



First Half of FY25 FAQ

Oisix ra daichi Inc.
November 13, 2025

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Q

What are the reasons for the large upfront marketing expenses in H1, and what are the guidelines for marketing expenses in H2?

A

JPY 0.3 billion YoY decrease in operating profit was mainly driven by JPY 0.5 billion YoY increase in marketing expenses for the three domestic brands, including Oisix.

In H1, we focused on strengthening and streamlining our new customer acquisition initiatives as a preparatory phase for promotions in H2 and beyond. From April 2025, the effects of these strengthened initiatives gradually began to materialize. These initiatives include: (1) An improved conversion rate to subscribers, driven by better communication after trial set purchases; and (2) Improved cost-effectiveness in acquisition, achieved by reducing dependency on performance advertising and developing new performance-fee-based media channels.

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Q

What are the reasons for the large upfront marketing expenses in H1, and what are the guidelines for marketing expenses in H2?

A

As these improvements in acquisition efficiency began to show promising signs—yielding results proportionate to trial set sales volume and the level of advertising investment—we made the decision to frontload our marketing investment in H1.

Consequently, the number of Oisix subscribers at the end of September has already exceeded our full-year forecast of 360,000 for the end of March 2026. This demonstrates significant progress. Furthermore, for H2, our policy is to invest in marketing to capture market opportunities, while carefully balancing these expenditures with profitability.

Although the B2C Subscription profit is expected to fall short of its full-year forecast, we aim to achieve the consolidated full-year forecast, taking into account the progress in B2B Subscription and Social Service Businesses and the management of corporate expenses.

Q

What are the reasons for the significant deterioration in the effective tax rate during H1, and what is your outlook for the effective tax rate for H2?

A

The Group's effective tax rate for H1 deteriorated significantly to 58.8% from 47.2% for the previous full year. This was partly attributable to the temporary impact associated with the reorganization of our subsidiaries.

Looking ahead to H2, we expect the Group's effective tax rate to improve. This improvement is anticipated following the sale of the Vehicle Operation and Other Businesses on October 1. This transaction will reduce the proportion of profits attributable to the SHiDAX Group, which carries a relatively high tax rate within the Group. Furthermore, the amortization/depreciation burden of goodwill and intangible assets will be reduced.

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Q

What are the reasons for the significant deterioration in the effective tax rate during H1, and what is your outlook for the effective tax rate for H2?

A

We will continue to promote group-wide tax optimization, while also taking the status of the SHiDAX Group into account. Consequently, we project that our effective tax rate, after the application of tax effects, will be in the latter half of the 40% range for H2. This forecast is based on the statutory effective tax rate of 30.6% and factors in the impact of goodwill amortization, intangible assets depreciation, and other items.

Q

What are the reasons for the revision of the financial forecasts?

A

As disclosed in “the Notice Regarding Revision of Financial Forecasts Due to Change in Subsidiary Status through Additional Share Acquisition and Organizational Reorganization”, dated November 7, 2025, we revised consolidated financial forecast for FY25.

While the underlying business assumptions for our core businesses (B2C and B2B Subscriptions) remain unchanged from the initial forecast, due to the sale of the Vehicle Operation and Other Businesses on October 1, the net sales and profit from these businesses for H2, which had been included in the initial forecast, will be excluded from the scope of consolidation.

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Q

What are the reasons for the revision of the financial forecasts?

A

Net sales are expected to decrease due to the elimination of sales from the Vehicle Operation and Other Businesses from October 1. EBITDA is projected to decrease, mainly due to the loss of profit from the Vehicle Operation and Other Businesses, although this will be partially offset by a reduction in corporate expenses.

Operating profit will also decrease due to the decline in EBITDA. However, the decrease is expected to be less pronounced than the decline in EBITDA, because the amortization of goodwill and the depreciation of customer-related assets will be reduced following the sale of these businesses.

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Q

What are the reasons for the revision of the financial forecasts?

A

There is no revision to the consolidated forecast for profit attributable to owners of parent. This forecast takes into account several factors, including an increase in profit from acquiring an additional equity stake in the Food and Social Service Businesses (raising the shareholding ratio from 66% to 100%); a decrease in profit from the sale of the Vehicle Operation and Other Businesses (reducing the shareholding ratio from 66% to 0%); and a reduction in interest expense from the partial repayment of borrowings and refinancing associated with the sale.

Furthermore, we expect to recognize a special gain from the sale of the Vehicle Operation and Other Businesses in Q3 of FY2025.

Q

What is an update on EBITDA and operating profit for H1 ?

A

In H1, EBITDA/Operating profit decreased by 1.4%/8.6% YoY, respectively, and are progressing at 47%/41% against the full-year forecast. The progress of the B2B Subscription and Social Service remain steady, but B2C Subscription is expected to fall short of the target for the full year.

Of the JPY 35.0 billion in selling, general and administrative expenses, the main items were labor costs of JPY 10.6 billion (31%), freight and packaging materials of JPY 7.2 billion (21%), and advertising and promotion expenses of JPY 4.9 billion (14%).

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Q

What is an update on EBITDA and operating profit for H1 ?

A

Depreciation and amortization, which is the difference between EBITDA and operating profit, amounted to JPY 2,372 million (including JPY 590 million related to customer-related assets), and amortization of goodwill amounted to JPY 693 million. Amortization of goodwill and depreciation of intangible fixed assets for the Vehicle Operation and Other Businesses in H1 was JPY 201 million/JPY 207 million.

Q

What is the difference between operating profit and net profit attributable to parent company for H1?

A

The difference is comprised of four elements: non-operating income/expenses, extraordinary income/expenses, income taxes, and profit attributable to non-controlling interests. Please refer to the effective tax rate page in this document for income taxes.

The non-operating income/expenses include interest expenses of JPY 362 million. Investment gain/loss on equity method fluctuates depending on the progress of quarterly results. Interest expenses increased due to higher base rate compared to the previous fiscal year, but we refinanced a portion of our borrowings at the end of June and made repayments after the end of October, so interest expenses are expected to decrease slightly from H2 onwards.

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Q

What is the difference between operating profit and net profit attributable to parent company for H1?

A

The main items of extraordinary profit/losses are a gain of JPY 58 million on the liquidation of SHiDAX affiliates and JPY 68 million on the impairment loss related to the reorganization of subsidiaries. In addition, extraordinary profit may arise depending on the performance of consolidated subsidiaries and equity-method affiliates, including the sale of the Vehicle Operation and Other Businesses.

Net profit attributable to non-controlling interests increased significantly YoY, mainly driven by higher profit at the SHiDAX Group, in which we hold a 66% stake. It also includes the non-attributable portion of profit/losses from Future Food Fund (investment business) and other subsidiaries. Following the reorganization of subsidiaries, net profit attributable to non-controlling interests of the SHiDAX Group is not expected to be recorded. This is expected to contribute positively to net income.

Q

What is the difference between segment profit and adjusted segment profit?

A

Adjusted segment profit is calculated by adding amortization of goodwill and depreciation of intangible fixed assets associated with M&A to segment profit in the financial results summary.

Since 2016, we have acquired approximately 20 companies through M&A. Most recently, we completed the integration of SHiDAX, a company with sales on a scale similar to that of us. Given these circumstances to enable a clear comparison of the underlying profitability of each business segment, and to exclude the impact of factors like M&A, we calculate and disclose adjusted segment profit in its financial results.

For FY2025, we are disclosing both figures—those that include amortization of goodwill and depreciation of intangible fixed assets associated with M&A, and figures that do not take these into account—in our financial results summary and presentation materials. We plan to consider disclosing Segment EBITDA to provide a clearer picture of the state of our business from FY26.

Q

What is an update on segment sales and adjusted segment profit?

A

Please refer to our financial results presentation materials for segment sales and adjusted segment profit for major segments.

Purple Carrot, one of the B2C Subscription businesses, is expected to report lower sales than in FY24, as new customer acquisitions in January, which is typically the most promising month for new customer acquisitions in the U.S., fell short of initial expectations. We will continue to improve costs and other measures, but we expect adjusted segment profit to remain in the red. The loss widened in Q1 due to new PR expenses, but it narrowed in Q2. As a result, the adjusted segment loss for H1 was USD 2.3 million (JPY 337 million). We expect the adjusted segment loss for the first Q3 to be around USD 2.7 million.

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Q

What is an update on segment sales and adjusted segment profit?

A

The Vehicle Operation and Other Businesses, which was sold on October 1, showed strong progress in net sales and adjusted segment profit for H1 due to an increase in contracts for Executive Vehicles and General Vehicles.

Reflecting the sale of the Vehicle and Other Businesses on October 1, we project decreases in profit from Other Businesses by JPY 300 million and Corporate Expenses by JPY 0.6 billion.

Q

What is your shareholder return policy?

A

Based on the capital allocation policy announced in May 2025, we have decided to pay dividends for the first time.

We have actively invested in business expansion, including large-scale facility investments like the Ebina Station (Refrigeration) and the Atsugi Frozen Station, and executed multiple M&A transactions, such as the acquisition of SHiDAX.

Now that large-scale capital investments are mostly complete and stable cash flow is expected to continue, we have decided to provide returns to our shareholders.

Given the growth of our stable revenue base, we plan to deliver shareholder returns with a target dividend payout ratio of 15% (total return ratio of 15% to 30%), along with capital gains from stock price appreciation.

Q

What is your M&A policy?

A

We plan to actively pursue M&A opportunities, focusing on the B2B Subscription business, with businesses that can deliver synergies by leveraging our expertise.

In the B2C Subscription, we have acquired companies that share similar corporate philosophies and business models, such as Daichi wo Mamoru-Kai, Radish Boya, and Purple Carrot (U.S.). We will continue to explore opportunities with companies that can expand our lineup of attractive products, such as Toyoichi and Agrigate.

In the B2B Subscription, the performance of food service providers has deteriorated, and some have gone bankrupt due to soaring food and labor costs and a shortage of human resources. This has accelerated industry consolidation, with the entry of companies from other industries.

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Q

What is your M&A policy?

A

Taking advantage of this market environment, we aim to establish a "time-efficient food service model," by leveraging our expertise in meal kit manufacturing cultivated through the B2C Subscription business, and to accelerate its expansion into food service companies.

We believe that the "time-efficient food service model" will solve the long-standing issues of the food service market, and we plan to pursue M&A to lead industry restructuring.

Beyond major financial risks like goodwill and financial leverage, we will establish appropriate management systems for operational risks. These include risks related to diversification of management resources, organizational bloat, and legal and compliance. We will also execute PMI (post-merger integration).

Q

What is your mid-term EPS target?

A

Our 2030 target for normalized EPS is JPY 175. This target was set after a comprehensive review of our core B2C/B2B Subscription businesses, as well as corporate expenses, depreciation, and goodwill amortization. This represents 1.7 times the figure for FY24, achieving a CAGR of 11%.

Over the next five years, our primary growth strategy is centered on achieving both significant top-line growth and enhanced earnings through improved profitability in the B2B Subscription. Building on this foundation, we are also focused on expanding the top-line of the B2C Subscription.

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Q

What is your mid-term EPS target?

A

Specifically, in addition to expanding the scale of our core businesses, we will promote the establishment and horizontal rollout of the “time-efficient food service model.” This will improve profitability by reducing labor costs and delivering high value-added services. As a result, segment profits for the core businesses are expected to approximately double compared to FY24, with a CAGR of 15% by FY29.

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Q

What is the rationale for setting the mid-to-long-term target using normalized EPS instead of regular EPS?

A

Given that normalized EPS increased by approximately JPY 79, from JPY 24.2 in FY19 to JPY 103.1 in FY24, we believe it is possible to achieve an increase of approximately JPY 72, from JPY 103.1 to JPY 175.0, over the next five years (FY24 to FY29).

Our group's net income fluctuates due to non-recurring gains/losses, including non-operating and extraordinary gains/losses. These are easily affected by changes in the performance of consolidated subsidiaries and equity method affiliates. Net profit attributable to non-controlling interests includes the non-attributable portion of profit/loss from Future Food Fund (investment business) and other subsidiaries.

We have set our mid-to-long-term EPS target using normalized EPS, excluding extraordinary gain/loss.

Q

What are the KPIs for your mid-term goals?

A

Progress in the core businesses is critical to achieving our mid-term goals. Therefore, we have established KPIs focused on these core businesses.

The targets of JPY 300 billion sales and 9% EBITDA margin from both the B2C and B2B Subscriptions by FY29 are based on organic growth and discontinuous growth, including M&A. If the targeted M&A in the B2B Subscription business does not materialize, sales may fall short of the target. However, the EBITDA margin is expected to exceed the target due to the increased proportion of the high-margin B2C Subscription business.

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Q

What are the KPIs for your mid-term goals?

A

In addition, the number of Oisix subscribers is expected to increase gradually in FY25. From FY 26 onward, we will focus on maximizing the number of continuing subscribers and accelerate growth toward our target of 600,000 subscribers by FY29.

We have set a target for the number of contracted facilities for the B2B Subscription business. This target is based on both organic growth, driven by enhanced products/services, and sales capabilities, as well as inorganic growth, including M&A. Our policy is to accelerate this growth towards our FY29 target of 3,000 facilities, while also continuing to optimize pricing.

Q

What is your capital allocation policy?

A

Over the next five years, we plan to allocate capital based on core operating cash flow, with 70% to 85% for M&A and 15% to 30% for shareholder returns. If core operating cash flow exceeds our projections or we do not pursue M&A, we will evaluate our cash on hand and capital structure to determine loan repayments and shareholder returns.

Our financial leverage targets are a 20% to 25% equity ratio and a maximum 2.0x net debt-to-EBITDA ratio. Based on our core operating cash flow, we do not currently anticipate any significant additional borrowings. Additionally, we will use the proceeds from the sale of the Vehicle Operation and Other Businesses to repay borrowings.

In addition, to achieve B2C and B2B sales of JPY 300 billion (target for FY29), we expect to generate JPY 75 billion in sales over five years through discontinuous growth, including M&A. This capital allocation ratio assumes that all of these sales will be achieved through M&A.

Q

What is your outlook for the number of subscribers and ARPU for Oisix ?

A

At the end of September 2025, the number of Oisix subscribers surpassed the same quarter last year's level for the first time in two years, driven by our strengthened new customer acquisition initiatives. As for the churn rate, we have successfully maintained the Q1 level, which had already improved to pre-COVID standards.

In H2, we will focus on our “Cho-Raku”(Super easy) as a flagship product and further strengthen the development of products that balance convenience and deliciousness, such as meal kits that do not require a knife. Looking ahead to FY26 and beyond, we will explore new promotional methods to expand brand awareness and encourage subscriptions among potential customer segments. Specifically, we are considering promotions—such as SNS and TV commercials outside the Tokyo metropolitan area—to communicate the appeal of Oisix to a broader audience.
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Q

What is your outlook for the number of subscribers and ARPU for Oisix ?

A

For ARPU, by strengthening “Cho-Raku”(Super easy) kits from H2, we will enhance products and services that better fit our customers' lifestyles. Through this, we aim to increase ARPU by improving the purchase frequency of existing subscribers.

While fulfilling further time-saving needs that conventional meal kits could not fully meet, we will promote new products such as the “Cho-Raku” x Collaboration kit and “Cho-Raku” x Nabe kit, which can be prepared within 10 minutes without using a knife or cutting board. We aim for product development that keeps the product lineup fresh and engaging for our customers.

Q

What are the potential synergies between B2C and B2B Subscriptions?

A

We believe that B2C and B2B Subscriptions are similar businesses in that they both stably and largely procure ingredients, process and distribute them through a centralized center, and offer different menus to the same customers every day.

Based on these similarities, we believe we can reduce FL costs (food costs + labor costs) by streamlining operations and increase added value in the meal service industry. We aim to do this by establishing and expanding a "time-efficient food service model" centered on three measures: developing meal kits that offer both premium quality and time savings; creating a network for centralized procurement of high-quality ingredients; and (3) refining food distribution DX through e-commerce. This model is based on the know-how we have cultivated through our B2C Subscription.

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Q

What are the potential synergies between B2C and B2B Subscriptions?

A

In meal kit development, we have achieved both time savings and premium value in nursery school food service by reducing preparation time and promoting food education. We will continue to expand this service to other stores and other meal service areas.

In the centralized procurement network, we will leverage the strengths of the Subscription model, particularly its highly accurate demand forecasting. By expanding its procurement network to food service, we believe this will lead to large-scale, low-cost, and stable procurement across the entire group.

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Q

What are the potential synergies between B2C and B2B Subscriptions?

A

In the food distribution DX, we will enable labor savings and reduce food loss in the workplace by applying our system design expertise in UI/UX from the customer's perspective, cultivated through B2C Subscription, to the food service business.

By quickly establishing and expanding the "time-efficient food service model," we aim to increase the added value of B2B Subscription and improve profitability by streamlining operations.

Q

What is your outlook on the food delivery market, and what is your strategy to differentiate your services from those of other companies?

A

The domestic food delivery market is worth approximately JPY 3 trillion and is expected to continue growing at an annual rate of approximately 3%, indicating steady expansion. While our market share is only a few percent, we believe we can continue to grow in the domestic market, based on the experience of other global companies.

In addition, the ratio of e-commerce in the overall food market is only about 4%, which means it is still a niche market. The market as a whole, including other companies' services, is expected to become more active.

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Q

What is your outlook on the food delivery market, and what is your strategy to differentiate your services from those of other companies?

A

We provide specialized subscription services. We have established high barriers to entry in this field through our direct network of contract manufacturers who produce high value-added products and our service development skills based on customer insights. As a result, we have established ourselves as the No. 1 company in this field based on total sales.

Currently, approximately 40% of Oisix customers are concentrated in the Greater Tokyo Area (Tokyo and three neighboring prefectures). Going forward, we aim to expand our service user base and improve profitability beyond the Greater Tokyo Area.

Q

What is your outlook on the food service market, and what is your strategy to differentiate your services from those of other companies?

A

The domestic food service market is extremely large, worth approximately JPY 5 trillion, and is stable, mainly in the elderly facilities and company cafeterias. Food service providers are experiencing deteriorating performance and even bankruptcy due to concerns about declining meal quality from recent labor shortages and pressure on profits from increased ingredient and labor costs.

By applying the know-how we have cultivated in B2C Subscription to our food service business, we aim to establish and introduce a "time-efficient food service model" that achieves both labor savings and high added value.

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Q

What is your outlook on the food service market, and what is your strategy to differentiate your services from those of other companies?

A

We will also actively pursue M&A opportunities with the aim of becoming a top player in the food service industry.

Currently, approximately 40% of our food services are concentrated in the Greater Tokyo Area. Going forward, we will aim to expand the number of facilities nationwide and improve profitability, not just in the Greater Tokyo Area.

Q

What is your view on the soaring prices of ingredients such as vegetables and rice?

A

We leverage our ability to procure products through a direct network of contract producers, enabling us to enter into contracts in advance and purchase directly.

Therefore, our B2C Subscription business like Oisix are able to mitigate the impact of rising raw material prices compared to traditional distribution channels that rely on wholesalers. Additionally, we offer organic and low-pesticide vegetables and additive-free processed foods, which are generally higher-priced than standard products. As a result, the price gap with general retailers is expected to narrow in relative terms in an inflationary environment.

Additionally, we purchase non-standard and unused fresh produce and use it as raw ingredients for processed products, primarily meal kits. Going forward, we plan to implement measures to achieve both price normalization and reduced product costs.

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Q

What is your view on the soaring prices of ingredients such as vegetables and rice?

A

The B2B Subscription involves many traditional distribution channels through wholesalers and is a business model easily affected by market prices. Recently, we have responded to soaring market prices by optimizing our prices. However, in the future, our profit margins may be affected by a time lag between food price increases and price optimization.

We remain cautious about the impact of rice prices, which have a significant effect on its business, and will continue to take measures to address this issue.

Q

What is your view on the soaring labor costs caused by the tight labor market?

A

In recent years, with a tight labor market and increases in the minimum wage as a backdrop, labor costs have steadily risen across the industry, including at us. We expect labor shortages to continue to worsen and upward pressure on wages due to legal regulations to persist in the future.

We expect labor costs to increase, particularly in the B2B Subscription, as we expand our business. In FY24, the SHiDAX Group implemented its first salary increase in approximately 20 years, though the outlook remains uncertain.

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Q

What is your view on the soaring labor costs caused by the tight labor market?

A

Given these circumstances, we believe the labor shortage that has long plagued the food service market will worsen in the future. We see this situation as an opportunity to provide high value while reducing labor costs, and we plan to develop and introduce a "time-efficient food service model."

Through this model, we aim to help solve the labor shortage and improve operational efficiency across the food service industry.

Q What is your view on the soaring delivery costs caused by rising fuel costs and labor shortages?

A B2C Subscription logistics can be broadly divided into delivery from producers to our logistics center and last-mile delivery from our logistics center to customers.

Of these, last-mile delivery from our distribution centers to customers, which has a significant impact, is primarily outsourced to YAMATO TRANSPORT. Therefore, given the current situation in the logistics industry, requests for delivery fee increases could negatively impact our business performance.

On the other hand, we have continued to build a good business relationship with YAMATO TRANSPORT through initiatives such as optimizing cargo sorting and delivery operations at our distribution centers. At present, we expect that the impact on our business results will be minimal.

Q

What is your view on the impact of macroeconomic factors such as rising interest rates and exchange rate fluctuations?

A

In addition to the current unstable international situation, fluctuations in the monetary policies and economic indicators of major countries mean that the outlook for interest rates and exchange rates remains uncertain.

Based on the current outstanding loan balance (JPY 36.7 billion) and interest rates (up to 1.9%), we expect that the direct impact of financial and tariff policies in Japan and the U.S. on interest rates will be limited. Additionally, regarding the impact of exchange rate fluctuations and tariffs on us, based on the revenue and profit of our Purple Carrot business in the U.S., we currently anticipate that the impact will be minimal.

We will continue to monitor the impact of the financial environment on our business and take appropriate measures as necessary.

Reference: Oisix Subscription Course

Oisix ra daichi

Kit Oisix Course



Meal kit with a cooking time starting from 10 minutes

Seasonal Fresh Produce Course



Selected seasonal ingredients from across Japan

Cook Box



3 or 5 days of meal kit with recipes

Deli Oisix Course



Ready-to-heat deli dishes

Health Care Course



Calorie- and sodium-conscious meal kits and products

Baby&Kids Course



Seasonal produce ideal for babies and children under 3

This document contains forward-looking statements about the Company such as forecasts, outlooks, targets, and plans. These statements are based on forecasts made at the time of the preparation of this document using information currently available to the Company. In addition, certain assumptions are used for such statements. These statements or assumptions are subjective and may prove inaccurate in the future or may not be realized, due to a variety of inherent risks and uncertainties. The forward-looking information contained in this document is current as of the date of this document, and the Company is under no obligation and has no policy of regularly updating this information.

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