

*Oisix ra daichi*

*2024.3 Financial Results*

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*Oisix ra daichi Inc.*

*14 May, 2024*

# Farm for Tomorrow, Table for Tomorrow

We provide services that enable better food lives for more people.

We create systems where good farmers are rewarded and take proud in their work.

We realize sustainable society through evolving frameworks that link farm and table continuously.

We solve social issues related to food through business approaches.

We create and expand Tomorrow's Food.

## **1. FY2024.3 Financial Results**

- 1-1. Total Performance Summary
- 1-2. Each Business Segment Summary

## **2. Strategy for Growth**

- 2-1. Business Portfolio
- 2-2. Business Strategy of Food Subscription Business
- 2-3. Business Strategy for Social Business

## **3. FY2025.3 Business Forecasts**

### **■ APPENDIX・DATA SHEET**

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# Executive Summary

## - FY2024.3 Financial Results

### 【Consolidated Performance】

- ✓ In Q4, we consolidated SHiDAX.
  - Sales: 148.4 billion yen (YoY +29%)
  - EBITDA: 8.25 billion yen (YoY +47%) – Operating Profit 5.14 billion yen (YoY +54%)
  - Net Profit: 4.12 billion yen (YoY +128%, including the extraordinary profit related to the consolidation of SHiDAX)
- ✓ We exceeded the revised plan by sales +1.40 billion yen (+1% vs. plan), EBITDA +1.05 billion yen (+15% vs. plan), and operating profit +940 million yen (+22% vs. plan), due to lower-than-expected expenses associated with the relocation of the ORD Atsugi refrigeration station.

### 【Formerly Oisix ra daich and Non-consolidated SHiDAX Performance】

- ✓ **Formerly Oisix ra daich FY2024.3 Financial Results** excluding the impacts of consolidation of SHiDAX
  - Sales: We gained the large number of transient users gained from the extraordinary PR campaign implemented from the end of FY2023.3. Number of Oisix subscribers declined YoY to approx. 370 thousand at the end of period due to curbing promotions. The pace of decline slowed from the previous quarter. ARPU declined YoY but improved to a certain degree due to initiatives including shipping cost revisions in H2 period.
  - OP: Profitability improved due to shipping cost revisions and COGS ratio improvement measures resulting in an increase of 1.9 billion yen (+58% YoY).
- ✓ **Non-consolidated SHiDAX FY2024.3 Q4 Financial Results**
  - Sales: 31.81 billion yen (+4% YoY), mainly due to steady increase in operated facilities and vehicles in food service, social service, and vehicle operation service businesses
  - OP: 720 million yen (+9% YoY), despite the impact of soaring raw material prices and rising labor costs, especially in the food service business.

### 【Impact on EBITDA/OP from new consolidation of SHiDAX】

- ✓ Although non-consolidated SHiDAX OP was consolidated at 720 million yen, goodwill amortization of (470) million yen and a one-time cost of (380) million yen related to the acquisition of SHiDAX shares will have a negative impact of 130 million yen on OP.
- ✓ EBITDA is +0.48 billion yen due to the deduction of goodwill amortization and depreciation.

# FY2024.3 Financial Results Summary

Sales :Increase due to the consolidation of SHiDAX as a subsidiary (+2% YoY excluding the consolidation effect).

EBITDA :Increase of 47% YoY (+40% YoY excluding the effect of consolidation of SHiDAX) due to profitability improvement measures and the consolidation of SHiDAX as a subsidiary.

The revised full-year forecast was significantly exceeded mainly due to lower-than-expected expenses associated with the relocation of the ORD Atsugi Freezing Station.

Sales

148.40bn yen

( YoY +29%)

+1% of Revised forecast of 147.0 bn yen

EBITDA

8.25bn yen

( YoY +47%)

+15% of Revised forecast of 7.2 bn yen

Operating Profit

5.14bn yen

( YoY +54%)

+22% of Revised forecast of 4.2 bn yen

Profit  
attributable to  
owners of the  
parent

4.12bn yen

( YoY +128%)

+18% of Revised forecast of 3.5 bn yen

# YoY : EBITDA/Operating Profit

EBITDA and OP increased due to product price and shipping cost revisions, promotion of cost improvement initiatives, review of distribution operations, as well as the consolidation effect of SHiDAX.

**-EBITDA** (bn yen)

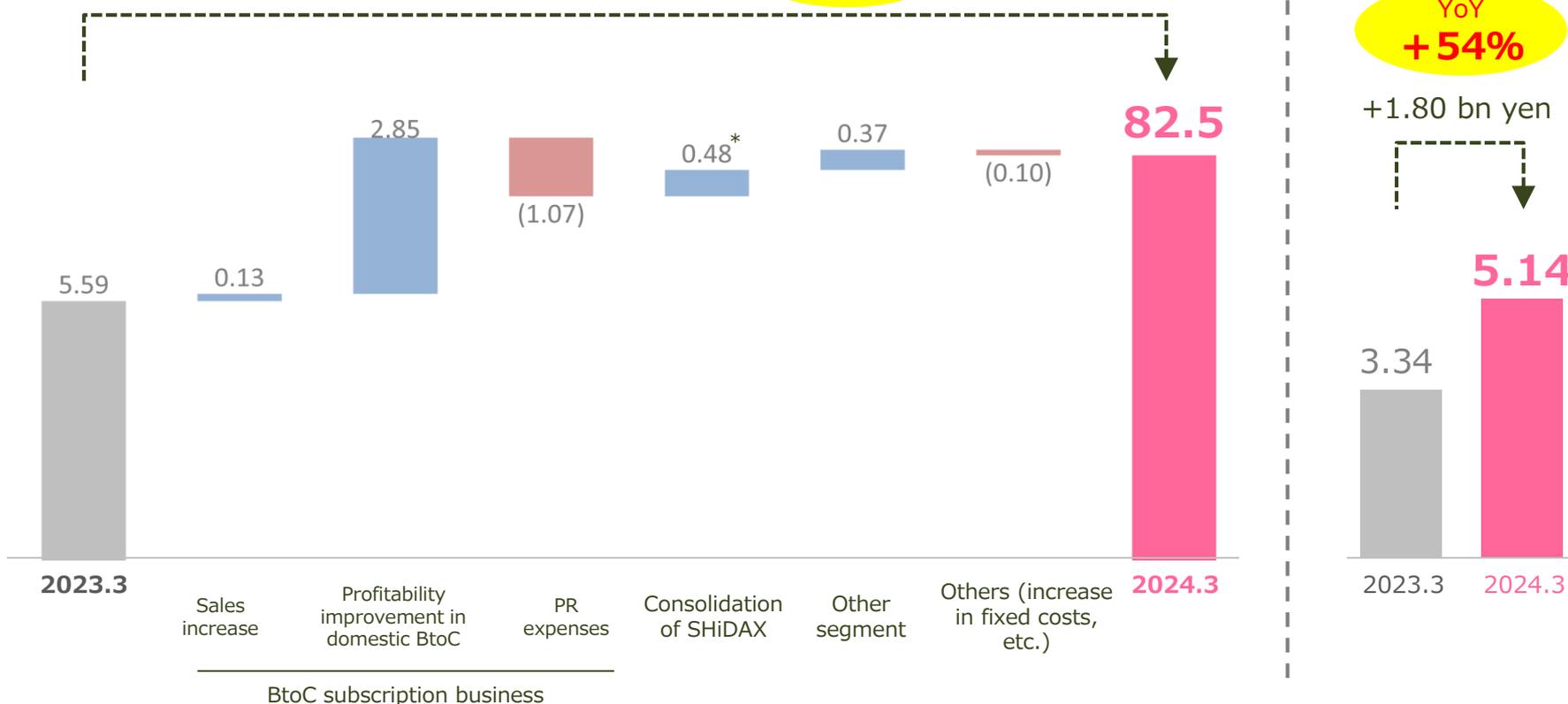
+2.66 bn yen

YoY  
**+47%**

**-OP** (bn yen)

YoY  
**+54%**

+1.80 bn yen



# FY2024.3 Segment Results

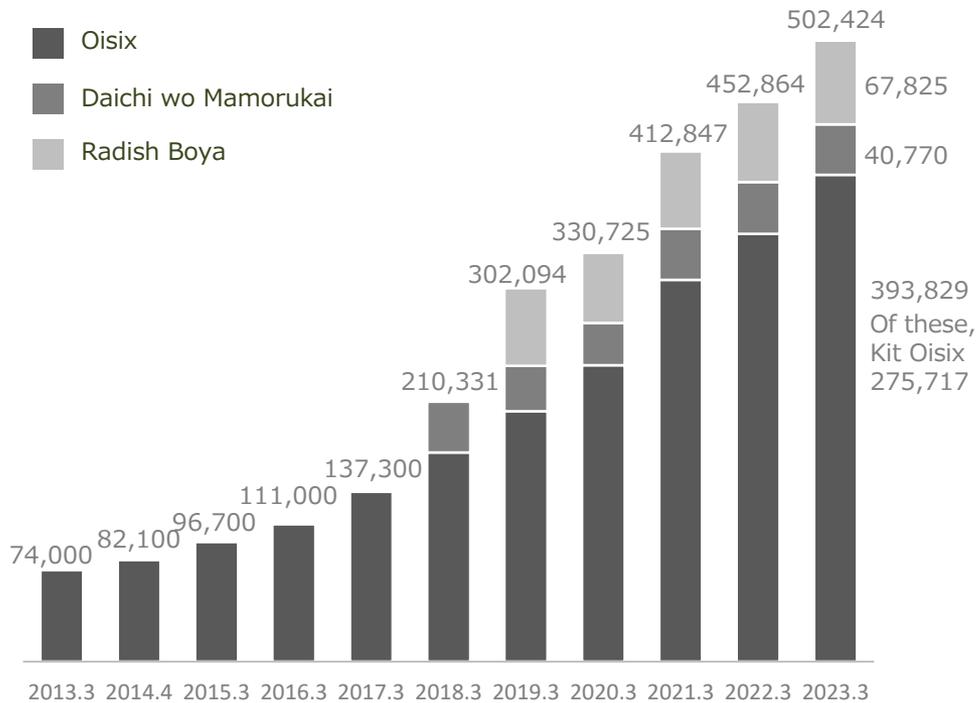
(billion yen)

	Sales		Segment Profit		Profit Margin	Consolidated Period
	FY2024.3	YoY	FY2024.3	YoY		
BtoC subscription business*	<b>99.38</b>	+1%	<b>9.04</b>	+23%	9.1%	Full Year (Apr.-Mar.)
(Oisix)	<b>62.37</b>	+5%	<b>5.93</b>	+40%	9.5%	
(Daichi wo Mamorukai)	<b>11.32</b>	(8)%	<b>1.52</b>	+5%	13.5%	
(Radish Boya)	<b>16.59</b>	(2)%	<b>1.77</b>	+5%	10.7%	
(Purple Carrot*) - Jan. - Dec.	<b>9.08</b> USD: 64M	(7)%	<b>(0.19)</b> USD: (1)M	-	(2.2)%	
BtoB subscription business*	<b>14.97</b>	+1,058%	<b>0.38</b>	-	2.2%	Q4 (Jan.-Mar.) Full year for Suku suku Oisix
Social service business*	<b>11.38</b>	-	<b>0.39</b>	-	3.5%	
Vehicle operation service business*	<b>6.22</b>	-	<b>0.40</b>	-	6.5%	Full Year (Apr.-Mar.)
Other business	<b>18.02</b>	+8%	<b>1.21</b>	+49%	6.8%	
Corporate adjustments and expenses	(1.59)	-	(3.17)	-	-	
<b>Sales/EBITDA</b>	<b>148.40</b>	+29%	<b>8.25</b>	+47%	5.5%	
Amortization of goodwill	-	-	(0.49)	-	-	
Depreciation	-	-	(2.61)	-	-	
<b>Operating Profit</b>	<b>-</b>	-	<b>5.14</b>	+54%	3.5%	

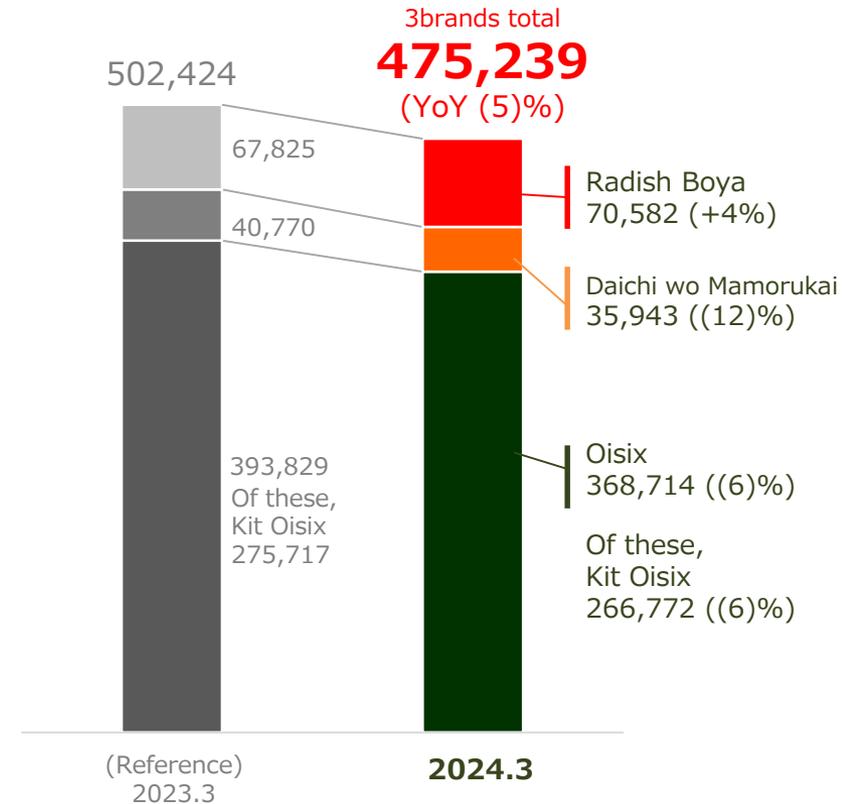
# Domestic B2C Subscription Subscriber Numbers

- Oisix : Decreased YoY, as most of the subscribers increased due to extraordinary PR conducted from the end of FY2023.3 were transient users and we reviewed and curbed its promotions to attract new subscribers.
- Daichi wo Mamorukai : Positioned as a period for new service development and curbed PR to attract subscribers.
- Radish Boya : Continued quarterly net increase in subscribers, mainly among the target group (those with high interest in supporting producers)

## - Subscriber Trend



## - FY2024.3 YoY

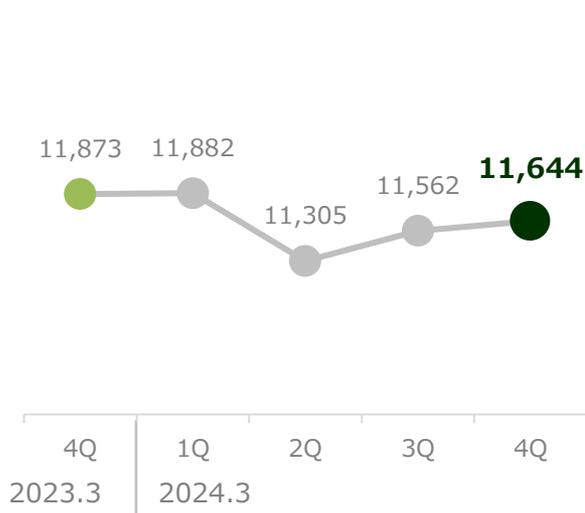


# Domestic B2C Subscription ARPU

- Oisix : Purchase frequency declined YoY, although price per purchase increased in 3Q and 4Q from the previous quarter due to a review of service prices and a revision of shipping charges.
- Daichi wo Mamorukai : Increased both per purchase price and frequency of purchases by existing subscribers.
- Radish Boya : Both purchase price per purchase and purchase frequency of subscribers decreased, partly due to an increase in newly acquired users.

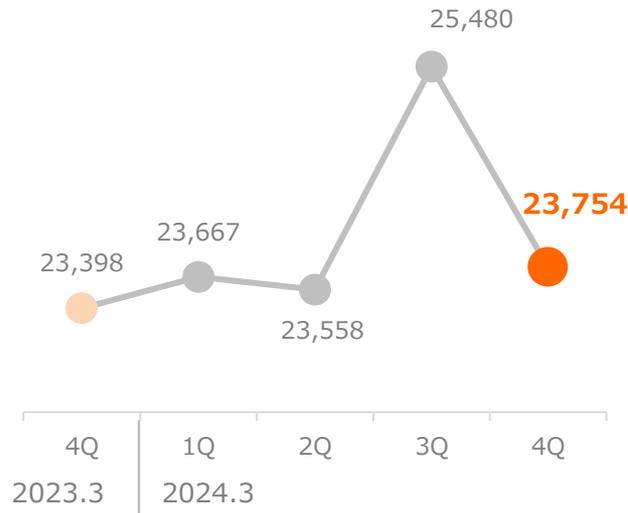
Oisix

**11,644** yen  
 - YoY (2)%



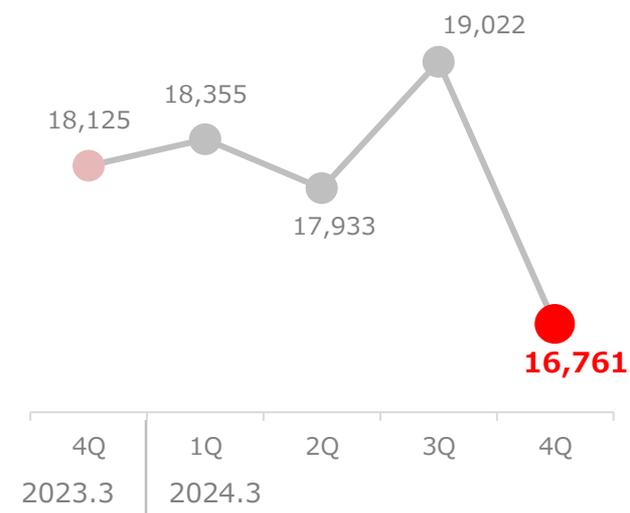
Daichi wo Mamorukai

**23,754** yen  
 - YoY +2%



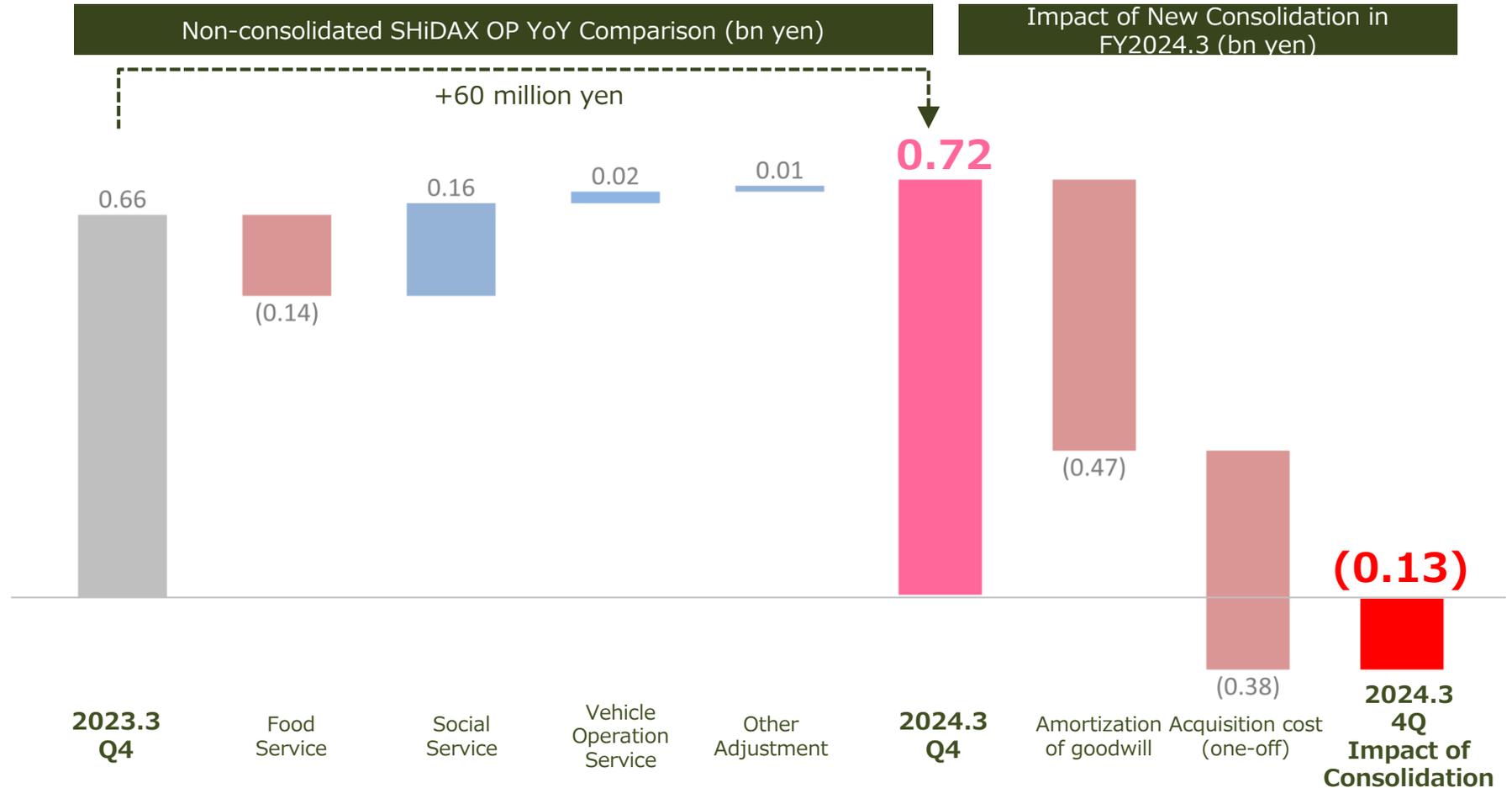
Radish Boya

**16,761** yen  
 - YoY (8)%



# Non-consolidated SHiDAX Q4 Results and Impact of New Consolidation on OP

Although OP of BtoB subscription business (food service business) declined by 140 million yen YoY due to the impact of soaring raw material prices and other factors, social service and vehicle operation service successfully captured changes in the after-COVID-19 business environment, and Q4 OP of SHiDAX on a non-consolidated basis increased by 60 million yen YoY. Excluding goodwill amortization and acquisition costs, the impact of the new consolidation of SHiDAX on OP was a negative impact of (130) million yen.



# SHiDAX KPIs

FY2023.3		Beginning	April	May	June	July	August	September	H1	October	November	December	January	February	March	End
Food Service No. of contract store	Increase		13	1	3	4	2	4	27	2	0	1	4	6	5	45
	Decrease		8	2	1	5	7	1	24	2	3	0	3	6	31	69
	Total	1,056	1,061	1,060	1,062	1,061	1,056	1,059	1,059	1,059	1,056	1,057	1,058	1,058	1,032	1,032
Food Service No. of medical store	Increase		31	1	0	1	2	2	37	6	2	4	2	3	3	57
	Decrease		0	2	1	0	0	1	4	2	8	1	1	7	19	42
	Total	738	769	768	767	768	770	771	771	775	769	772	773	769	753	753
Vehicle Operation Service No. of operated vehicle	Increase		309	17	23	17	23	13	402	19	19	18	23	17	6	504
	Decrease		237	9	8	8	8	2	272	18	20	9	8	7	8	342
	Total	3,623	3,695	3,703	3,718	3,727	3,742	3,753	3,753	3,754	3,753	3,762	3,777	3,787	3,785	3,785
Social Service No. of straff managed	Increase		939	351	333	983	743	337	3,686	136	149	433	63	254	1,907	6,628
	Decrease		222	275	234	262	336	338	1,667	196	190	317	186	174	1,669	4,399
	Total	17,664	18,381	18,457	18,556	19,277	19,684	19,683	19,683	19,623	19,582	19,698	19,575	19,655	19,893	19,893

FY2024.3		Beginning	April	May	June	July	August	September	H1	October	November	December	January	February	March	End
Food Service No. of contract store	Increase		22	3	3	1	3	4	36	2	2	1	2	6	4	53
	Decrease		2	3	2	6	2	3	18	0	8	1	2	7	19	55
	Total	1,032	1,052	1,052	1,053	1,048	1,049	1,050	1,050	1,052	1,046	1,046	1,046	1,045	1,030	1,030
Food Service No. of medical store	Increase		25	2	3	1	4	5	40	2	3	5	1	3	4	58
	Decrease		1	3	1	3	3	4	15	2	2	2	0	3	21	45
	Total	753	777	776	778	776	777	778	778	778	779	782	783	783	766	766
Vehicle Operation Service No. of operated vehicle	Increase		283	22	21	30	24	25	405	43	17	19	18	7	4	513
	Decrease		202	15	4	21	12	7	261	23	24	9	25	8	8	358
	Total	3,785	3,866	3,873	3,890	3,899	3,911	3,929	3,929	3,949	3,942	3,952	3,945	3,944	3,940	3,940
Social Service No. of straff managed	Increase		1,210	514	1,433	1,208	1,261	747	6,373	291	313	325	200	266	377	8,145
	Decrease		309	233	247	278	357	364	1,788	1,240	398	501	1,123	218	287	5,555
	Total	19,893	20,794	21,075	22,261	23,191	24,095	24,478	24,478	23,529	23,444	23,268	22,345	22,393	22,483	22,483

# Sustainability Activities

## - Reduction of CO<sub>2</sub> Emissions and Food Loss

CO<sub>2</sub> emission: Maintain low level of CO<sub>2</sub> emissions (Scope 1 and 2) emitted by the company. We will consider future activities, including those of SHiDAX.

Food loss: Steadily increased reductions through efforts such as promoting the use of harvested products and previously unutilized food ingredients in Kit Oisix.

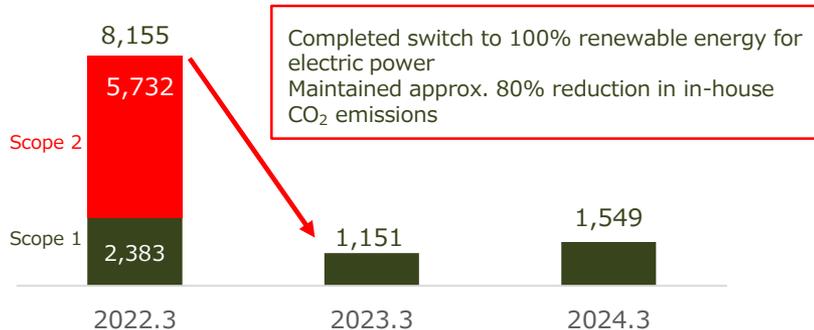
### Reduction of CO<sub>2</sub> emissions

✓ The company's CO<sub>2</sub> emissions (Scope 1 and 2) are lower than those of a typical retailer because it has no stores and we have **completed the switch to 100% renewable energy** in FY2023.3.  
(Oisix ra daichi Only)

✓ Considering activities to reduce emissions under a new structure that includes SHiDAX

### - Scope 1,2 CO<sub>2</sub> Emission Trend

Unit: t-CO<sub>2</sub>e (Oisix ra daichi only)



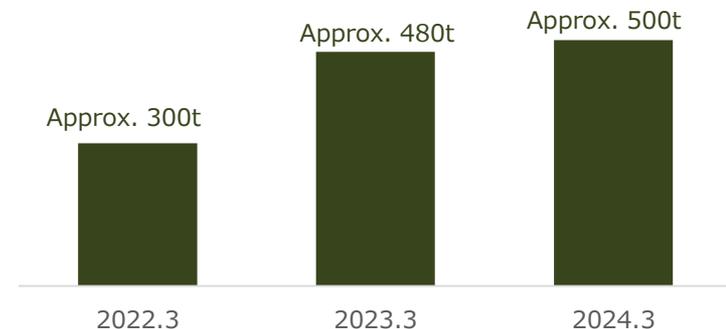
### Reduction of Food Loss

✓ Food loss in ORD's distribution is as low as about 0.2%, and we focus on activities to reduce food loss at the place of origin and processing, and at home.

✓ **Steady increase in food loss reduction** since FY2022.3, when initiatives to reduce food loss began in earnest

✓ "Upcycle by Oisix" strengthens development of Kit Oisix products and collaborative products with other companies, **selling 54 new products per year.**

### - Amount of Food Loss Reduction



# Sustainability Activities

## - Support for the Noto Region Earthquake

The company entered the disaster area on January 1, 2024, and continued to provide hospital meals in the affected area in cooperation with new group companies, including SHiDAX. Tokushimaru, which has been active in the affected areas since immediately after the earthquake, has also provided ongoing support, such as operating outside of evacuation shelters.

### Support activities immediately after the earthquake

- ✓ Maintaining the provision of hospital meals, distributing relief supplies free of charge, and using in-house logistics to deliver supplies to areas where shipments have been suspended.
- ✓ Group companies work together in a flexible manner



▲ Provide meal in evacuation shelter

### Ongoing Support

- ✓ Mobile supermarket Tokushimaru continues to provide support for disaster victims in areas other than evacuation shelters, distributing free sweets and organizing events for people to enjoy cherry blossom viewing.



▲ Moved to non-shelter area to provide support

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# Business Portfolio of the New Oisix ra daichi Group



## Current Business Portfolio

### (A) Food Subscription Business

Domestic BtoC Subscription Service (Home meal delivery)	Sales approx. 90.0 bn yen No. of Subscriber approx. 470 thousand
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BtoB Subscription Service (Meal service)	Sales Approx. 55.0 bn yen
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Driving growth as a core business that solves social food issues

### (B) Social Business

Social Service (Municipal outsourcing business)	Sales approx. 45.0 bn yen
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Vehicle Operation Service (Vehicle outsourcing business)	Sales approx. 25.0 bn yen
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Growth by solving society's labor shortage issues

### (C) Solution Business

Other Company EC support Service Retail Media Service	Sales approx. 10.0 bn yen
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Secure earnings as a source of growth

Sales of New Oisix ra daich Group including Other Business: approx. 240.0 bn yen

# (A) Food Subscription Business

## ①BtoC, ②BtoB Growth Model

### (A) Food Subscription Business

We aim for **total sales of 300 billion yen in FY2030.3** through organic growth of 80 billion yen and discontinuous growth of 75 billion yen from 145 billion yen in sales in FY2024.3.

#### ① Domestic BtoC Subscription Service



#### ② BtoB Subscription Service



### (B) Social Business

### (C) Solution Business

#### ① Domestic BtoC Subscription Service

##### ■ Organic Growth

✓ Among the main target of dual-earner households with children, existing members account for about 5%\*3 and there is ample room for expansion.

##### ■ Discontinuous Growth

✓ We are seeing a customer base that is looking for shorter meal kits, and we will broaden our target by further evolving our shortening time products.

#### ② BtoB Subscription Service

##### ■ Organic Growth

✓ Continued gradual increase in the market for outsourced school lunch services against a backdrop of labor shortages, etc.

##### ■ Discontinuous Growth

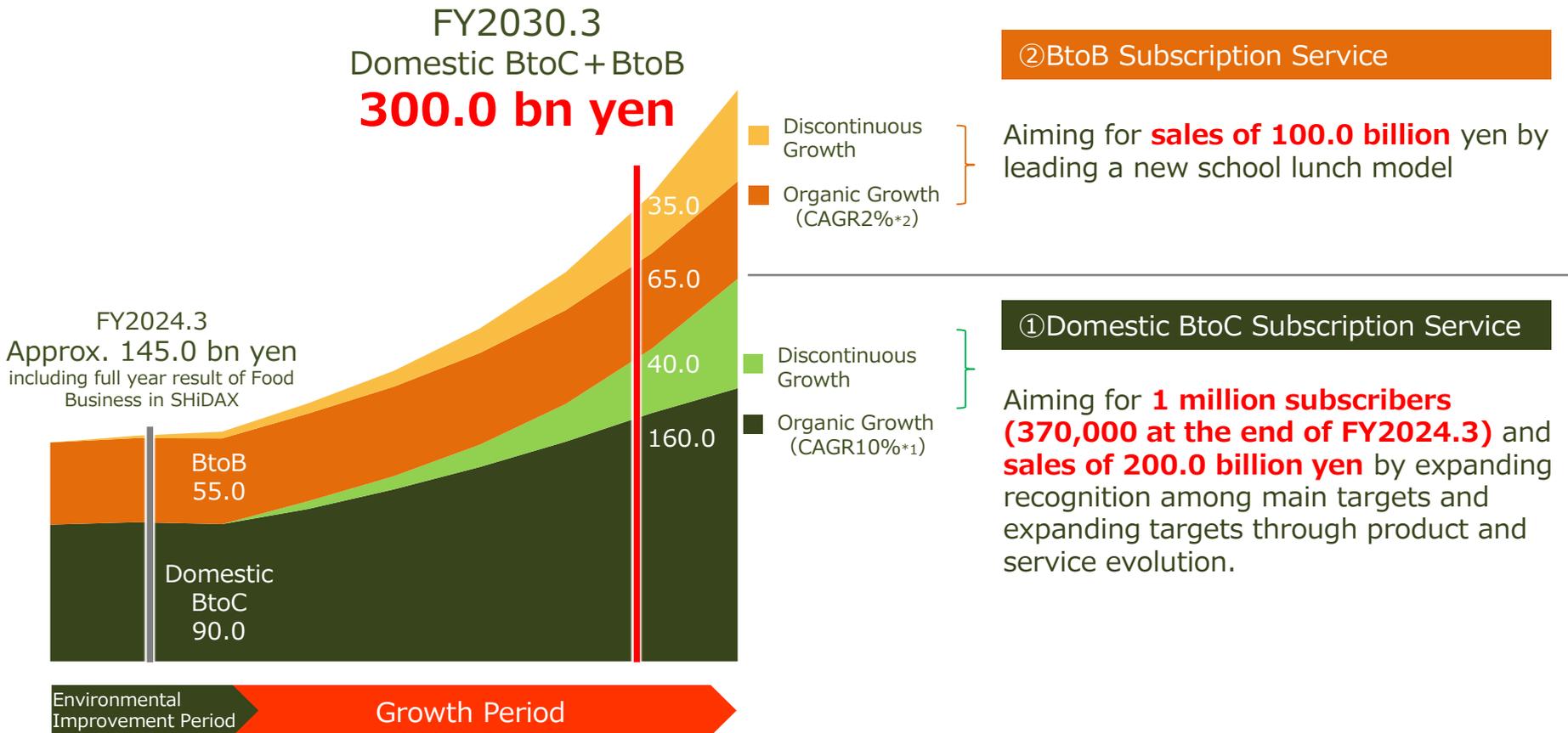
✓ Establish and respond to a small-group operation model through the use of commercial meal kits, leveraging strengths cultivated in the domestic BtoC subscription service.

✓ Aiming for growth through M&A as the industry merges.

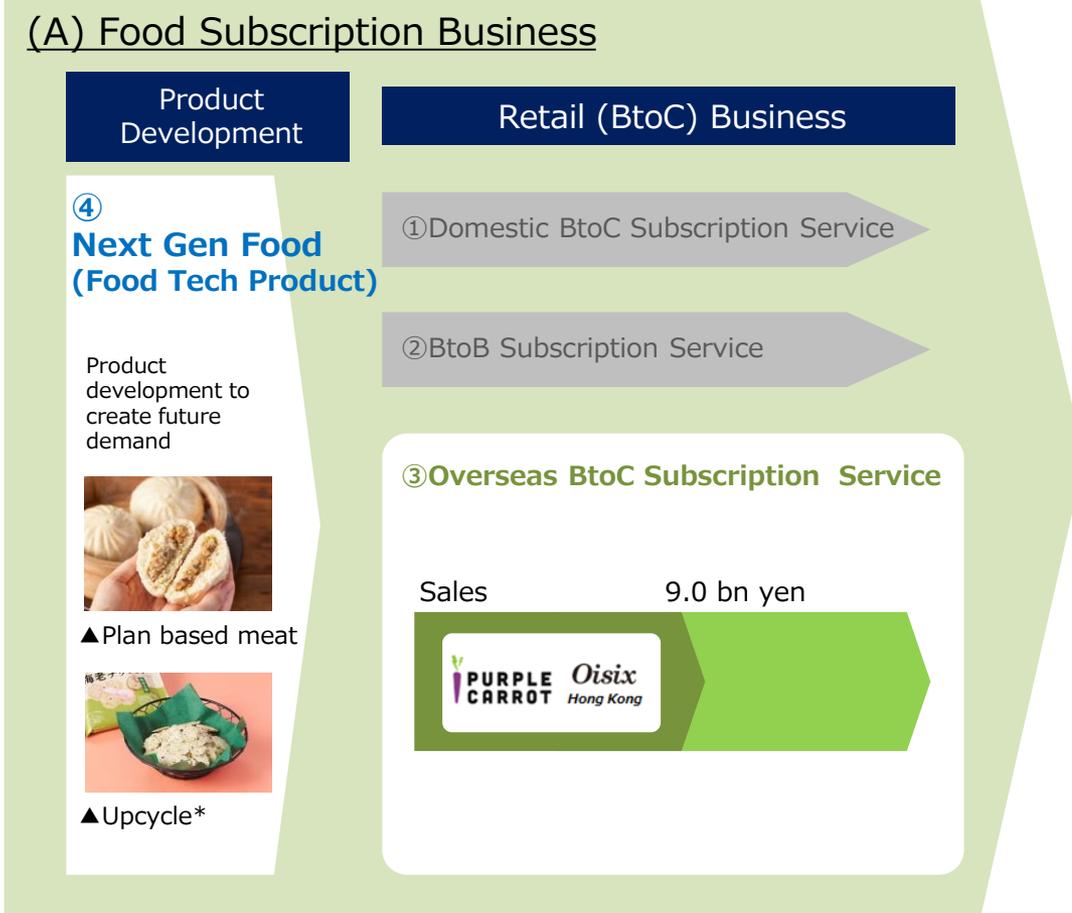
# (A) Food Subscription Business

## ①BtoC, ②BtoB Growth Model

In FY2025.3, we will first create an environment that generates synergies with SHiDAX and refine acquisition methods and products for the re-growth of Oisix.  
 From FY2026.3 onward, the two businesses of domestic BtoC and BtoB subscription services will drive renewed growth, **aiming for total sales of 300.0 billion yen in FY2030.3.**



# (A) Food Subscription Business Future Development Model (③,④)



## ③ Overseas BtoC Subscription Service

- ✓ Aiming to expand globally with Purple Carrot, a plant-based meal delivery company in the U.S.
- ✓ Purple Carrot has established a fulfillment and marketing structure and moved into the subscriber acquisition phase starting in FY2025.3



## ④ Next Generation Food (Food Tech Product)

- ✓ Develop and sell products that create future demand, such as private brand's plant-based meat "P-Meat"



## (B) Social Business

## (C) Solution Business

## (B) Social Business

### (A) Food Subscription Business

- ① Domestic BtoC Subscription Service
- ② BtoB Subscription Service
- ③ Overseas BtoC Subscription Service
- ④ Next Gen Food (Food Tech Product)

### (B) Social Business

#### ① Social Service (Municipal outsourcing business)

Sales 45.0 bn yen



More than 2,600 facilities under management

#### ② Vehicle Operation Service (Vehicle outsourcing business)

Sales 25.0 bn yen



More than 3,900 vehicles under management

### (C) Solution Business

## (B) Social Business

### ① Social Service (Municipal outsourcing business)

#### ■ Business Overview

✓ Businesses for municipalities that operate and manage tourist facilities, school meals, etc., in addition to childcare for schoolchildren, where we are the No. 1 player.

#### ■ Future Prospects

✓ The outsourcing market is steadily growing due to rising costs and labor shortages in government services caused by the declining birthrate and aging population.



▲ Care of Schoolchildren



▲ Library Management

### ② Vehicle Operation Service (Vehicle outsourcing business)

#### ■ Business Overview

✓ Provides vehicle fleet management services, such as operation of route buses and community/demand/school buses, in addition to executive vehicles, which are in the dominant No. 1 position.

#### ■ Future Prospects

✓ Demand for school buses/community buses is on the rise as drivers age and bus routes are withdrawn or consolidated

✓ Consider accepting local version of ridesharing (demand buses)



▲ Executive Vehicles



▲ School Bus

# (C) Solution Business

## (A) Food Subscription Business

④Next Gen Food  
(Food Tech Product)

①Domestic BtoC Subscription Service

②BtoB Subscription Service

③Overseas BtoC Subscription Service

## (B) Social Business

## (C) Solution Business

Sales 10.0 bn yen

①Other Company EC support Service



**DEAN & DELUCA**

▲ EC site management, shipping

②Retail Media Service



▲ Operation of flyers bundled with products

## (C) Solution Business

### ①Other Company EC support Service

#### ■ Business Overview

✓ Support other companies' businesses by utilizing our facilities and know-how (logistics warehouse, marketing, procurement capabilities, etc.)

#### ■ Future Prospects

✓ Differences in accessibility and product assortment for shopping by region, uncovering the need for an e-commerce online department store shopping experience outside of urban areas.

### ②Retail Media Service

#### ■ Business Overview

✓ Operate advertising space on BtoC order sites and product bundling to provide useful information to customers.

#### ■ Future Prospects

✓ Increased need for efficient approach methods (customer databases, channels for reliable reach, etc.) to meet diversifying consumer needs.

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# Growth Strategy Leveraging Synergies Between BtoC and BtoB

In the BtoC subscription domain, Oisix has expanded its business by shifting the perception of "shortening time" from "shortening time = easy but cut corners" to "premium shortening time" experience, which is not only shortening time but also premium. In the BtoB subscription domain as well, Oisix will realize both a response to labor shortages and an increase in added value by developing the value of "premium shortening time" in the BtoB subscription domain as well.



Diverse families can easily achieve fun and healthy eating habits.



## BtoB Subscription Service (Meal Service)

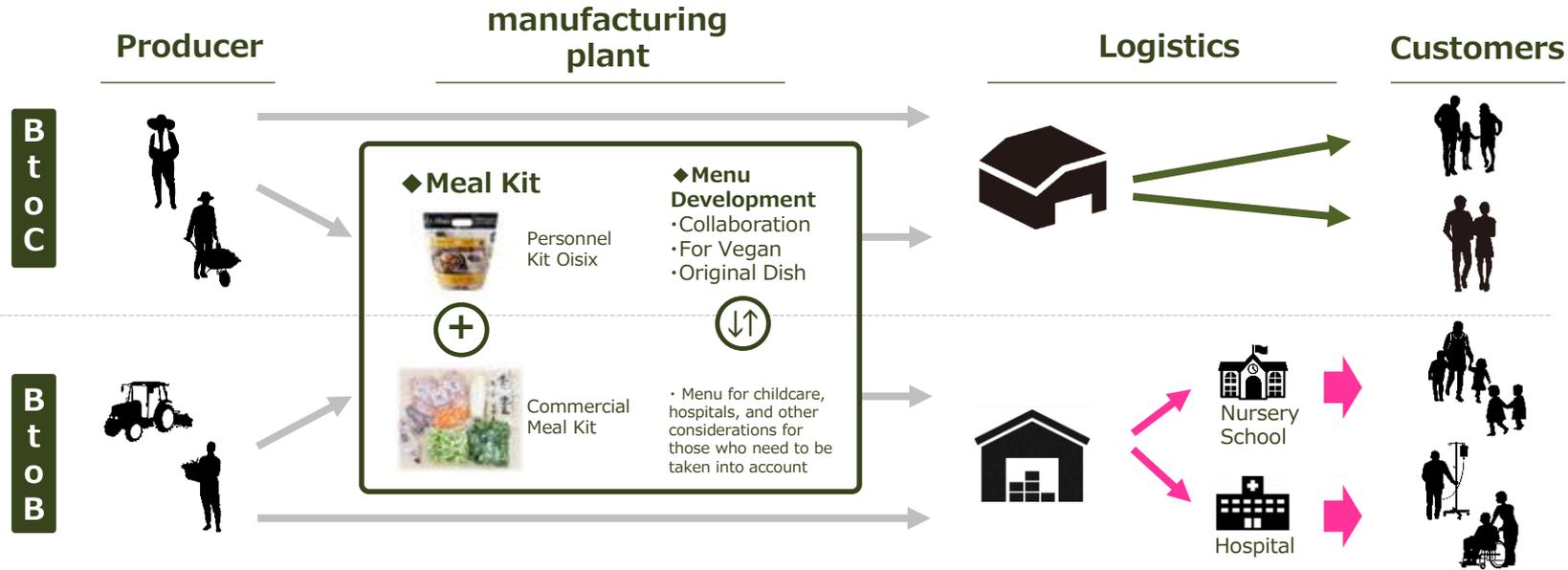
Define and provide "good school lunches" that are chosen by facilities and end users



Expand business in both BtoC and BtoB by introducing "premium shortened hours" to BtoB subscription service (meal service) and revolutionizing the industry.

# Strengths that Create Synergy Between BtoC and BtoB

Both home delivery and meal service are subscription models that provide different menus to the same customers through stable procurement. We will leverage the strengths we have honed in the BtoC subscription domain to achieve "premium shortening time" in the two areas.



## High-quality, low-cost bulk procurement

Procurement capabilities based on highly accurate demand forecasting using a subscriber model

## Manufacturing facilities for in-house products

Ability to develop and manufacture meal kits and original prepared foods using our own facilities

## Ability to adjust to reduce waste

Ability to adjust supply and demand through web-based sales promotions according to crop growth conditions

## Brand Strength

Brand strength through the development of BtoC services specializing in "premium"

## Understanding Customers

Providing meals based on an understanding of needs deepened through repeated meal service.

DX promotion through system construction capabilities cultivated through the operation of BtoC services

# Examples of Synergy Creation to Date

Food Subscription Business

Social Business

Solution Business

New contracts through synergy are in progress at each BtoB subscription (meal service) facility.

Aiming for business growth by providing services chosen by end-users based on "premium shortening time" know-how cultivated in the BtoC subscription business.

## Nursery School

- ✓ The introduction of Oisix's commercial meal kits has enabled the company to expand its business to facilities it had been unable to approach before, and 19 facilities have been confirmed to have adopted the kits.



## Care of Schoolchildren

- ✓ Second spring break test of providing lunch boxes during long vacations at 13 facilities nationwide



## Elderly Facilities

- ✓ Adopted by Benesse's fee-based nursing home, resident to be confirmed fastest in the series.



## Staff Canteen

- ✓ Collaboration menu using meal kits was highly supported by customers.



## Outdoor event facilities (ballpark)

- ✓ Oisix Niigata Albirex BC to serve menus supervised by a certified sports nutritionist from SHiDAX at its ballpark in kitchen cars.



## Providing school lunches using Oisix ingredients

✓ Plans to establish a situation in which food ingredients can be introduced to elderly facilities, staff canteens, nursery schools, etc., mainly in the Kanto area during FY2025.3, without raising the price of food ingredients.



## Full-scale rollout of lunch boxes in care of schoolchildren during long vacations begins

✓ Full-scale development will begin during the summer vacations of 2024. We plan to offer more than 100,000 meals at approximately 500 facilities.



Regarding Oisix, our mainstay business, we view FY2025.3 as a phase to test hypotheses based on the knowledge we have gained in response to the after-COVID-19, and we will solidify the foundation of activities as a period to prepare for renewed growth.

**1** **Product evolution "Premium x ultra-shortening time"**

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**2** **Establish efficient new subscriber acquisition methods**

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**3** **Launch of the first course for specific needs  
"Healthcare Oisix" created with cancer patients**

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Against the backdrop of the growing need for shorter cooking times in the home, Oisix has developed a wide range of "premium x ultra-shortening time" products that are a further evolution of the premium shortening time products that Oisix has offered in the past.

### ■ Launch of "Deli Oisix"

Launch of "Deli Oisix," a super-time saving service that is ready just by taking it out of the refrigerator and heating it up.

- ✓ Aim to achieve a cumulative total of 10 million meals sold by the end of FY2027.3
- ✓ Users' spending per purchase in the first week of launch is 1.5 times the average of all subscribers.

*Oisix*



### ■ Evolution and Super Shortening Time of Meal Kits

- ✓ Expansion of local menus and collaboration menus with celebrities and TV programs
- ✓ Development of menus that can be completed without the use of cooking utensils.



### ■ Development of ultra-short-time products such as boxed lunches

- ✓ A plate of three microwave-cooked side dishes for a meal by yourself or as a snack.

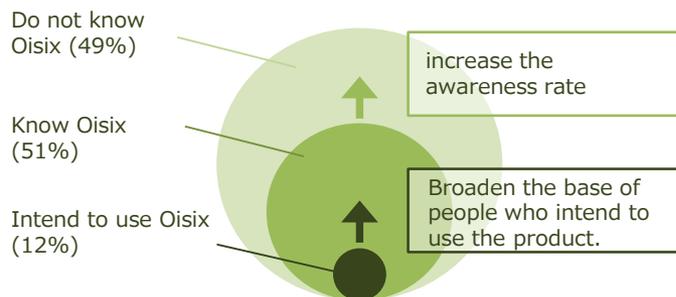


## ② New Subscribers Acquisition

Develop efficient subscriber acquisition and communication methods in H1 and **begin full-fledged subscriber acquisition again in H2 and beyond.**

- ✓ Development of promotion-efficient acquisition methods
  - Leverage media such as TikTok and affiliates that we have not been focusing on.
  - Review of communication with customers after purchasing trial sets.
- ✓ Increased recognition rate and quality
  - Awareness of Oisix is 51%, including light users, and we will increase the awareness rate.
  - The number of people who are aware of Oisix and intend to use it is low at 12%, but the evolution to "premium x "ultra-shortening time" will increase the number of people who intend to use Oisix.

### ■ Awareness of Oisix and intention to use Oisix



## ③ Start Courses for Specific Applications

NEW

New course on dietary support for cancer patients.  
**Plans to launch other courses for specific needs as this course progresses.**

- ✓ First of a series of courses for specific needs, "Health Care Course" for cancer patients, launched today (May 14).
  - Developed with more than 30 medical professionals and 15 patient support groups
  - At the same time, we plan to establish the "Institute of Eating Habits to Support Cancer Treatment" to conduct clinical research and disseminate evidence on dietary habits and treatment.
- ✓ Japan's first dietary support service for cancer patients

がん患者さんをつくった  
ヘルスケア **Oisix** 医師監修



In the BtoB subscription service (meal service), to address the "labor shortage" and "rising raw material costs," which are issues facing the industry as a whole, we will improve profitability through labor savings and price revisions, and on top of that, build a weapon that enables discontinuous growth by leveraging Oisix's product procurement and development know-how.

1

**Eliminate labor shortages by saving manpower and improving compensation**

2

**Eliminate loss-making & low-profit stores through appropriate price revisions**

3

**Create a weapon for discontinuous growth through the use of Oisix food ingredients**

## ① Eliminate labor shortages by saving manpower and improving compensation

- ✓ Build labor-saving operations through meal kits and fully pre-prepared food production
- ✓ Improved employee compensation, including base salary increases for the first time in approximately 20 years

## ② Eliminate loss-making & low-profit stores through appropriate price revisions

- ✓ Price review due to price hikes, etc., in response to soaring raw material prices.
- ✓ Review of low profit & loss terms or withdrawal

## ③ Create a weapon for discontinuous growth through the use of Oisix food ingredients

- ✓ Introduction of menus using Oisix standard vegetables
- ✓ Menu development using Oisix's popular celebrity and restaurant collaboration menus and the know-how of group companies



## 1. FY2024.3 Financial Results

- 1-1. Total Performance Summary
- 1-2. Each Business Segment Summary

## 2. Strategy for Growth

- 2-1. Business Portfolio
- 2-2. Business Strategy of Food Subscription Business
- 2-3. Business Strategy for Social Business

## 3. FY2025.3 Business Forecasts

### ■ APPENDIX・DATA SHEET

## Social Service (Municipal outsourcing business)

### ✓ The industry's overwhelming No. 1 provider of care of schoolchildren achieves 20% growth in sales

- The private outsourcing market is expanding due in part to the government's policy aimed at strengthening measures for care of schoolchildren.
- No. 1 track record in public and private childcare services for children (more than 2,000 units) and expansion of the number of contracts by offering new value-added services, such as lunch

### ✓ School meal service business, the No. 2 group in the industry, is expected to grow 10% in sales.

- Outsourcing rate of school meal preparation continues to rise

### ✓ Expansion of comprehensive outsourcing services for municipalities utilizing a broad service lineup, including management of facilities such as libraries and roadside stations

- Municipalities' needs for improving operational efficiency are growing even higher
- Realization of streamlining across business domains, unique to our company with experience in a wide range of outsourced operations



## Vehicle Operation Service (Vehicle outsourcing business)

### ✓ Expansion of the industry's No. 1 executive vehicle fleet management service

- Outsourcing rate is on the rise, but labor shortage is an issue.
- Securing drivers by improving compensation, and continuing to acquire new drivers based on the overwhelming No. 1 number of vehicles managed and track record in the industry

### ✓ Expansion of community bus/demand bus operation contract to serve as a local transportation system

- Increased demand for demand/school buses due to the elimination or withdrawal of bus routes in rural and the progress of plans to consolidate elementary and junior high schools

### ✓ Consideration of local version of ridesharing business

- Based on the industry's No. 1 track record in vehicle fleet management, promote the study of providing solutions for mobile refugees, who are facing challenges especially in rural areas.



## 1. FY2024.3 Financial Results

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### ■ APPENDIX・DATA SHEET

## FY2025.3 Business Forecasts

Sales

**255.0** bn yen  
– YoY **+72%**

EBITDA

**11.0** bn yen  
– YoY **+34%**

Operating  
Profit

**7.0** bn yen  
– YoY **+36%**

**Profit**  
attributable to  
owners of the  
parent

**3.2** bn yen  
– YoY **(23)%**

Expenses  
expected to be  
incurred on an  
ongoing basis

### EBITDA→OP

Amortization of goodwill: 1.8 bn yen  
Depreciation: 2.2 bn yen

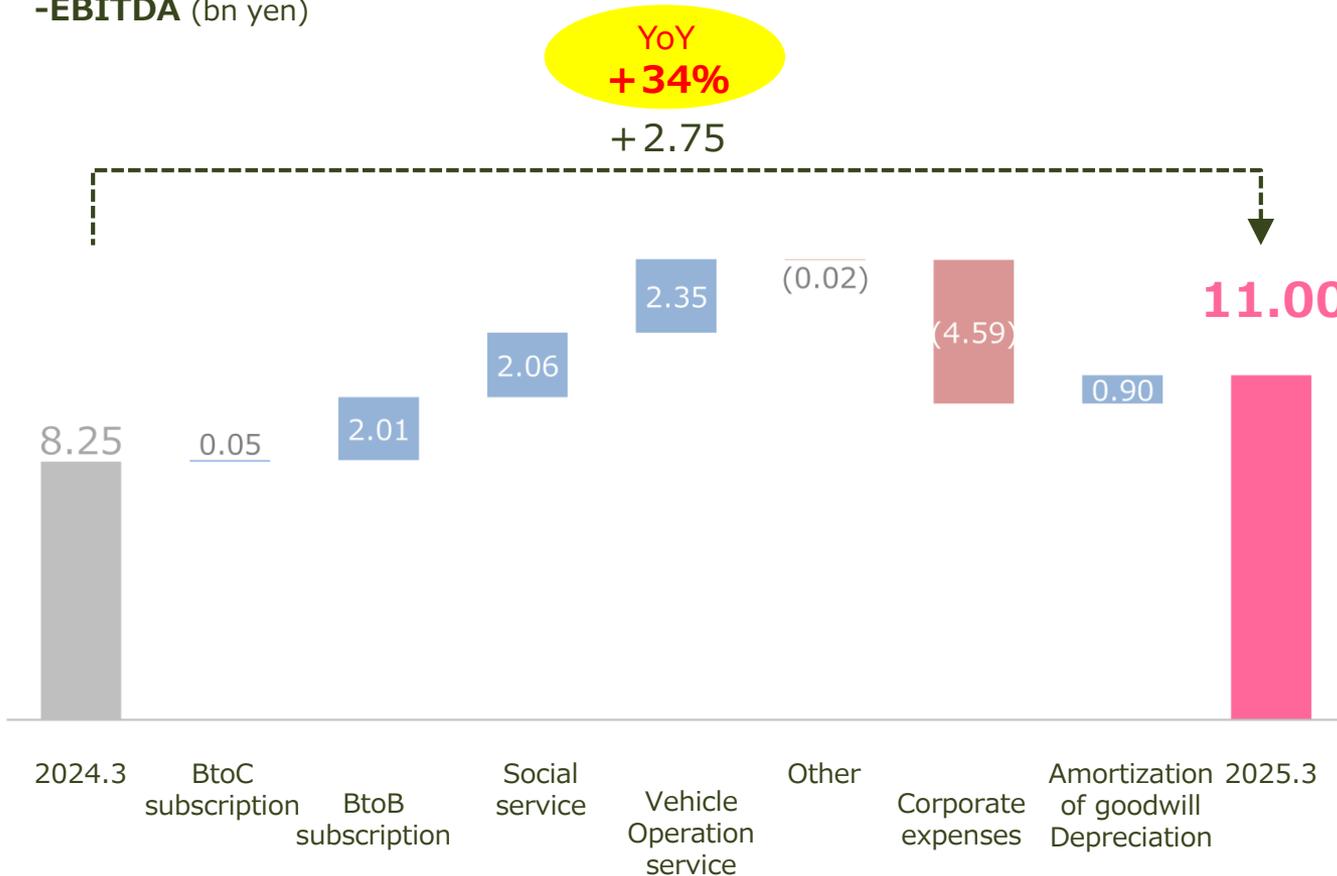
### OP→Profit attributable to owners of the parent

Interest expenses: 0.3 bn yen  
※ 34% of net income of SHiDAX is net income  
attributable to noncontrolling interests

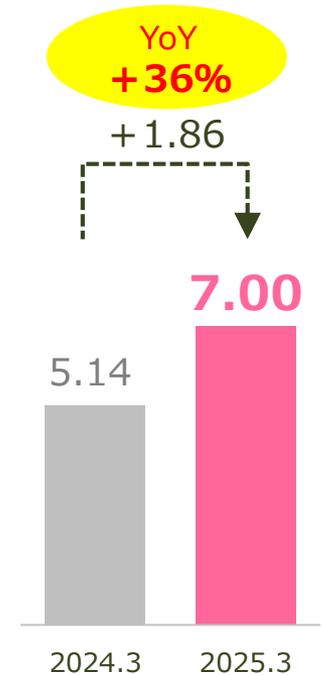
# YoY : EBITDA/Operating Profit

EBITDA and OP increased, partly due to three quarters of additional profits from each of the newly consolidated businesses (BtoB subscription service, Social service, and Vehicle operation service), despite an increase in fixed costs due to the contribution of the consolidation impact of SHiDAX.

**-EBITDA** (bn yen)



**-OP** (bn yen)

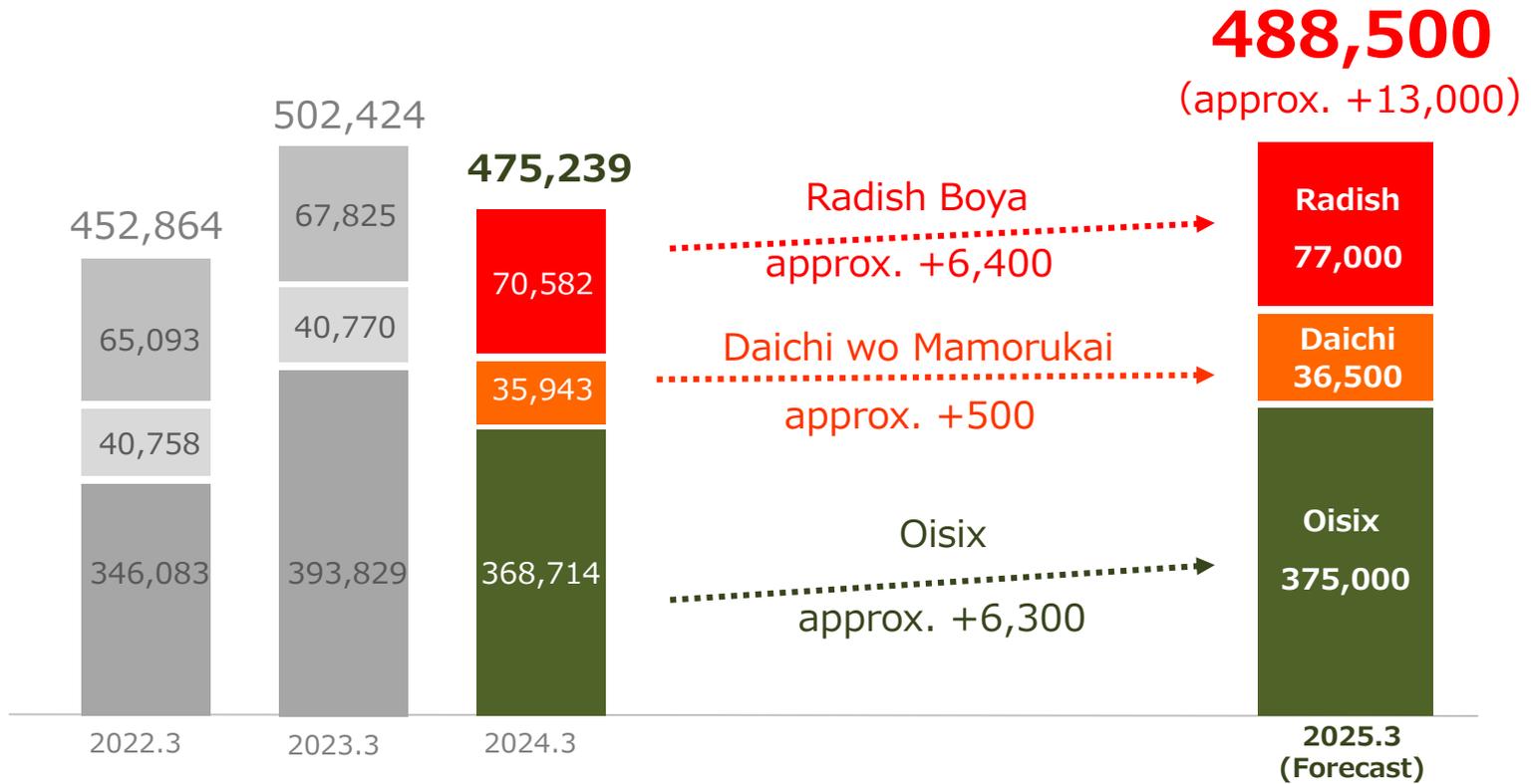


# FY2025.3 Segment Results Forecast

(billion yen)

	Sales		Segment Profit		Profit Margin
	FY2025.3	YoY	FY2025.3	YoY	
BtoC subscription business	<b>100.00</b>	+1%	<b>9.10</b>	+1%	9.1%
(Oisix)	<b>61.00</b>	(2)%	<b>6.00</b>	+1%	9.8%
(Daichi wo Mamorukai)	<b>11.00</b>	(3)%	<b>1.45</b>	(5)%	13.2%
(Radish Boya)	<b>17.00</b>	+2%	<b>1.80</b>	+1%	10.6%
(Purple Carrot*) - Jan. - Dec.	<b>11.00</b> USD: 73M	+21%	<b>(0.15)</b> USD: △1M	-	(1.4)%
BtoB subscription business*	<b>66.60</b>	+345%	<b>2.40</b>	+530%	3.6%
Social service business*	<b>51.30</b>	+351%	<b>2.45</b>	+519%	4.8%
Vehicle operation service business*	<b>25.90</b>	+312%	<b>2.75</b>	+583%	10.6%
Other business*	<b>11.20</b>	(38)%	<b>1.20</b>	(1)%	10.2%
Corporate adjustments and expenses		-	△69.0	-	-
<b>Sales/EBITDA</b>	<b>255.00</b>	+72%	<b>11.00</b>	+34%	4.3%
Amortization of goodwill	-	-	(1.80)	-	-
Depreciation	-	-	(2.20)	-	-
<b>Operating Profit</b>	<b>-</b>	<b>-</b>	<b>7.00</b>	+36%	2.7%

# Domestic B2C Subscription Subscriber Numbers Forecast



## Acquisition of Treasury Stock - Approach to Cash Allocation

<Approach to Cash Allocation>

1. Of the 11-13 billion yen per year cash generation over the next few years, the basic policy is to allocate 3.5-4.5 billion yen of surplus cash, excluding taxes, repayment of loans and other ordinary expenses, to investment for growth (\*).
2. In FY2024.3, we made major growth investments (making SHiDAX a consolidated subsidiary and investing in ORD Atsugi Freezing Station), but in FY2025.3, we will focus on soft investments such as "re-growth of BtoC subscription service (product development and marketing)" and "synergy creation with SHiDAX (business integration, premium shortening time of BtoB subscription service, etc.)".
3. In light of the above situation, we raise the efficiency of shareholders' equity by repurchasing our own shares this time, and also expect to use the shares acquired and held for future M&A, etc.

\* Main growth investment areas

- 1 BtoC subscription service: development of new services, advertisement investments, system investments, logistics systems and facility enhancements, etc.
- 2 BtoB subscription business: M&A for business expansion, strengthening of logistics and manufacturing functions, etc.

The equity ratio is expected to recover to around 25% within a few years as future profits increase.

(Equity ratio at the end of FY2024.3: 20.2%)

## Acquisition of Treasury Stock - Reason and details of the repurchase

<Reasons for acquisition of treasury shares>

Based on the concept of cash allocation, we aim to improve capital efficiency and enhance shareholder returns.

<Details of the acquisition>

- |  |  |
|--|--|
| (1) Class of shares to be acquired:        | Common stock   |
| (2) Total number of shares to be acquired: | Up to 1,825,000 shares<br>(Equal to 5.0% of total issued shares excluding treasury shares) |
| (1) Total amount of shares to be acquired: | Up to 3,000 million yen  |
| (2) Acquisition method:                    | Market purchase on the Tokyo Stock Exchange  |
| (3) Acquisition period:                    | May 15, 2024 ~ October 31, 2024  |

## ***DATA SHEET • APPENDIX***

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# Change in reportable segment

Beginning with the current fiscal year, we changed the segment profit calculation method and reportable segments, taking the opportunity of making SHiDAX a consolidated subsidiary to reconfigure its business portfolio and the associated performance evaluation and analysis indicators by the Board of Directors.

## ① Change in segment profit calculation method

- ✓ Newly include in segment costs a portion of personnel and other costs that were not previously included.
- ✓ **No change in operating profit** because the above costs were recorded as fixed costs (adjustments)

Until FY2024.3 Q3                      FY2024.3 Q4 onwards

Accounts item	Remarks (Major items)
Sales	
COGS	Cost of goods (purchased, manufactured), disposal.
SG&A	Shipping cost, center cost, sales promotion cost.
Marginal Profit	
Personnel Cost	Personnel expenses for business planning departments, etc.
Contribution Profit	
Fixed Cost	Personnel expenses for back-office departments, recruitment, head office rent, etc.
Operating Profit	

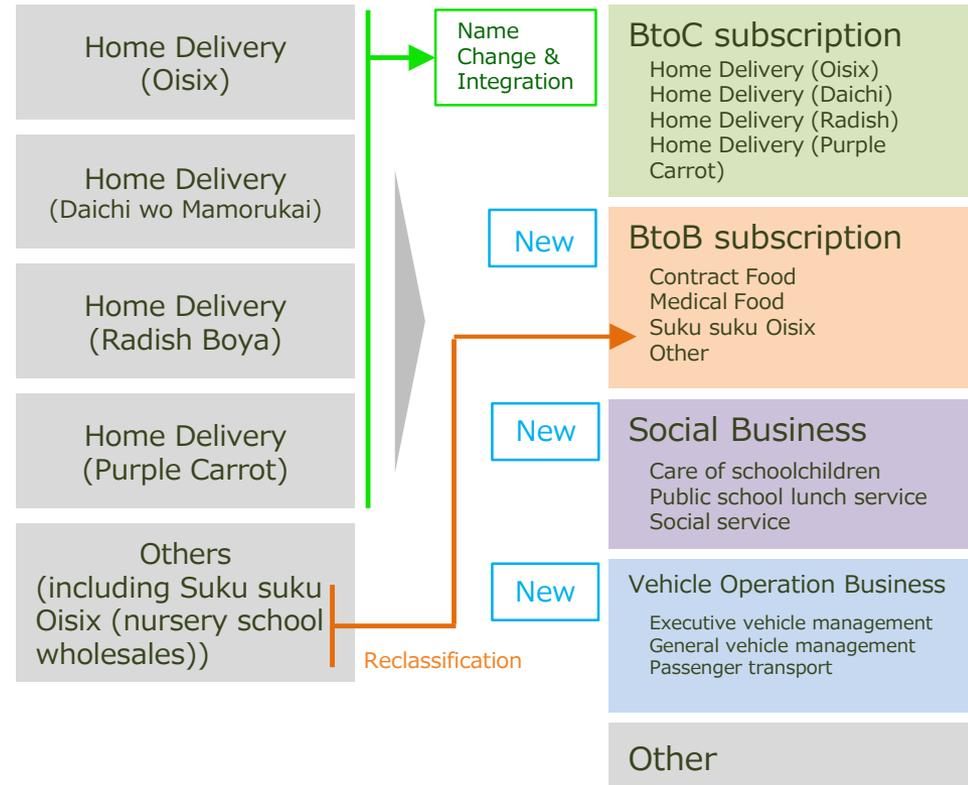
Former Segment Profit (bracketed on the left side of the table)

New Segment Profit (bracketed on the right side of the table, covering Contribution Profit and Operating Profit)

## ② Change in reportable segment

Until FY2024.3 Q3

FY2024.3 Q4 onwards



(Reference) FY2023.3 Segment Performance  
 Figures after change of segment profit definition

(billion yen)

	Sales	New Segment Profit		(Reference) Former Segment Profit	
	FY2023.3	FY2023.3	Profit Margin	2023.3	Profit Margin
BtoC subscription business	<b>98.49</b>	<b>7.34</b>	7.5%	<b>12.54</b>	12.7%
(Oisix)	<b>59.41</b>	<b>4.23</b>	7.1%	<b>7.56</b>	12.7%
(Daichi wo Mamorukai)	<b>12.34</b>	<b>1.45</b>	11.8%	<b>2.48</b>	20.1%
(Radish Boya)	<b>16.93</b>	<b>1.69</b>	10.0%	<b>2.54</b>	15.0%
(Purple Carrot*) - Jan. - Dec.	<b>9.79</b> USD: 74M	<b>(0.04)</b> USD: (0)M	(0.4)%	<b>(0.04)</b> USD: (0)M	(0.4)%
BtoB subscription business*	<b>12.93</b>	<b>(0.00)</b>	(0.5)%	<b>0.11</b>	8.6%
Social service business*	-	-	-	-	-
Vehicle operation service business*	-	-	-	-	-
Other business*	<b>16.65</b>	<b>0.84</b>	6.9%	<b>1.57</b>	9.4%
Corporate adjustments and expenses	(1.26)	(2.58)	-	(8.64)	-
<b>Sales/EBITDA</b>	<b>115.17</b>	<b>5.59</b>	4.9%	<b>5.59</b>	4.9%
Amortization of goodwill	-	(0.26)	-	(0.26)	-
Depreciation	-	(1.98)	-	(1.98)	-
<b>Operating Profit</b>	<b>-</b>	<b>3.34</b>	2.9%	<b>3.34</b>	2.9%

Changes in Segment Results

① Segment profit definition

(Old) Marginal profit per business  
 (New) Contribution profit per business  
 \*See P.41 for details.

② Reportable Segment

The results of each brand in the BtoC subscription service are managed as a sub-segment.  
 Change the segment of nursery school wholesale business (Suku suku Oisix).  
 \*See P.41 for details.

# Data Sheet : Main KPI

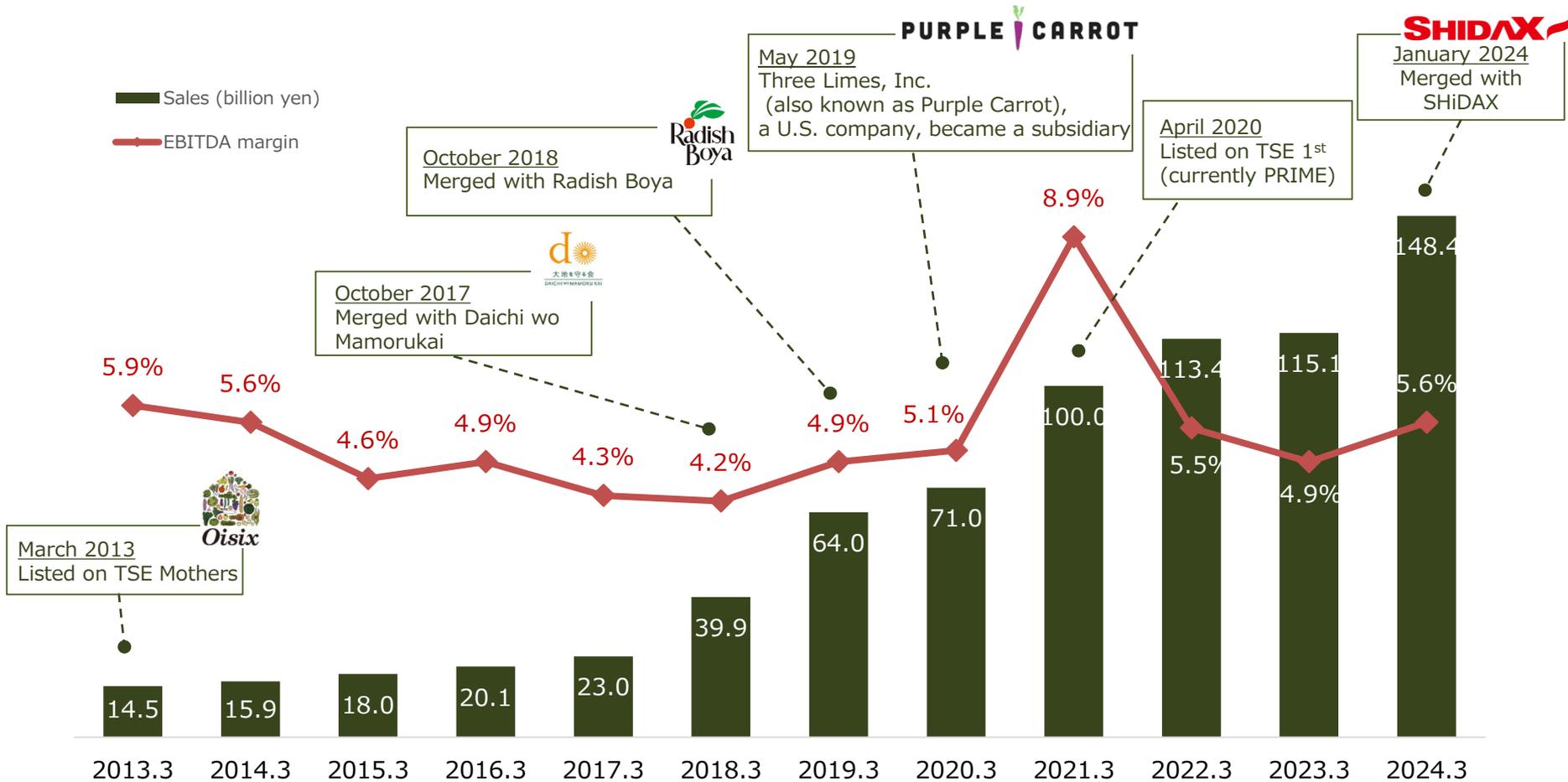
## KPI trend

		2022.3				2023.3				2024.3			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Oisix	Subscribers (number)	333,850	347,772	345,409	346,083	350,650	355,962	361,135	393,829	396,709	398,958	380,075	368,714
	ARPU (yen)	12,891	12,564	12,880	12,166	12,302	11,892	12,257	11,873	11,882	11,305	11,562	11,644
	Price/Purchase (yen)	6,098	6,057	6,220	6,096	5,970	5,934	6,174	6,010	5,949	5,910	6,214	6,274
	Purchase Frequency (monthly)	2.11	2.07	2.07	2.00	2.06	2.00	1.99	1.98	2.00	1.91	1.86	1.86
Daichi	Subscribers (number)	41,205	41,733	41,459	41,688	40,234	40,737	40,259	40,770	39,538	38,591	36,402	35,943
	ARPU (yen)	25,630	25,268	26,052	23,890	24,138	24,490	25,637	23,398	23,667	23,558	25,480	23,754
	Price/Purchase (yen)	8,411	8,576	8,864	8,219	8,345	8,537	9,048	8,428	8,523	8,652	9,182	8,503
	Purchase Frequency (monthly)	3.02	2.95	2.94	2.91	2.89	2.87	2.83	2.78	2.78	2.72	2.78	2.79
Radish Boya	Subscribers (number)	65,320	66,464	66,206	65,093	65,297	66,230	66,435	67,825	68,477	69,400	70,233	70,582
	ARPU (yen)	20,188	19,748	20,137	18,790	18,947	18,461	19,655	18,125	18,355	17,933	19,022	17,174
	Price/Purchase (yen)	6,402	6,407	6,589	6,247	6,451	6,442	6,922	6,531	6,641	6,684	7,035	6,423
	Purchase Frequency (monthly)	3.15	3.08	3.06	3.01	2.94	2.87	2.84	2.78	2.76	2.68	2.70	2.67

# Growth Trajectory

The Company has expanded business scale significantly based on Oisix with mergers with Daichi wo Mamorukai, Radish Boya and SHiDAX.

We have continued sales growth even after COVID-19 pandemic.



# Enhance Profitability

## - ①Improvement of COGS

We enhanced functions of Food Rescue Center and a Kit manufacturing plant to produce value-added products using foodstuffs that had been discarded in production areas and plants.  
 We aim to incrementally achieve a reduction of COGS (vs. Mar. 2023) by approx. 2% driven by increasing efficiency in manufacturing/procurement and making efficient use of foodstuffs.



### - Food Rescue Center - Kit manufacturing plant

At centers specializing in the manufacture of in-house products, including meal kits

**Cost improvement about 2% in stages by 2025.3**

- ✓ We are able to make good use of bumper crops and unused foodstuffs via proprietary food texture/preservation control know-how.



- ✓ Extension of quality guarantee deadlines made possible via packaging and other technologies.



- ✓ Acceleration of in-house processing via expansion of manufacturing capacity.



### Example of Conventional Food Loss

- good harvest
- Uneven shape



- Unused foodstuffs



- ▲Hard skin of onion

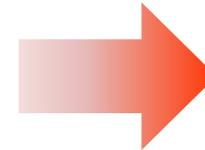


- ▲Paprika with scars



- ▲tips of eggplant

**Speedy  
processing and  
value-added  
food  
rescue**



### Examples of Application



- ▲Meal Kit Ingredients



- ▲Frozen to maintain freshness

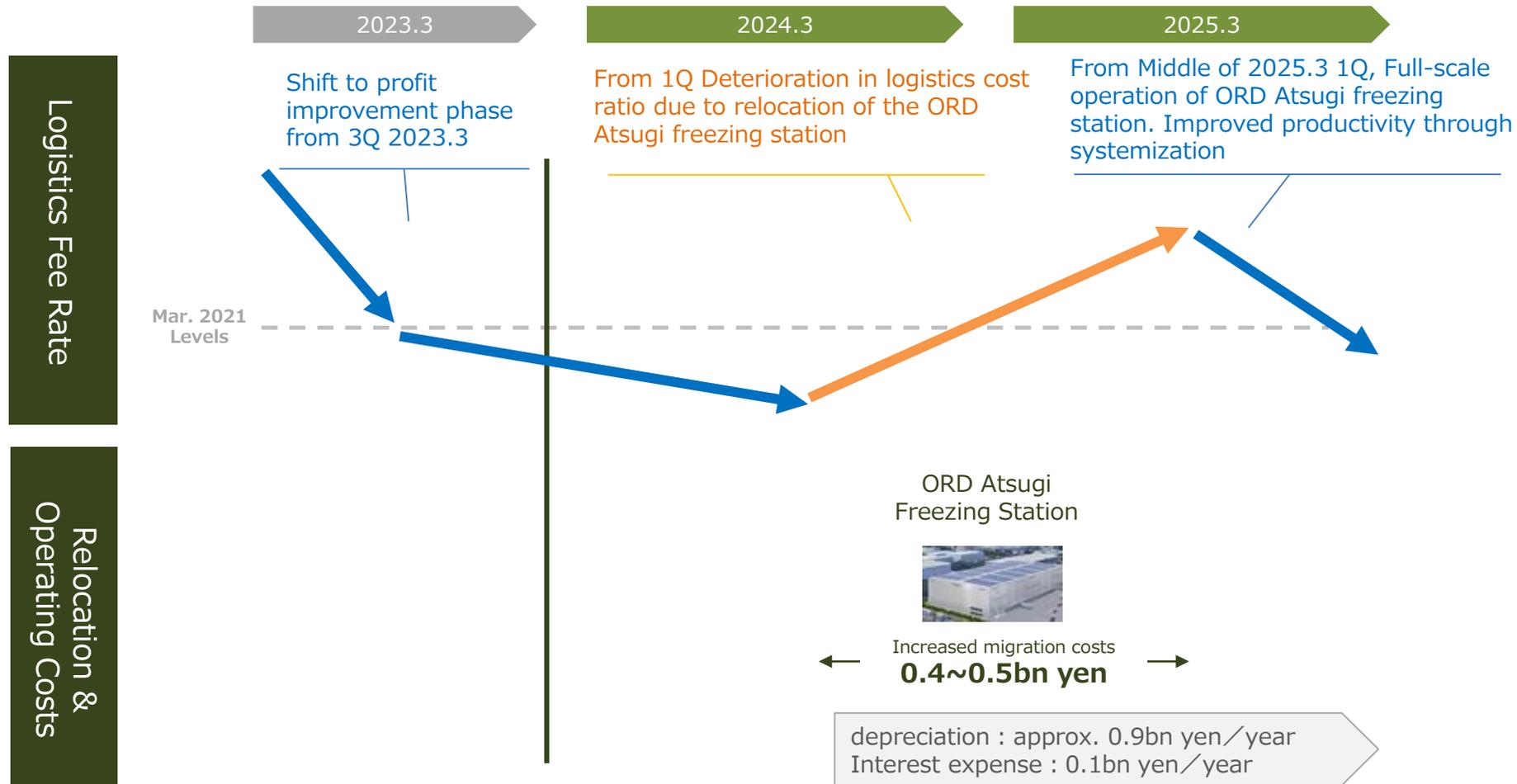


- ▲Upcycle Products

# Enhance Profitability

## - ② Logistics Efficiency

ORD Ebina Refrigerating Station (refrigerator) has moved to a phase of improving profitability. We work to improve logistics costs by relocating of ORD Atsugi Freezing Station (frozen) and taking other initiatives to improve logistics efficiency.



# Our Subscription Model

Our main business is subscription-type food EC. We delivered safe and secure foods that are carefully selected based on our own standards to the customers nationwide.  
We hold assets and know-hows related to whole supply chain specializing in food X subscription home delivery.

## Producers



Procurement

## Oisix ra daichi



Oisix



Radish Boya



Daichi wo Mamorukai



Regular delivery

## Customers



1

With Producers  
Direct Network

2

Subscription  
Marketing

3

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

Our Strengths

# 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 each brands' customers.

Two-worker households  
with small children



Meals that can be boasted  
without taking time



Households who want to  
enjoy cooking



Contributing to society  
through cooking



Senior household  
with two people



Easy feeling of health



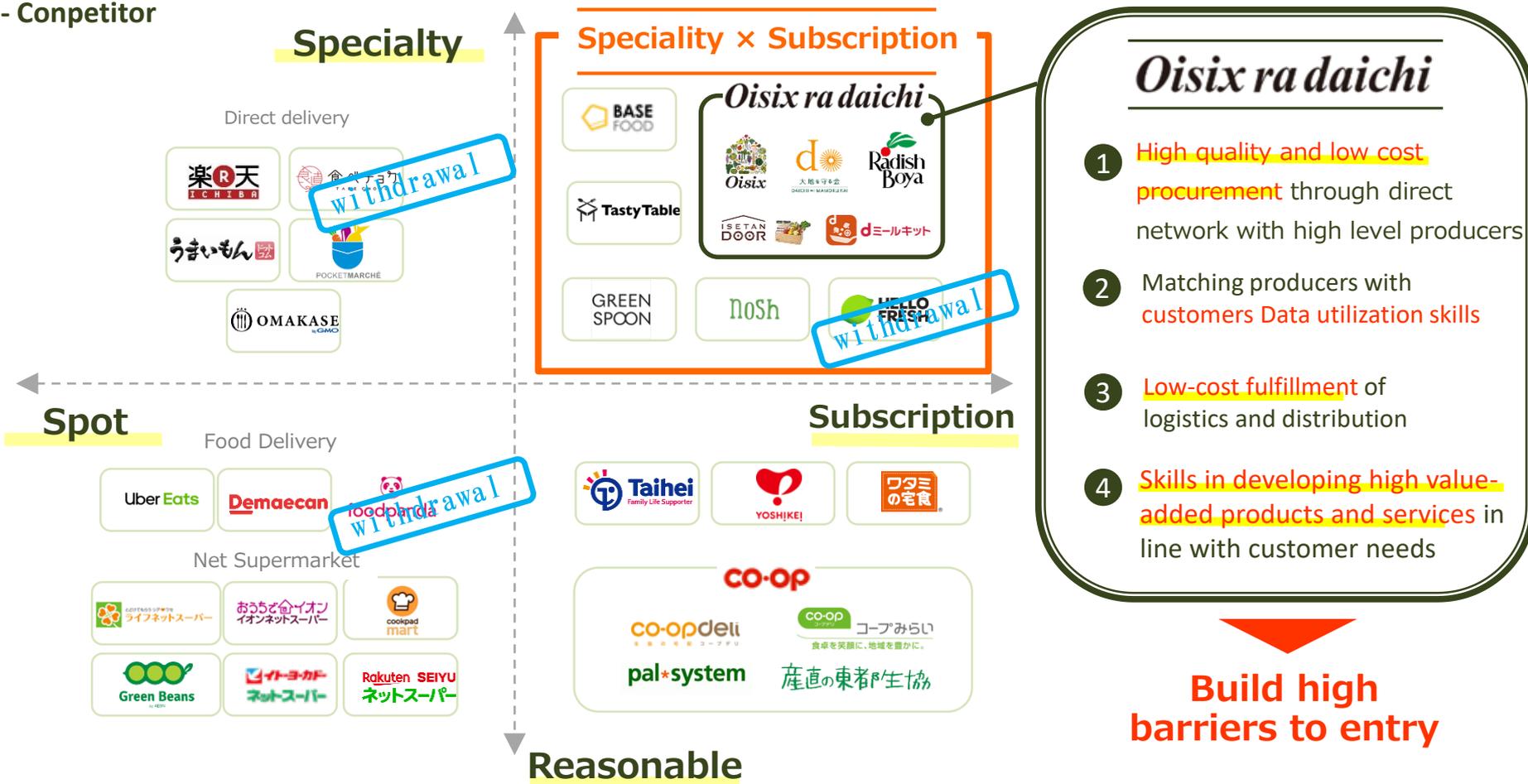
Producers



# 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. ①High-quality, low-cost procurement capabilities, ②Data utilization skills, ③ low-cost Fulfillment capabilities, and ④ high-value-added services create high barriers to entry

- Competitor



# Joint Management with SHiDAX

TOB for SHiDAX with SHIDA HD as the purchaser commenced on Nov. 13, 2023, and we tendered its shares in this TOB

Subsequently, we subscribed for 66% of SHIDA HD shares through a third-party allotment, and the founding family of SHiDAX and we are now united in joint management of SHiDAX.



B2B subscription business based on food service business (meal service) at 1,785 locations (as of March 31, 2023)



B2C subscription business with over 500,000 domestic home delivery subscribers



**Become one of the largest food subscription companies in Japan with B2B and B2C business**



*Oisix ra daichi*

Unique company that provides solutions to social issues through enriching food and life

Sales: approx. **240.0** bn yen

OP: approx. **7.6** bn yen

No. of meals served per year

Approx. **500** mn meals

(Individual 230 mn, Corporate 280 mn)

No. of clients served

Approx. **2,000** companies

No. of annual service users

Approx. **10** mn persons over

No. of employees: approx. **37,000** people

The environment surrounding the food service business is changing due to human resource shortages and rising prices, and the timing is ripe for change that requires a shift to a more productive model.

### Risk

**Increase in the number of businesses with deteriorating performances**

**Manifestation of business operators leading to business shutdown**

- ✓ Soaring costs of raw materials, labor, utilities, etc.
- ✓ Price competition and difficulty in passing on prices

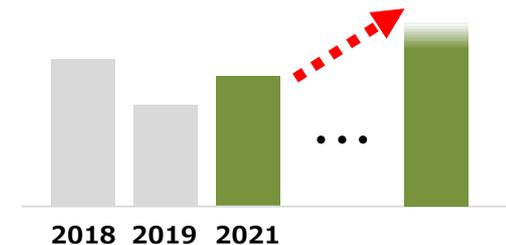
### Opportunities

**Trend of increasing number of facilities outsourcing to meal service providers**

- ✓ The need for outsourcing is rising, due to labor shortages at facilities
- ✓ Increase in the number of facilities of childcare, welfare, etc.

Meal Service Market Size\*

**Market size is expected to expand again from 4.5 trillion yen (FY2021)**



## Timing of Industry Transformation

# Collaboration with SHiDAX

## ① Food Service Business: Productivity Enhancement

By introducing "meal kits for meal service," which were launched in June 2022, utilizing development know-how in B2C, we have been proven to shorten cooking time and reduce food and labor costs by 15-20%.

Meal Kits for Meal Service



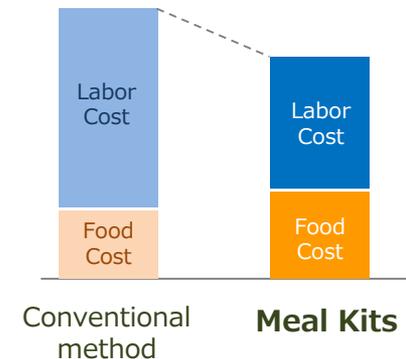
### -Achievements through the introduction of meal kits for meal service

Cooking Time  
Approx. **30% reduction**

Food and Labor Costs  
Approx. **18% reduction**

Before introduction  
8.5 hours

After introduction  
**6 hours**



# Collaboration with SHiDAX

## ① Food Service Business: Satisfaction Improvement

Aiming to maximize the value provided to end-users (facility users) through meal service, we will improve the satisfaction level by providing high-value-added food services, such as menu improvement through visualization of satisfaction levels and introduction of meal recreation.

### Improvement of eating up ratio

- ✓ Visualizing factors that lead to satisfaction and improving services

Eating Up Ratio

**+6%**

Before introduction  
64%



After introduction

**70%**



### Introduction of meal recreation

- ✓ Providing an opportunity to develop an interest in food and become more excited about eating

- ✓ Providing food education activities using rare ingredients and offering kits for easy enjoyment of seasonal handicrafts



# Collaboration with SHiDAX

## ① Food Service Business: Value Added Examples

Combining SHiDAX's expertise and assets in facility meal services with Oisix's high-quality ingredients and diverse menus, we are promoting new collaborations in "employee cafeterias," "facilities for the elderly," and "school children" in addition to nursery schools.

### Large-scale employee cafeteria

- ✓ First collaboration with a 1,000-person company cafeteria in Tokyo to begin in January 2024.
- ✓ Collaboration with restaurant chains, which are popular in Oisix, and plant-based menus that are both healthy and environmentally friendly, with the aim of improving employee satisfaction at the introduced companies.

DEAN & DELUCA



### Facilities for the elderly

- ✓ Benesse's "Granda Kunitachi," a private-pay nursing home for the elderly, will be the first facility to adopt the system.
- ✓ Develop and offer collaborative menus using ingredients that meet Oisix's strict cultivation standards and utilizing SHiDAX's knowledge of food related to medical and nursing care.



グラندا国立 / 外観イメージ図  
(土地建物の所有形態：事業主体非所有)



- ▲Left: Grand Kunitachi, Benesse's private-pay nursing home for the elderly
- ▲right: Seasonal menus and handicraft cooking recreation using Kit

## Collaboration with SHiDAX

### ② Social Service Business: Value Added Examples

Combining SHiDAX's expertise and assets in facility meal services with Oisix's high-quality ingredients and diverse menus, we are promoting new collaborations in "employee cafeterias," "facilities for the elderly," and "school children" in addition to nursery schools.

### Lunch menus will be offered to school children

- ✓ Plans to collaborate with approx. 10 facilities for school children that SHiDAX, which operates 1,570 school children facilities nationwide, is entrusted to operate
- ✓ Plans to begin offering original lunch menus this winter during long vacations when school lunch is not available, a service in high demand from parents who use school children and facilities.
- ✓ Develop microwavable Oisix-standard lunch menus that can be prepared at school children facilities.



▲ SHiDAX is entrusted with the operation of 1,570 school children facilities nationwide.



▲ Offer Oisix-standard lunch menus

# Collaboration with SHiDAX

## ③ Building up B2B2C Business Model

Envisioned synergies by mutually attracting users of facilities serviced by SHiDAX and subscribers of Oisix  
Aim to build a B2B2C model that enriches "food" and "life" by leveraging the resources of both companies



**Expanding opportunities to approach food and life**

With a future-oriented corporate philosophy that aims to solve social issues through business methods,  
**we will work together to maximize corporate value through agile decision-making and business development through joint management**

**SHIDAX**

未来の子供たちのために



これからの食卓  
これからの笑顔



*Oisix ra daichi*

- ◆ 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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