yen - YoY ▲16%	0.0bn yen - YoY +0.04bn yen	<ul style="list-style-type: none"> <li>•Improved churn rate and profitability via operational improvement and cost reduction measures implemented last year. We aim for profitability.</li> </ul>
Other Business*	19.00bn yen - YoY +6%	2.63bn yen - YoY +56%	<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>•Sales are expected to expand due to an increase in Tokushimaru cars.</li> </ul>



# Number of Subscribers

## - Outlook of Number of Subscribers



## *4. Other Topics*

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## Invested in Aggregate Corporation (Shunpachi Fruit and Vegetable Store)

To Aggregate Inc. which operates "Shunpachi Fruit and Vegetable Store", **Decided to acquire 20% of the company's shares as of 4/28, assuming it becomes a subsidiary.**

Aiming to create synergies by strengthening procurement of fruits and vegetables, especially fruits, and utilizing the Group's food ingredients at community-based stores

✓ Accepted a third-party allocation of new shares, Became an affiliate company with the assumption that it will become a subsidiary (shareholding ratio: 20%)

✓ Creation of synergies based on the sales channels and production area networks of both companies

Strengthening sales channels for food products that are good to eat now and not suitable for home delivery

Wholesale of foodstuffs from the Toyosu Fishermen's Market\*.

*Oisix ra daichi*

**AGRIGATE**

Storytelling with a focus on fruit  
Purchasing fruit and vegetable products and developing production areas

In cooperation with the Toyosu Fishermen's Market\*, we will  
Wholesale sales to restaurants and  
Sales of side dishes using marine products

**AGRIGATE**



✓ Focusing on Seasonal Fruits and Vegetables,  
Also Selling Processed Foods and Fisheries Products  
Operates an urban grocery store,  
"Shunpachi Grocery Store"

✓ We have relationships with production areas and markets,  
and are able to find and sell products with a story to tell,  
Strengths in discovering and selling products with a story to tell



▲ Shunpachi Fruit and Vegetable Store, which operates six stores in Tokyo.

# field entrance ceremony

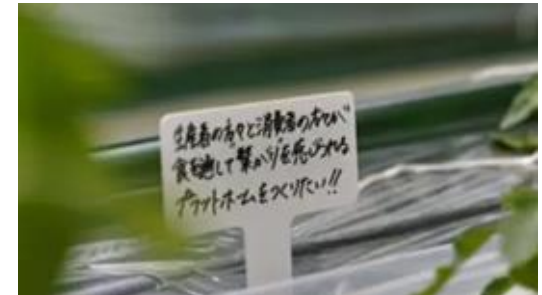
To enable business acceleration, organizational invigoration, employee development and/or proffering of dynamic new opportunities, a record high 29 new employees were hired and for the first time in 8 years, the welcoming ceremony was held in the fields of a farm.



▲Group photo of 29 new graduates joining the company in 2023



▲Awarded in the form of a "harvest" as is typical of Oisix La Daichi.



▲In front of the tomato seedlings they worked on, they expressed their determination to take on the challenge.

# Support Related

We Support Family, a food support platform for needy families with children, has supported a cumulative total of more than 1 million donated goods. Relief funds and other aid are also provided to support relief and recovery efforts in the areas affected by the Turkey-Syria earthquake that occurred on February 6, 2023

子どもたちの栄養を考えた食支援

## WeSupport Family

Food support platform for poor households with children, mainly single parents.

Cumulative number of donated goods

**1,160,000**  
pieces

Number of Supported Meals

**3,000,000**  
meals

- The number of food donations increased approximately 3.9 times\* compared to last year.
- We also offer tours of our food pantry to companies that we support, We have also received comments such as, "We would like to further support activities."

## WeSupport

Food support for Ukrainian evacuees coming to Japan through the We Support platform.

- ✓ Provided food for approximately 3,000 evacuees from Ukraine

## Providing Earthquake Relief for Turkey and Syria

To help in the recovery and reconstruction of the affected areas, We are also soliciting donations and selling donated products to help with the recovery and restoration of the affected areas.

- ✓ Call for support funds from February 16 to March 31
- ✓ At the "Daichi wo Mamoru Kai Organic Festa" held on February 25, Sales of donated products from Turkey and fundraising activities



▲Products with donation



▲After delivery of relief supplies(Courtesy of Peace Winds Japan)

All donations will be donated to Peace Winds Japan, a non-profit organization Peace Winds Japan, a non-profit organization that is engaged in relief activities in the affected areas.

## ***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>	3,995 mm yen
<b>Employees :</b>	1,032 (consolidated), as of the end of March 2023



# Overview of Affiliates

Oisix  
ra  
daichi

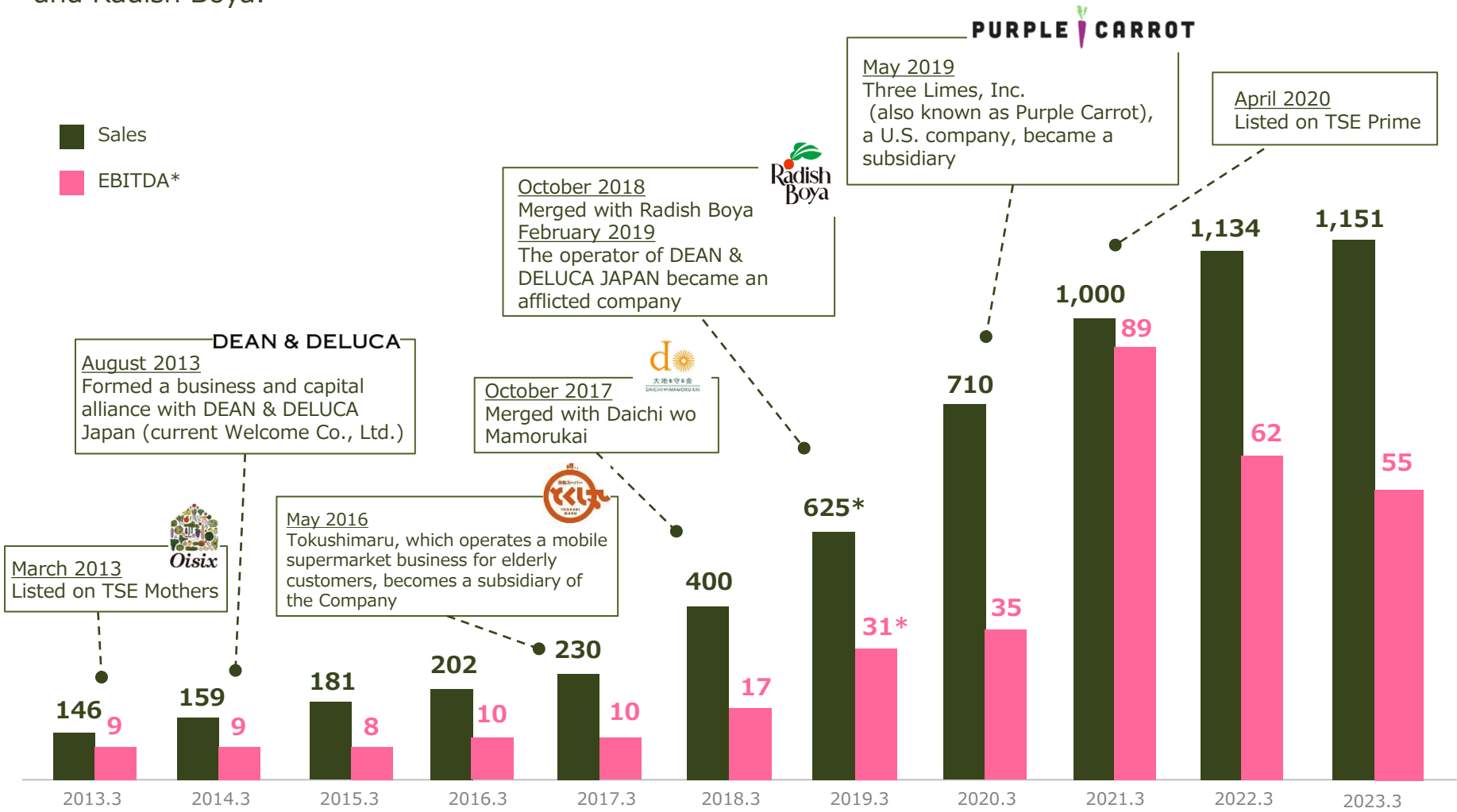
Subsidiary  
company

Main  
Affiliates

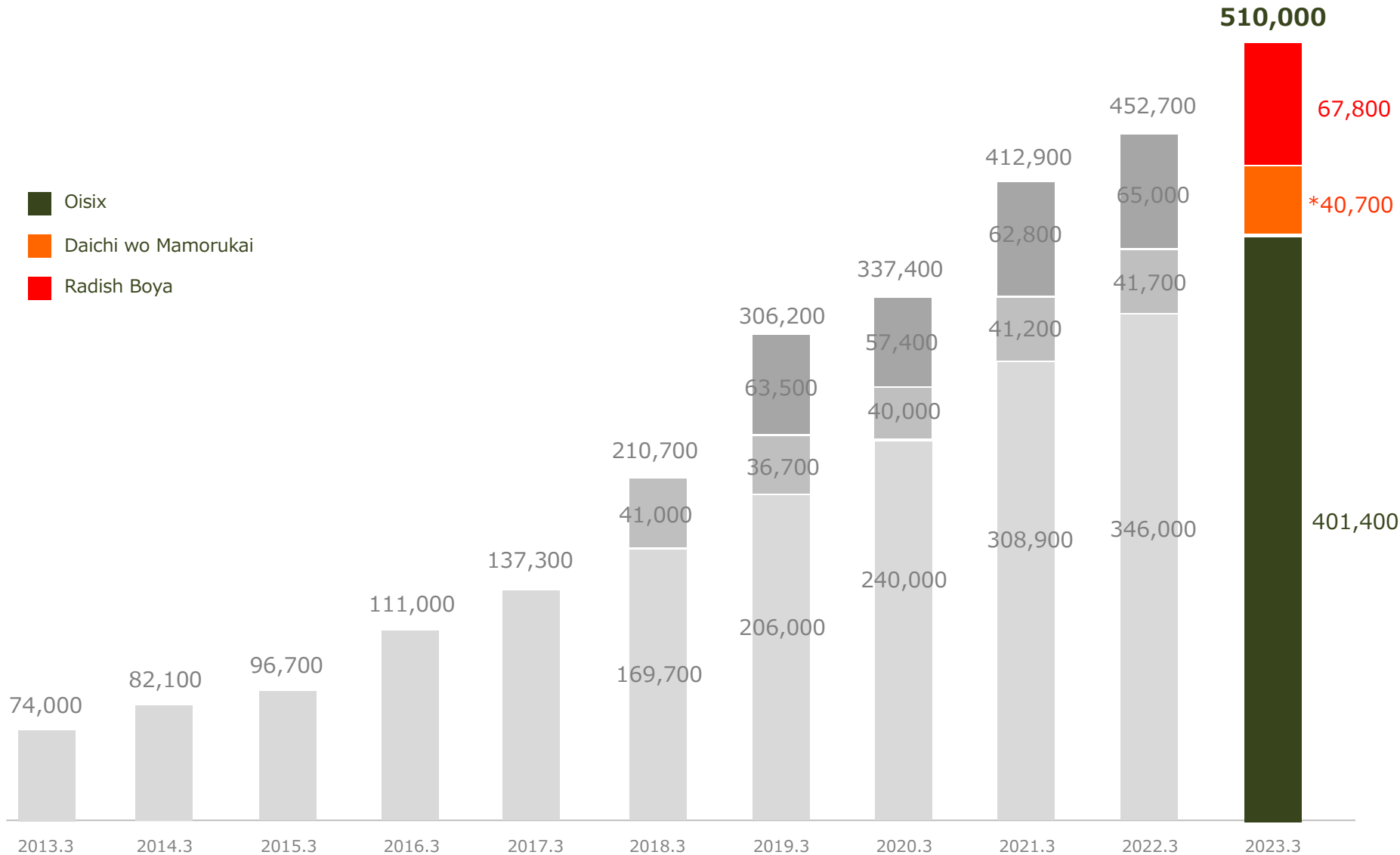
	Percentage of Shares Held	Main Businesses
Tokushi-maru	90%	Develops alliances with supermarkets in the mobile supermarket business; provides expertise to sales partners.
Fruits Basket	100%	Handles processing, product development, and sales, for agricultural produce, including fruits and vegetables.
Karabiner	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%	Vegan food delivery service focusing on meal kits in the U.S.
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
Future Food Lab	80%	Food-related R&D, manufacturing and sales, aiming to industrialize the technology
Toyoichi (Toyosu gyosho sanchoku ichiba)	51%	Wholesale of food products for the Company and the restaurant
Nihon Agri	34%	Exports agricultural products.
SHiDAX	28%	Comprehensive service company aiming to address social issues in a wide range of life stages
DEAN & DELUCA (WELCOME)	25%	Lifestyle business through retail and restaurant businesses
Yutori no kukan	20%	Recipes and product development by chefs Harumi Kurihara and Shinpei Kurihara
AGRIGATE	20%	Operates Shunhachi Fruit and Vegetable store, an urban greengrocer linking production areas and consumers

# Growth Trajectory

The Company has been built and rapidly grown on Oisix with mergers with Daichi wo Mamorukai and Radish Boya.



# Subscription subscriber numbers



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

---

# 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 500,000 households throughout Japan

## Producers

### fruit and vegetable producer

Approximately 4,000 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 510,000 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

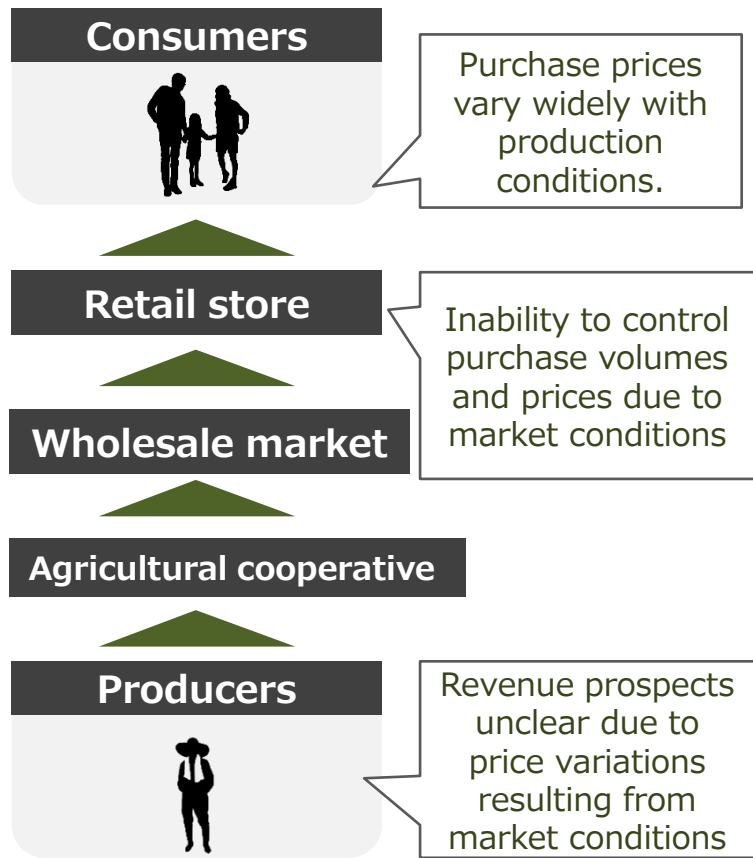
3 One of the largest in Japan Food x Subs distribution center and meal kit manufacturing plant

# ① Direct network with producers

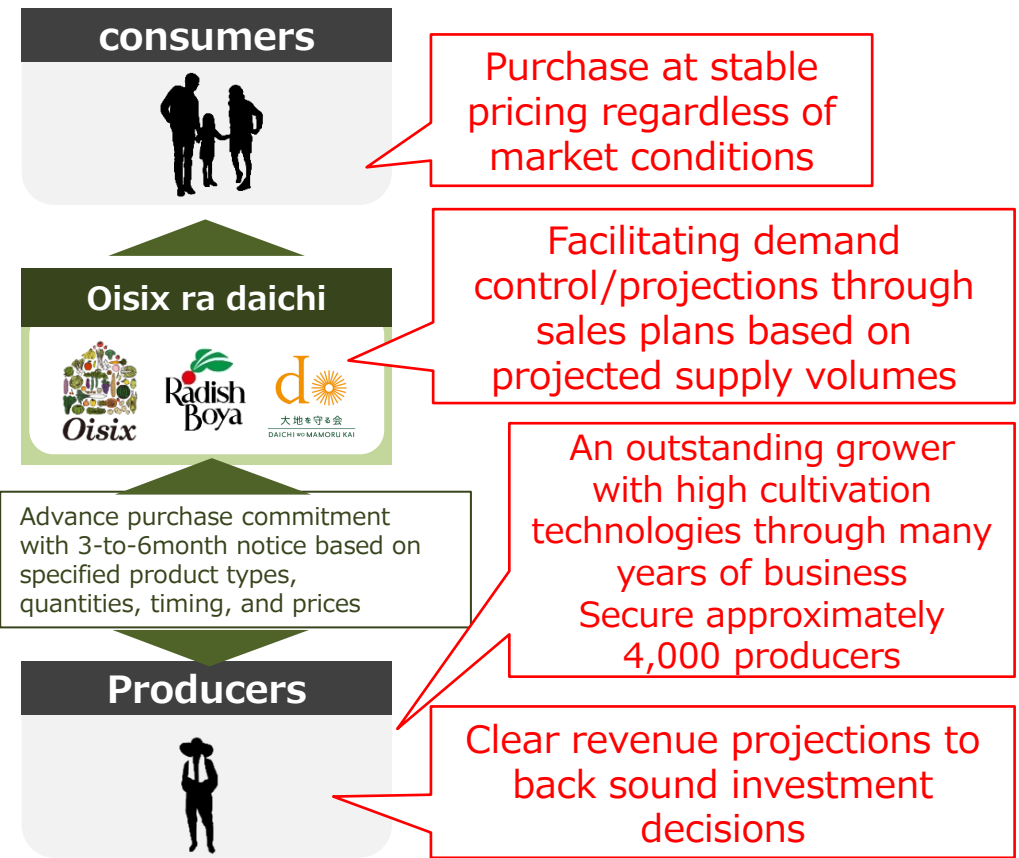
Direct transactions with about 4,000 producers nationwide without going through markets or intermediate distributors.

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

## Typical distribution of agricultural products



## Strengths of Direct Transactions

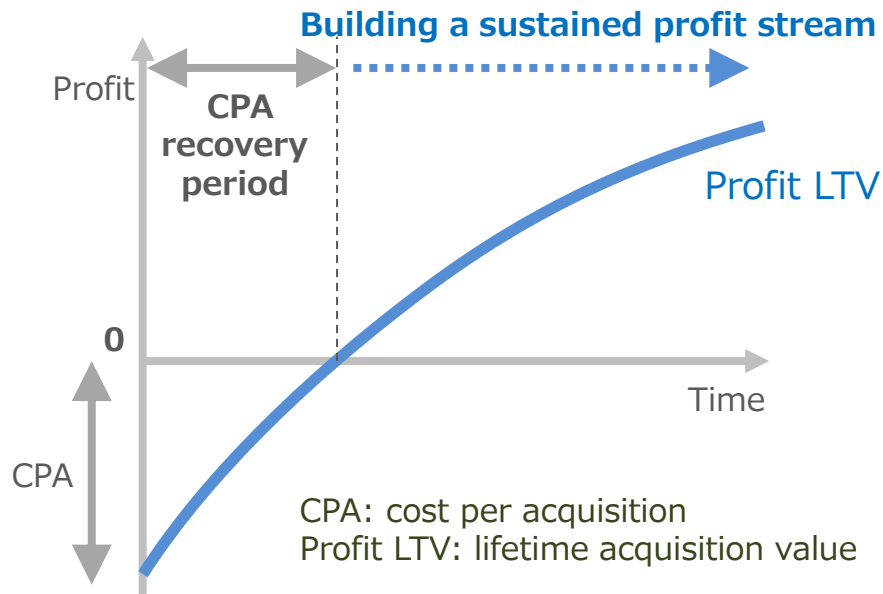


## ② Subscription Management

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

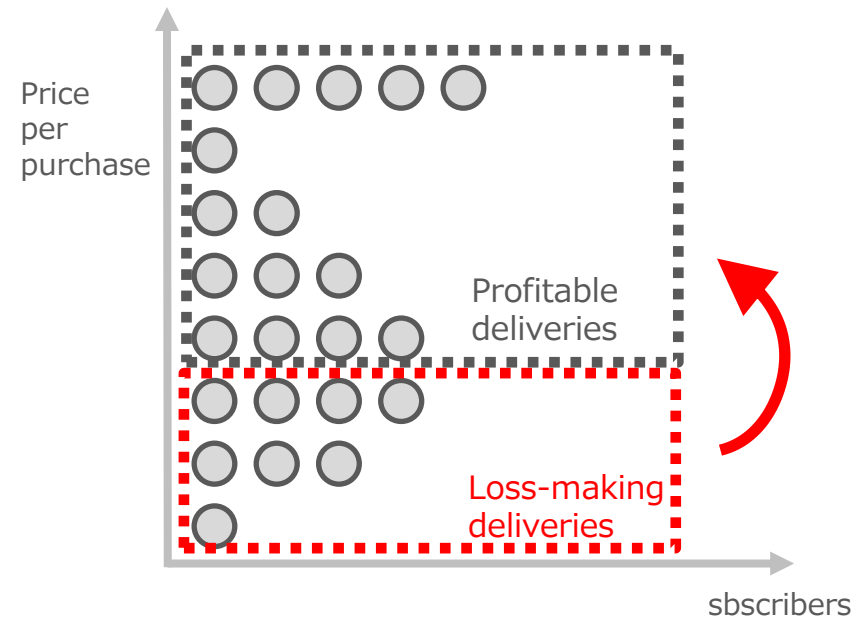
### ■ Rigorous CPA and LTV management

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 : **320,000**/week
- ✓ **20** 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*

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# Differences in the assets of the three brands

- Domestic B2C Subscription
- Overseas B2C Subscription
- Domestic B2B Subscription
- Food tech



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	1 place in Kanagawa	4 places in Hokkaido, Tokyo, Kanagawa, Osaka.	1 place in Chiba
Last One Mile	Yamato trucks about 99%	Our trucks about 90% (area around Logistics bases)	Our trucks about 75% (area around metropolitan area)

# What Our Three Brands Deliver

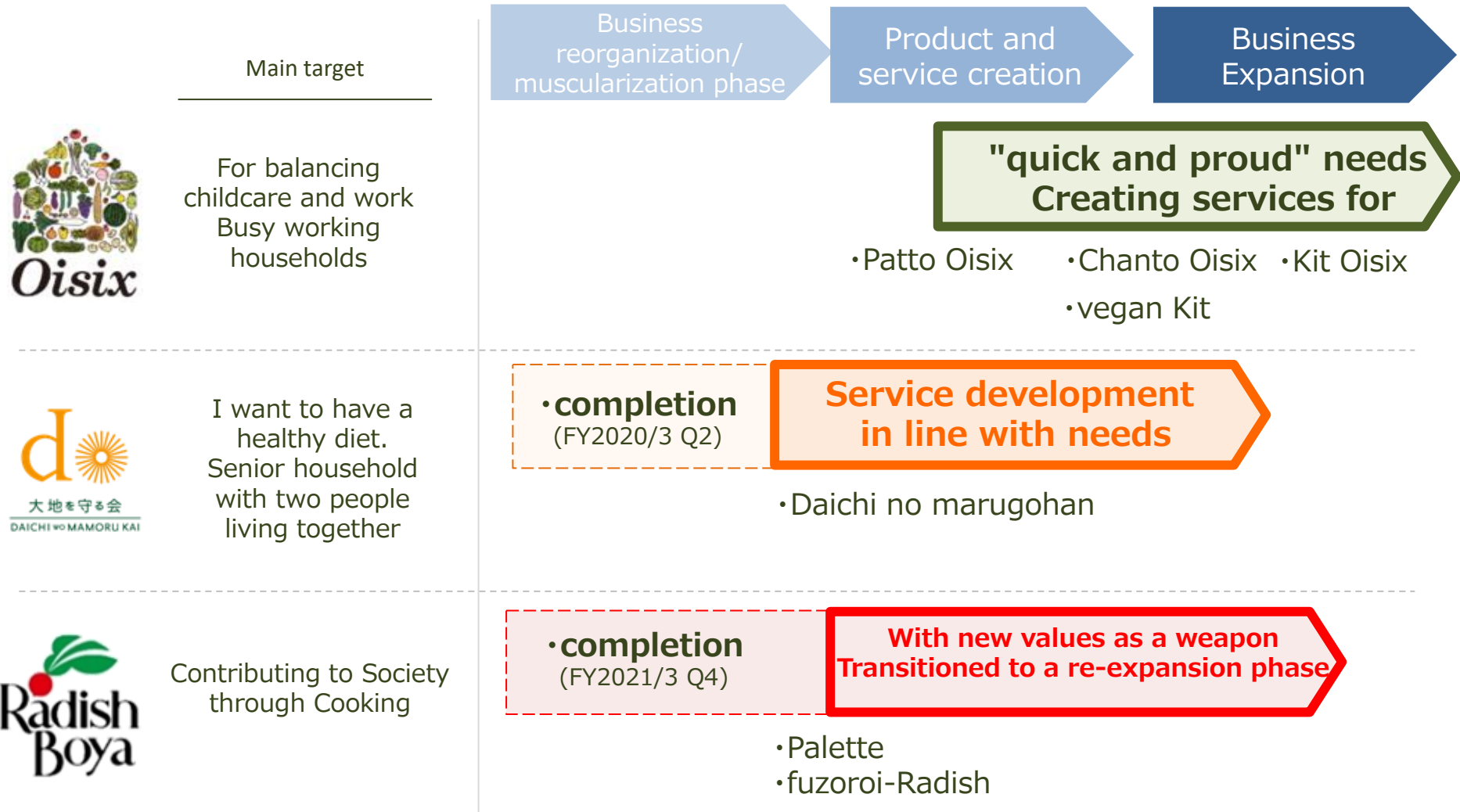
Domestic B2C Subscription
Overseas B2C Subscription
Domestic B2B Subscription
Food tech

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.



# Business Phase of the 3 Home Delivery Brands

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

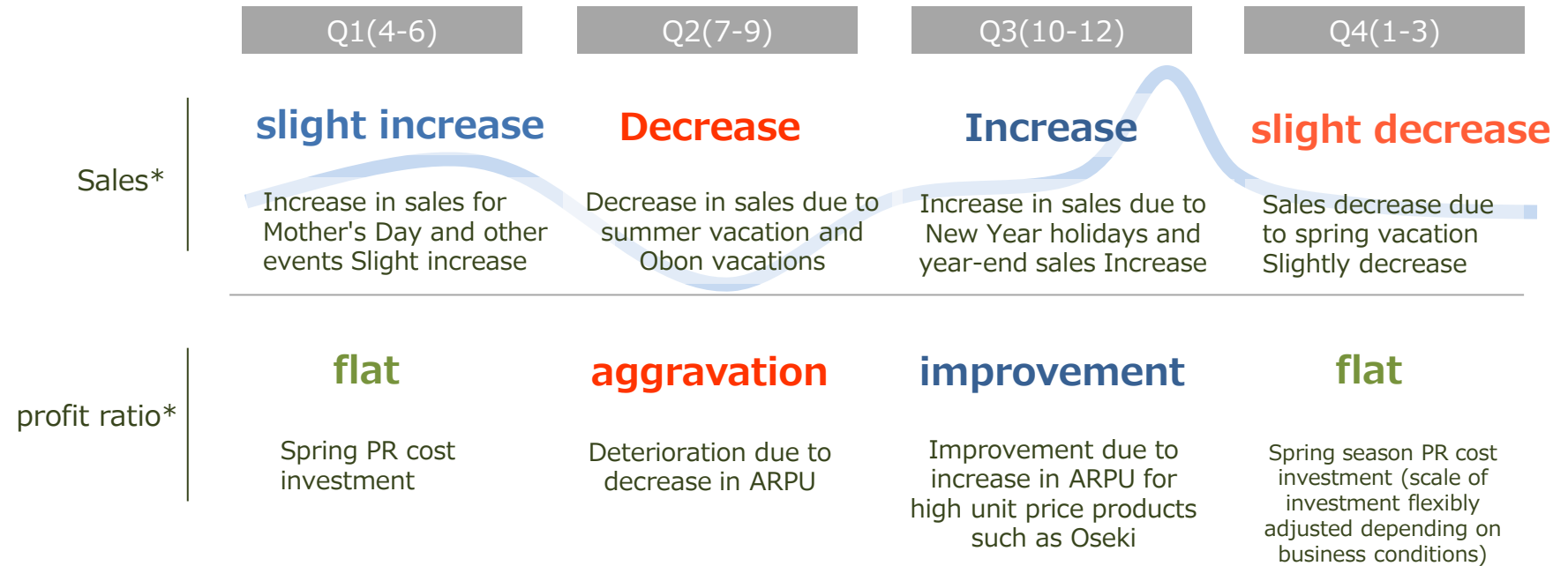


# Seasonal fluctuations in business performance

Domestic B2C Subscription
Overseas B2C Subscription
Domestic B2B Subscription
Food tech

We have a business model in which sales and profit margins fluctuate from quarter to quarter. Sales and profit margins improved in Q3 due to sales of high unit price products during the year-end and New Year holidays, while sales and profit margins declined in Q2 due to the summer vacation.

## - Seasonal changes in normal conditions



## - Impact of COVID-19 Seasonal Variations

Due to the impact of COVID-19, seasonal fluctuations tend to be narrower in the 1H of FY2021.3 and 2022.3 than in the normal period. **The seasonal changes from the 2H of FY 2023.3 have returned to the normal state and are expected to return to the level prior to the impact of COVID-19.**

# EC support

Domestic B2C Subscription
Overseas B2C Subscription
Domestic B2B Subscription
Food tech

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)

Domestic B2C Subscription
Overseas B2C Subscription
Domestic B2B Subscription
Food tech

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



## overview

Operating a mobile supermarket for seniors

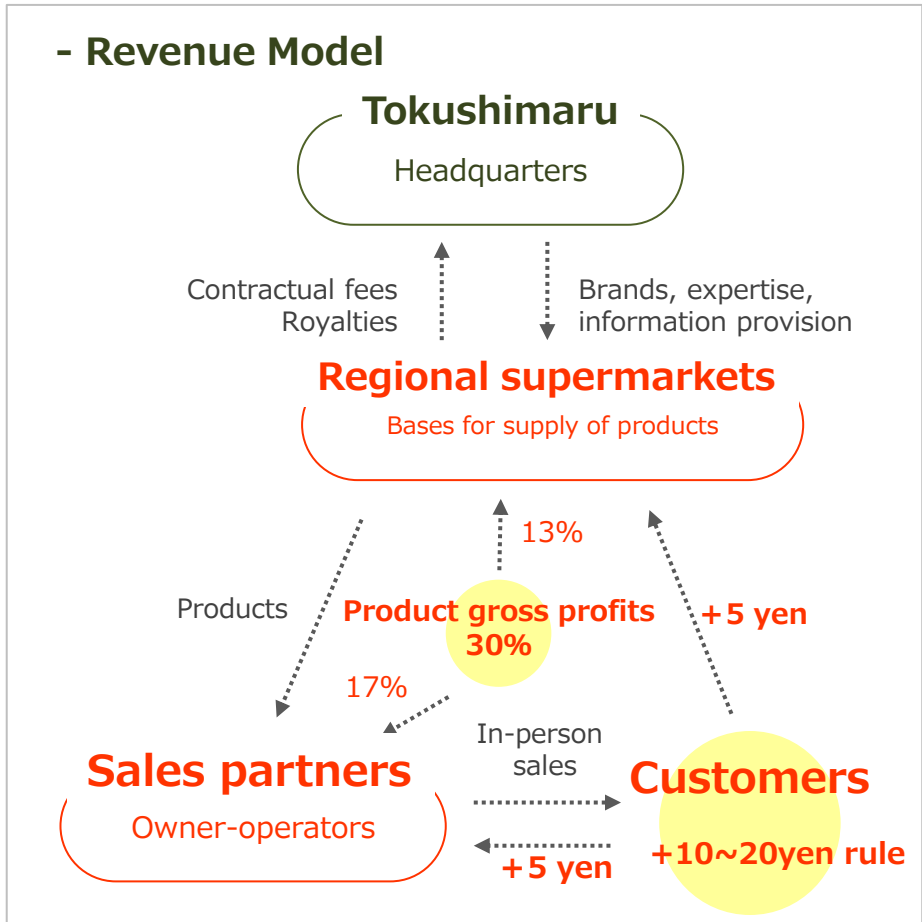
## aim

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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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



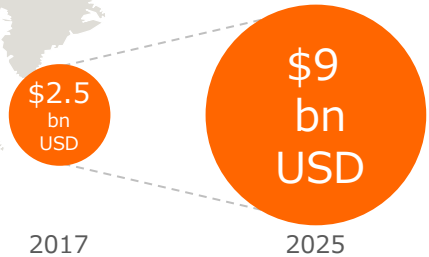
- Started the service in 2017. Grasp the needs to establish the subscription model for Chinese customers

## - 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**

## U.S. Meal Kit Market\*



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

*Oisix ra daichi*

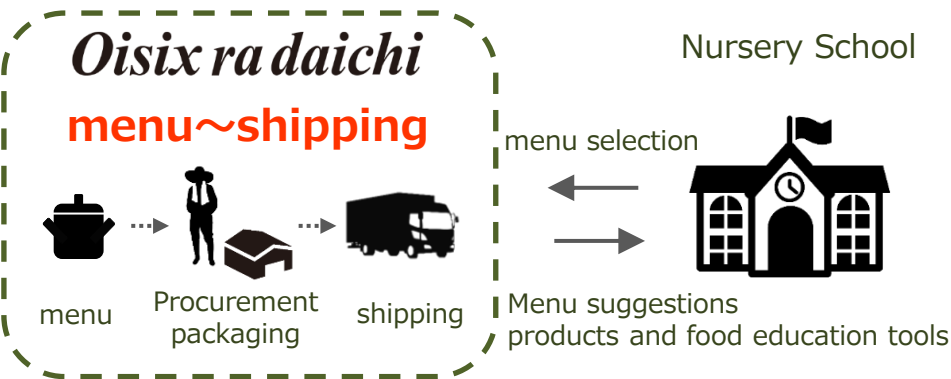


PURPLE CARROT



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

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



## 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 schoolteachers 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



## - Image of affiliated supermarkets



### 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.



# 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 angritic, including overseas start-up companies

Future Food Fund

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

## Food Tech Startups

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



**Raised 2 billion funding from LP14**

### Food tech New Food



### Agritech



*Oisix ra daichi*

# Future Food Fund

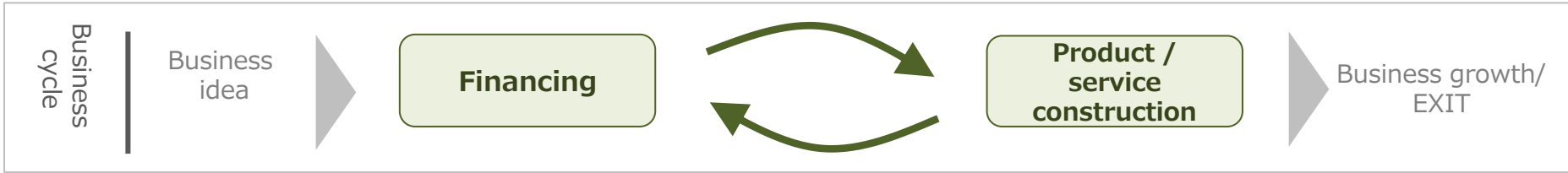
Domestic B2C Subscription

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

◆ Example

Sales



Import /Logistics



Infrastructure



Collaboration and support with proven American VCs and incubators



Service experiment utilizing startup specialty EC sales floor



## *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 up.  
Trading value: Approx. 900 million/day, annual turnover rate of over 200%



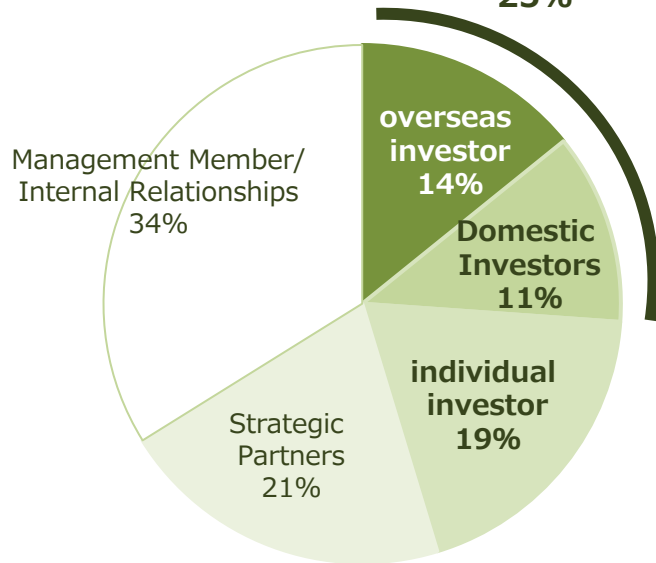


# Trends in shareholder composition

Institutional shareholdings increased to about 50%, doubling from 4 years ago.  
No shareholder with overhang concerns at present

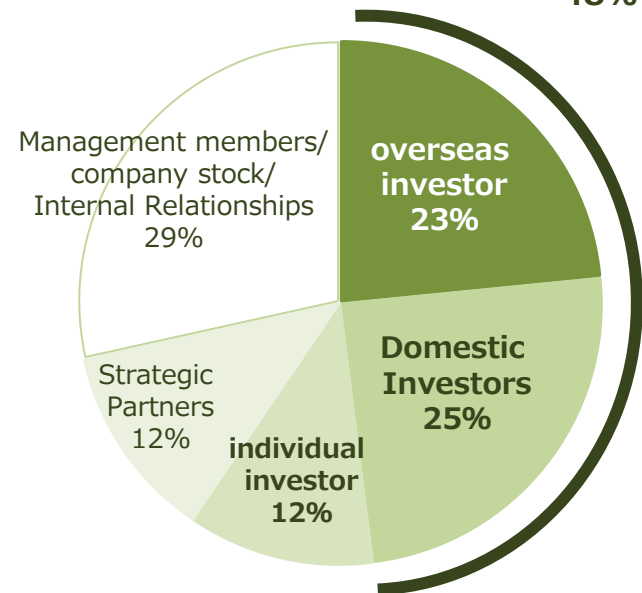
End of Mar. 2019

Ratio of institutional investors  
25%



End of Mar. 2023

Ratio of institutional investors  
48%



# Financial Condition

## • B/S

End of March 2022	(Millions)
Current assets	30,680
Cash and cash equivalents	14,775
Fixed assets	33,821
<b>Total assets</b>	<b>64,502</b>
Current liabilities	26,231
Short-term interest-bearing debts	10,060
Long-term liabilities	12,130
Long-term interest-bearing debt	74
<b>Total liabilities</b>	<b>38,361</b>
Shareholders' equity	23,764
<b>Total net assets</b>	<b>26,140</b>
<b>Total liabilities and net assets</b>	<b>30,680</b>

## • Selected financial data

End of March 2022	
<b>Equity Ratio</b>	<b>38.1%</b>
<b>ROA</b>	<b>2.8%</b>
<b>ROE</b>	<b>7.3%</b>
Financial leverage	2.6
Total asset turnover	1.8
Net income margin	1.6%

## • Level of cash holdings

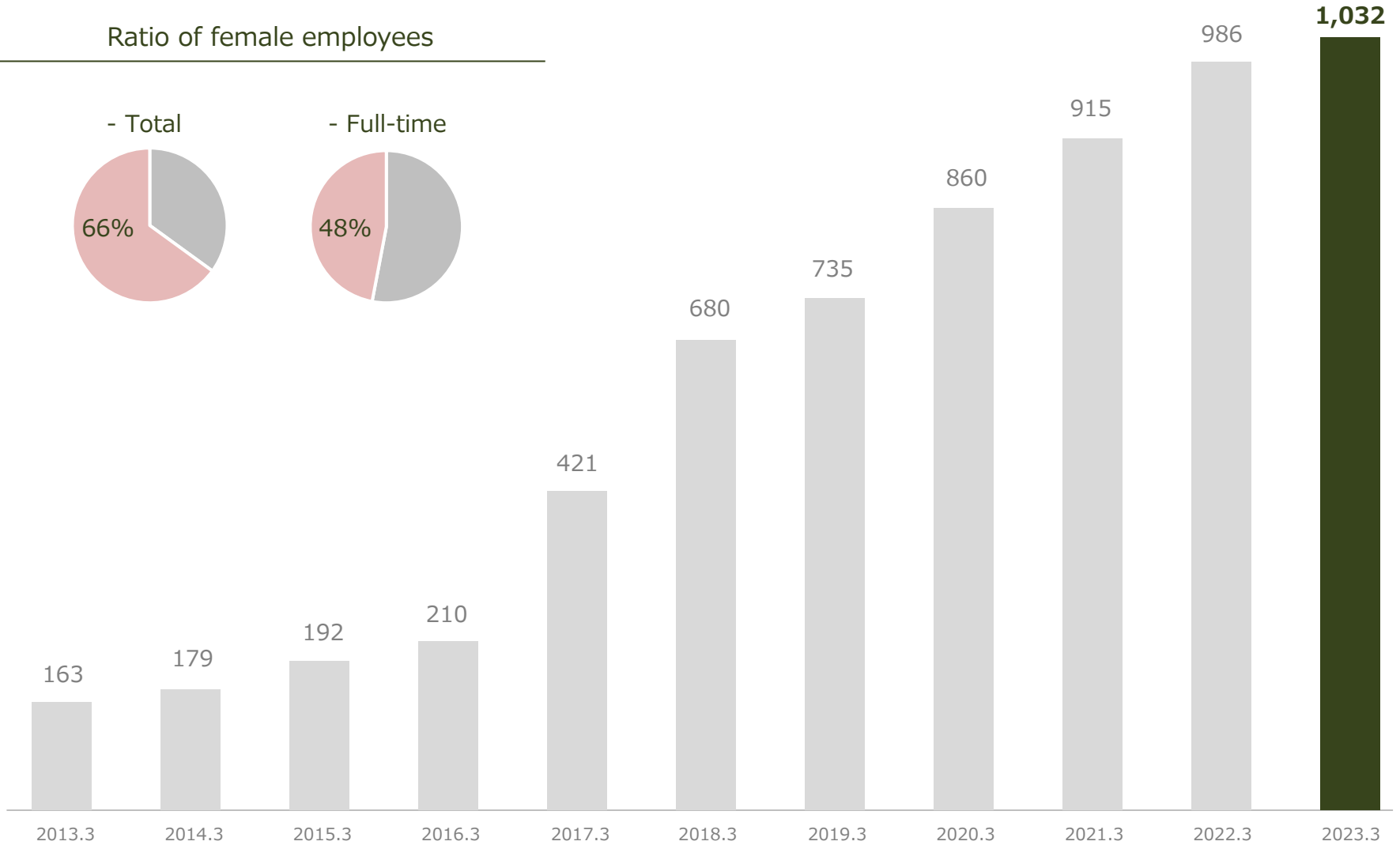
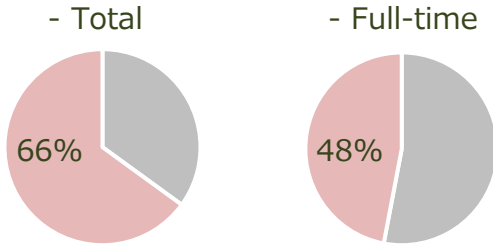
2 year's worth of personnel expenses (including variable personnel expenses) is set at about 10 bn yen as a benchmark for an appropriate level of retention.

## • 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



# 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



President and CEO  
Kohey Takashima  
Appointed 2000  
Vice Chairmen of Japan Association of Corporate Executives, Director of Benesse Holdings, Inc., Chief Director of Eat, Japan Wheelchair Rugby Federation Chairman of the Board of Directors, SHiDAX Corporation  
Outside Director



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.



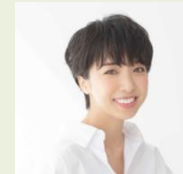
Director  
Hitoshi Tanaka  
Appointed 2015  
President and Representative Director of JINS Inc., President and Representative Director of Brand New Day Co., Ltd., President and Representative Director of JINS NORMA Co.



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 Toretta, 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 to 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

	2021.3				2022.3				2023.3			
mn yen	1Q	1-2Q	1-3Q	1-4Q	1Q	1-2Q	1-3Q	1-4Q	1Q	1-2Q	1-3Q	1-4Q
Sales	23,132	47,567	74,790	100,061	27,911	56,167	87,400	113,476	27,901	55,450	87,475	115,176
Operating Profit	2,076	3,976	6,131	7,465	1,950	3,347	4,979	4,171	962	1,672	3,293	3,346
EBITDA	2,419	4,679	7,198	8,902	2,316	4,188	6,385	6,216	1,498	2,771	4,960	5,595
Net income Attributable to owners of the parent	1,184	2,452	3,900	5,031	1,293	2,156	3,294	2,727	587	892	1,942	1,807

# DATA SHEET : Business Segment Result

## Business Segment Result

		2021.3				2022.3				2023.3			
(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	11,265	23,047	37,036	49,863	14,145	28,580	45,190	58,546	14,393	28,458	44,946	59,413
	Segment profits	2,367	4,335	7,012	8,984	2,057	4,045	6,525	7,036	1,953	3,821	6,390	7,562
Daichi	Sales	3,636	7,094	10,761	13,978	3,314	6,628	10,154	13,240	3,070	6,141	9,464	12,345
	Segment profits	724	1,368	2,160	2,751	663	1,319	2,010	2,619	624	1,188	1,924	2,480
Radish Boya	Sales	4,721	9,083	13,653	17,704	4,331	8,732	13,336	17,432	4,190	8,370	12,892	16,939
	Segment profits	899	1,626	2,449	3,023	584	1,143	1,883	2,429	591	1,126	1,927	2,540
Purple Carrot	Sales	-	-	-	-	2,842	5,536	7,893	10,208	2,586	5,171	7,544	9,798
	Segment profits	-	-	-	-	549	811	985	959	△78	△49	△74	△40
Other Business*	Sales	3,601	8,522	13,600	18,922	3,373	6,911	11,194	14,578	3,969	7,958	13,630	17,946
	Segment profits	391	1,038	1,599	2,320	427	869	1,295	1,423	435	758	1,230	1,690
Companywide fixed costs, Goodwill etc		2,305	4,391	7,089	9,655	2,329	4,842	7,720	10,296	2,564	5,174	8,105	10,886



# Data Sheet : Main KPI

## KPI trend

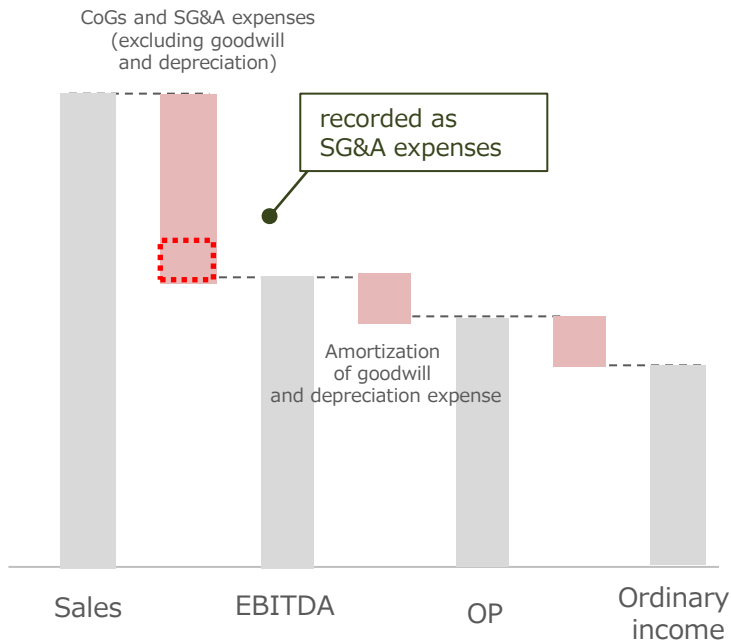
		2021.3				2022.3				2023.3			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Oisix	Subscriber (number)	252,303	274,929	285,168	308,899	333,850	347,772	345,409	346,083	350,650	355,962	361,135	401,463
	ARPU (yen)	13,822	12,986	13,106	13,042	12,891	12,564	12,880	12,166	12,302	11,892	12,257	11,873
	Price/ purchase (yen)	6,748	6,201	6,315	6,215	6,098	6,057	6,220	6,096	5,970	5,934	6,174	6,010
	Purchase Frequency (number)	2.05	2.09	2.08	2.10	2.11	2.07	2.07	2.00	2.06	2.00	1.99	1.98
Daichi	Subscriber (number)	40,141	41,361	41,135	41,197	41,205	41,733	41,459	41,688	40,234	40,737	40,259	40,770
	ARPU (yen)	29,253	26,135	26,854	24,937	25,630	25,268	26,052	23,890	24,138	24,490	25,637	23,398
	Price/ purchase (yen)	9,162	8,545	8,974	8,439	8,411	8,576	8,864	8,219	8,345	8,537	9,048	8,428
	Purchase Frequency (number)	3.19	3.06	2.96	2.95	3.02	2.95	2.94	2.91	2.89	2.87	2.83	2.78
Radish Boya	Subscriber (number)	62,515	61,822	61,518	62,751	65,320	66,464	66,206	65,093	65,297	66,230	66,435	67,825
	ARPU (yen)	23,189	20,884	21,000	20,259	20,188	19,748	20,137	18,790	18,947	18,461	19,655	18,125
	Price/ purchase (yen)	7,028	6,373	6,696	6,441	6,402	6,407	6,589	6,247	6,451	6,442	6,922	6,531
	Purchase Frequency (number)	3.30	3.28	3.14	3.15	3.15	3.08	3.06	3.01	2.94	2.87	2.84	2.78

# Effect of accounting change on depreciation and operating expenses

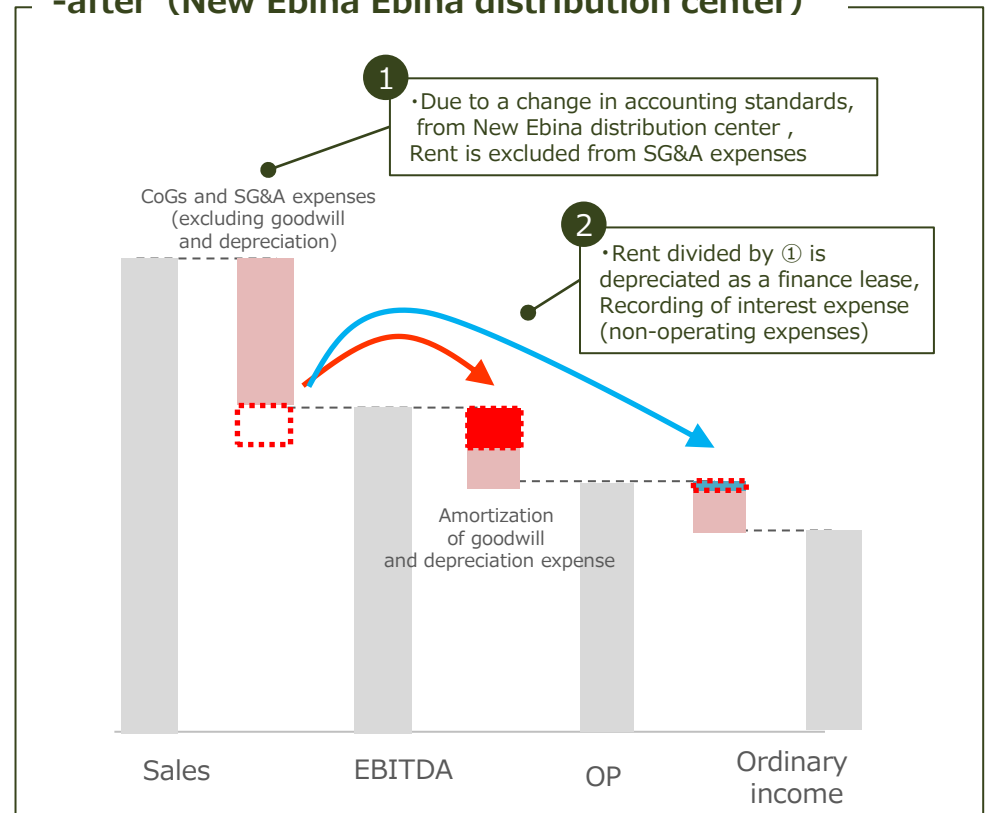
Rents for New Ebina distribution center and Atsugi Refrigeration Center were accounted for as finance leases in accordance with accounting standards. Due to the change in recorded items compared to the previous location Differences in EBITDA and ordinary income compared to the same period of the previous year. The accounting items have been changed from SG&A expenses to depreciation and interest expense before and after the accounting standard change.

## -before

(Applicable to centers used from 2021.3 and before)



## -after (New Ebina Ebina distribution center)



# 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.

*Oisix ra daichi*