



FY2021/3 2Q Results Explanatory Materials

Oisix ra daichi
2020.11.12

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Farm for Tomorrow, Table for Tomorrow

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

We evolve continuously where good farmers are rewarded and proud.

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

We solve social issues related to food through business approaches.

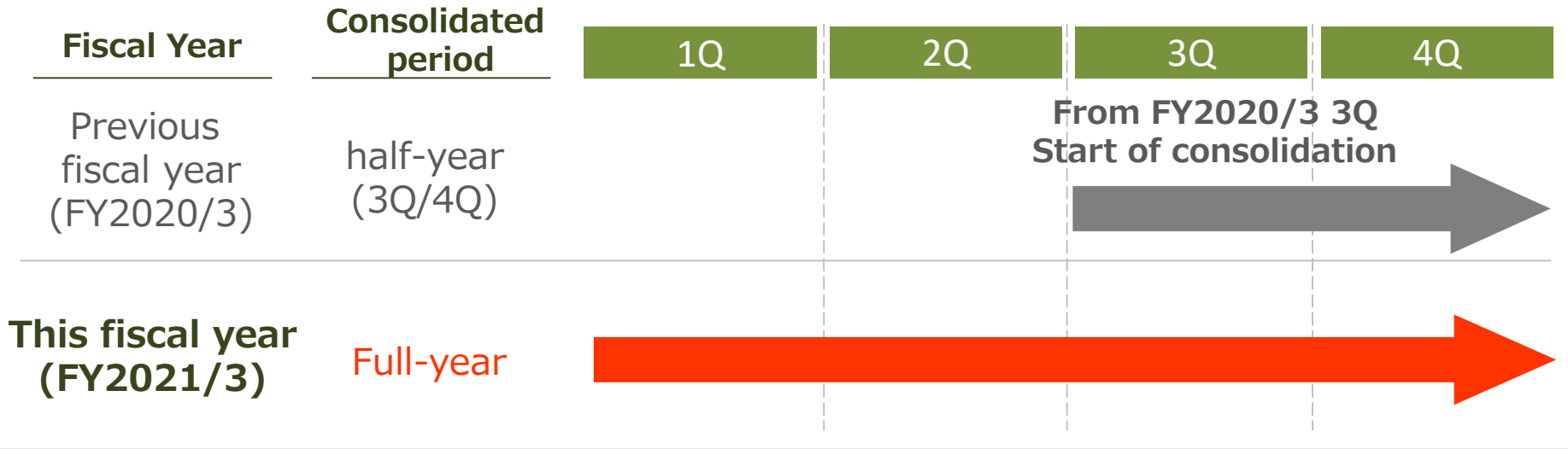
We create and expand Tomorrow's Food.

1. FY2021/3 2Q Achievements

Special factor in comparison with
the same period of the previous year

【Consolidation of Purple Carrot】

- ✓ Purple Carrot, a U.S. meal-kit home delivery service specialized in vegan, became a subsidiary in Apr.2019. Recognition of sales, profits/losses and goodwill began in FY2020/3 3Q.
- ✓ Full-year recognition in consolidated reports this fiscal year versus half-year (3Q/4Q) last year.
- ✓ Compared to the previous term, the Purple Carrot result will be added in 1H.



*Due to the difference in fiscal year-ends, consolidated results are delayed by 3 months (2Q is consolidated from Apr to June).

Executive summary

–FY2021/3 1H Results

● Sales

- ✓ Whilst the surge in home delivery demand has begun to stabilize, sales rose on continued **healthy growth in subscriptions and ARPU**.
- ✓ **Subscribers grew roughly 20,000** as the 1Q logistics capacity crunch at Oisix was mostly resolved and beginning in mid-2Q new customer acquisitions resumed in full.
- ✓ The three brands saw **15~20% YoY rise in ARPU** reflecting strong home delivery demand as families stayed home and avoided summer travel/hometown visits.
- ✓ In overseas home delivery, sales at Purple Carrot/ the Hong Kong business have grown **strongly generating profits for the first time on a quarterly basis**.
- ✓ Whilst real businesses, such as nursery school wholesale, saw continued sales decline in 2Q, they are beginning to recover to year earlier levels.

● Profits

- ✓ Marginal profit margins continued to improve in 2Q reflecting higher sales driven profits and enhanced logistical efficiencies stemming from higher ARPU.
- ✓ 1H profits were **boosted by ¥750mn in unspent new customer promotional expenses** related to the 1Q logistical capacity issue and resulting restraint in new customer acquisition activity.

FY2021/3 1H Highlights

Sales : Continuing from 1Q, **subscriptions and ARPU saw healthy growth** on increased Covid-19 driven home delivery demand.

Profits : **Profits are ahead of plans** on higher sales/ARPU as well as customer promotional expenses that were unspent at Oisix.

Sales

47.56^{bn yen}

(YoY **+46%**)

EBITDA

4.67^{bn yen}

(YoY **+247%**)

Operating
Income

3.97^{bn yen}

(YoY **+341%**)

Net
income

Attributable to
owners of the
parent

2.45^{bn yen}

(YoY **+528%**)

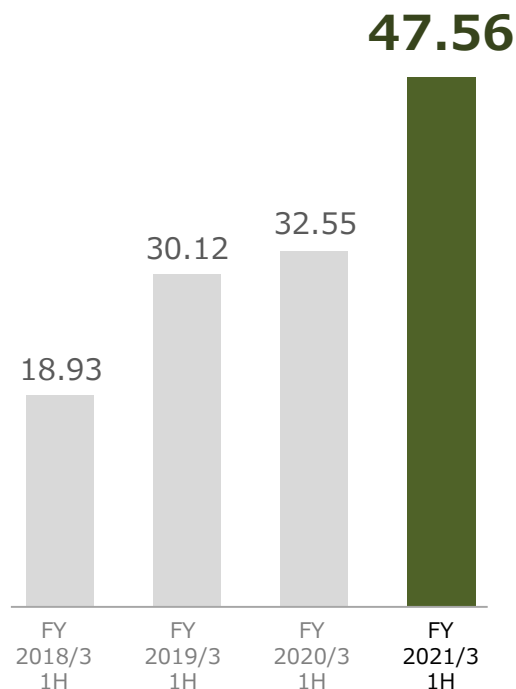
Consolidated Results Overview

Due in part to the COVID-19 driven increase in home delivery demand, both sales and profits hit record highs in 1H.

■ Sales

47.56 bn yen

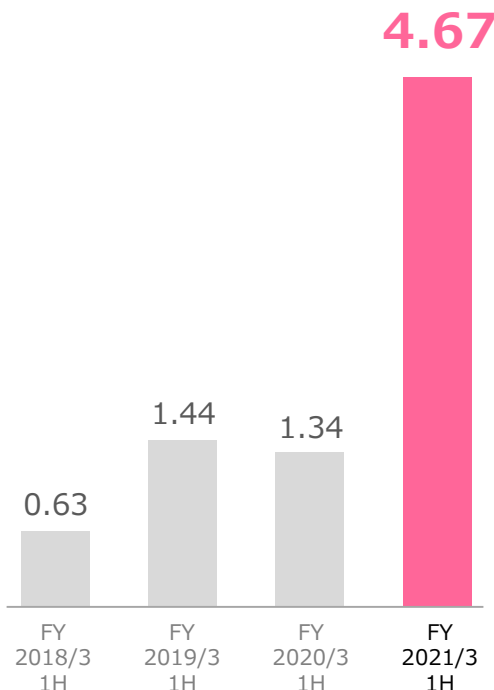
(YoY +46%)



■ EBITDA

4.67 bn yen

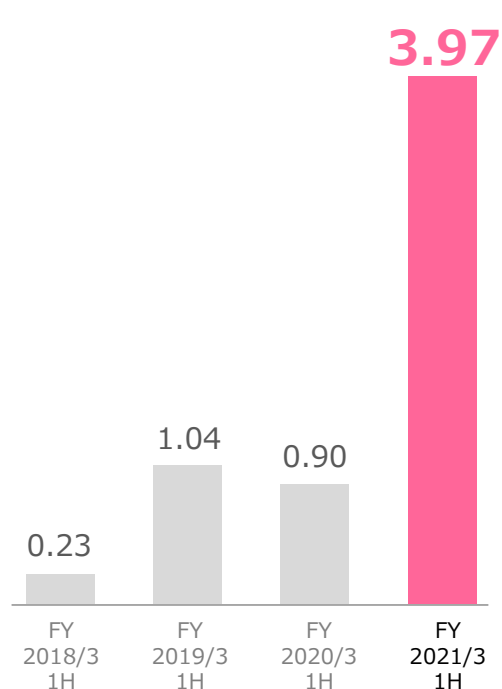
(YoY +247%)



■ Operating Income

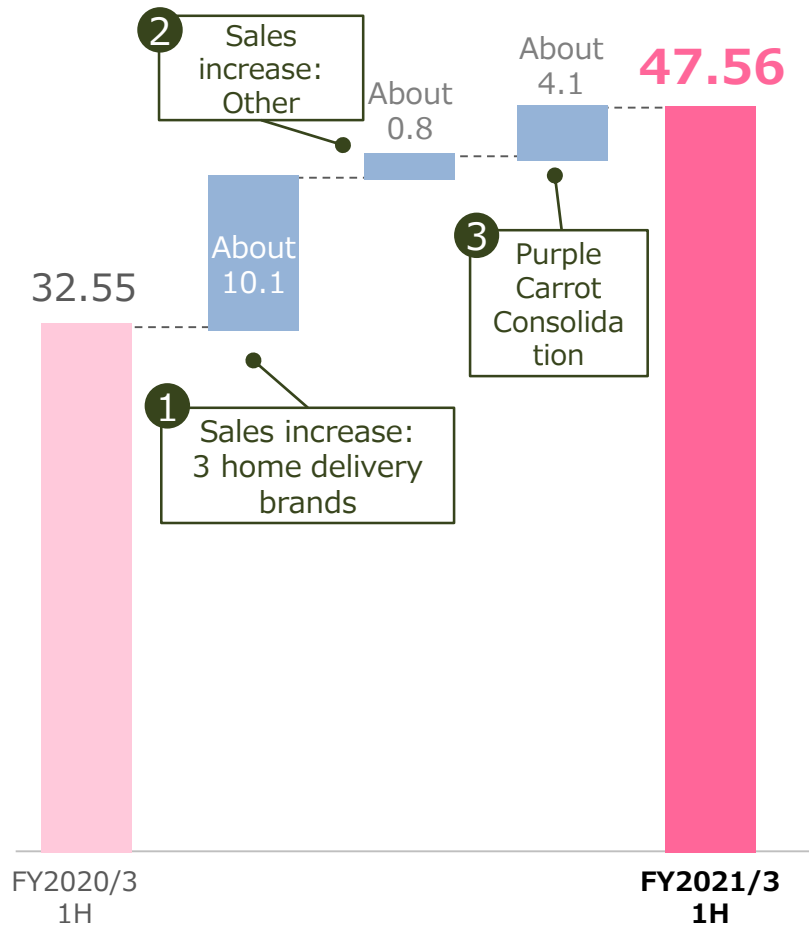
3.97 bn yen

(YoY +341%)



YoY : Sales

■ Sales (bn yen)



1 Sales increase (3 home delivery brands) : about 10.1bn yen

- Increase in ARPU : about 6.6bn yen
- Increase in subscribers : about 3.5bn yen

2 Sales increase: Other : about 0.8bn yen

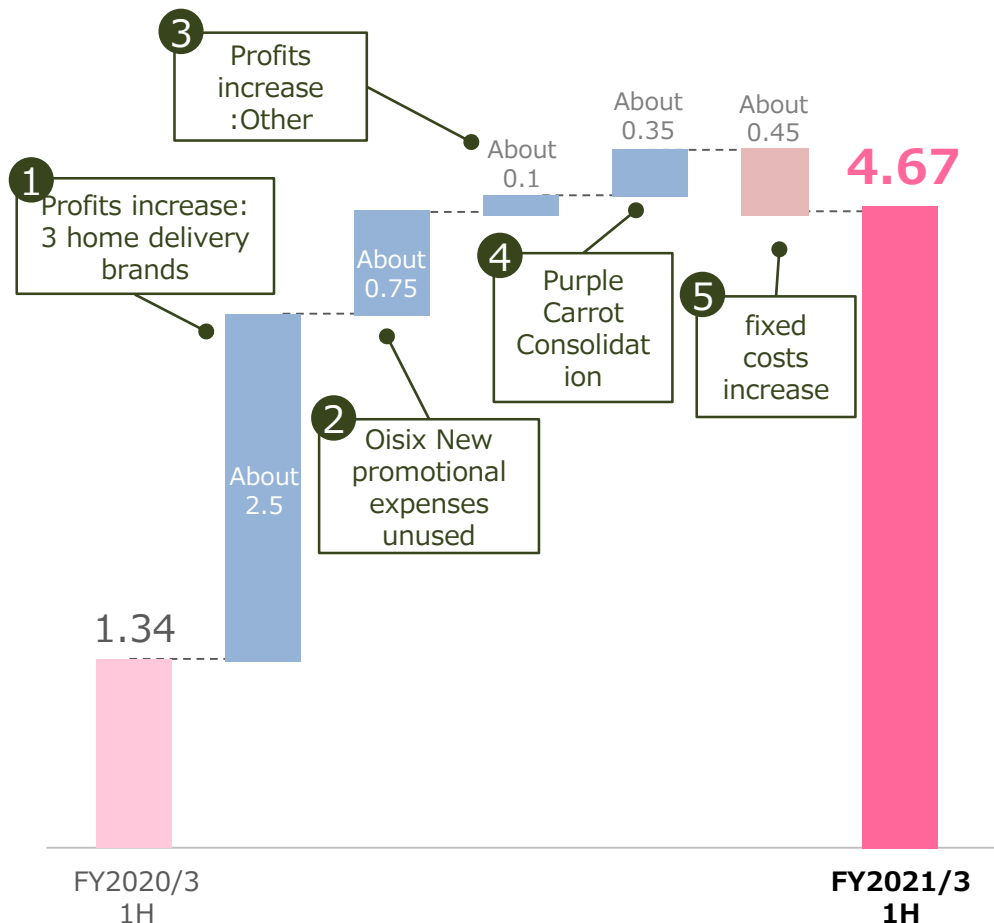
- EC support/Hong Kong : about 1.0bn yen
- Kindergarten wholesale : about ▲0.2bn yen
- Etc.,

3 Purple Carrot Consolidation : about 4.1bn yen

Compared to the previous term,
the Purple Carrot result will be added in 1H.
(See page 3 for details)

YoY : EBITDA

EBITDA (bn yen)

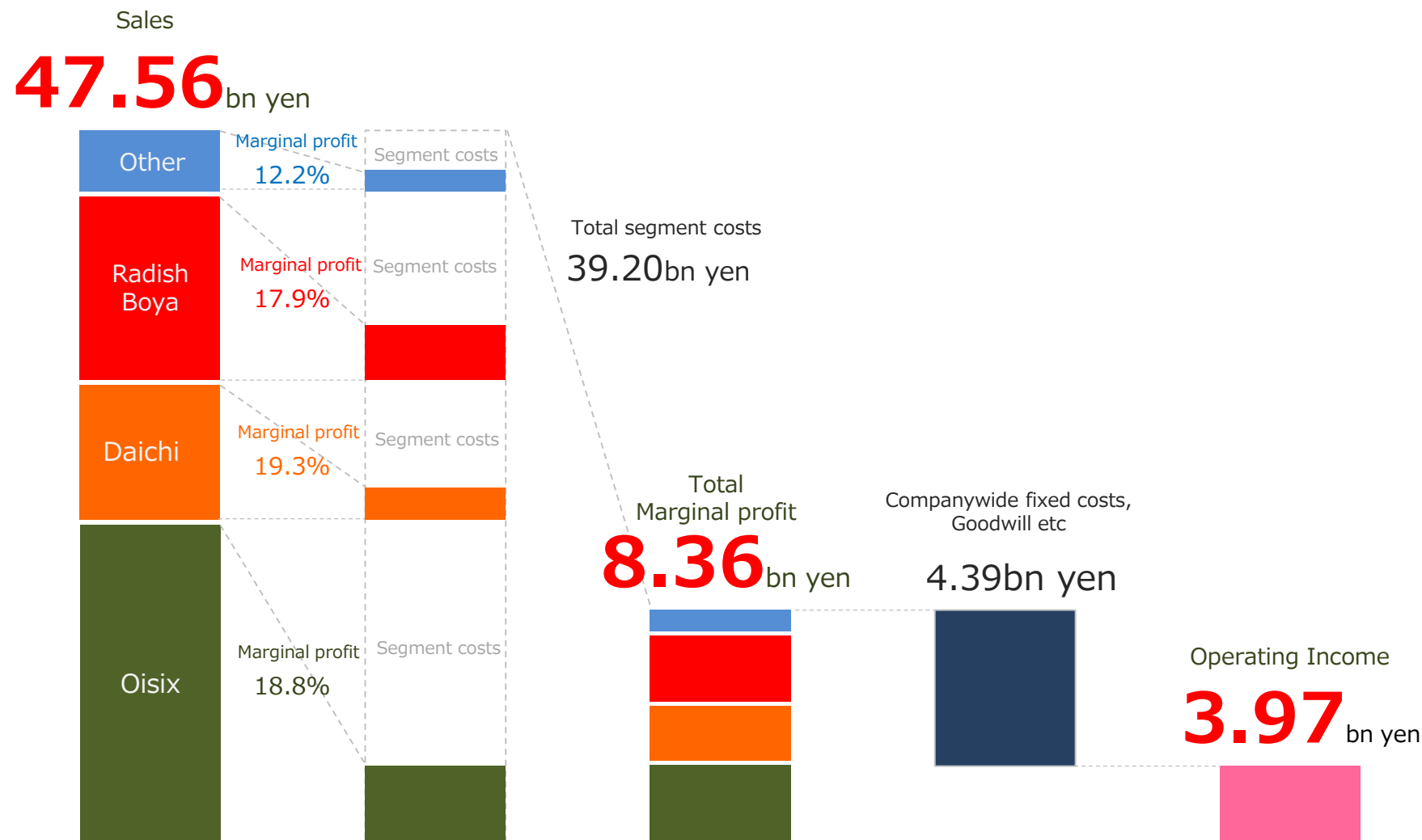


- 1 Profits increase: (3 home delivery brands) : about 2.5bn yen**
 - Increase in ARPU : about 1.6bn yen
 - Increase in subscribers : about 0.9bn yen
- 2 Oisix New promotional expenses unused : about 0.75bn yen**
- 3 Profits increase (Other) : about 0.1bn yen**
 - EC support/Hong Kong : about 0.1bn yen
- 4 Purple Carrot Consolidation : about 0.35bn yen**
 - Return to profitability for the first time
 - Compared to the previous term, the Purple Carrot result will be added in 1H. (See page 3 for details)
- 5 Companywide fixed costs increase : about 0.45bn yen**
 - Costs for COVID-19
 - Costs for Listing to First Section of the TSE Etc.,

Business segment Results

	Sales	Segment profit	Overview
Oisix	23.04bn yen (YoY +40%)	4.33bn yen (YoY +132%)	•We resumed new acquisition by resolving tight shipping capacity. Approximately 20,000 subscribers increased in 2Q •ARPU increased by about 20%YoY
Daichi	7.09bn yen (YoY +38%)	1.36bn yen (YoY +55%)	•From this term, we will move to the expansion phase. Approximately 1,000 members increased in 2Q. •ARPU increased by about 15%YoY
Radish Boya	9.08bn yen (YoY +22%)	1.62bn yen (YoY +28%)	•We focused on reform of procurement logistics in 2Q, and the number of members decreased slightly •ARPU increased by about 15%YoY
Other business	8.52bn yen (YoY +142%)	1.03bn yen (YoY +86%)	•EC support business and overseas business are growing steadily. •Sales in the real media business, such as the nursery wholesale business, are gradually recovering to the previous year's sales, but sales continue to decline in 2Q. •In the first half, sales and profits of Purple Carrot will increase due to new consolidation

Business segment Results Overview



2. Results on Business segment

Overview of Business Segments

① Domestic Delivery business (Three major brands)

- Oisix
- Daichi
- Radish Boya

② Domestic Delivery business (Other)

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

③ Other Business

- Overseas Business
- Real Retail Business

Overview of Business Segments

Domestic Delivery business
(Three major brands)

Domestic Delivery business
(Other)

Other Business

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Oisix KPI

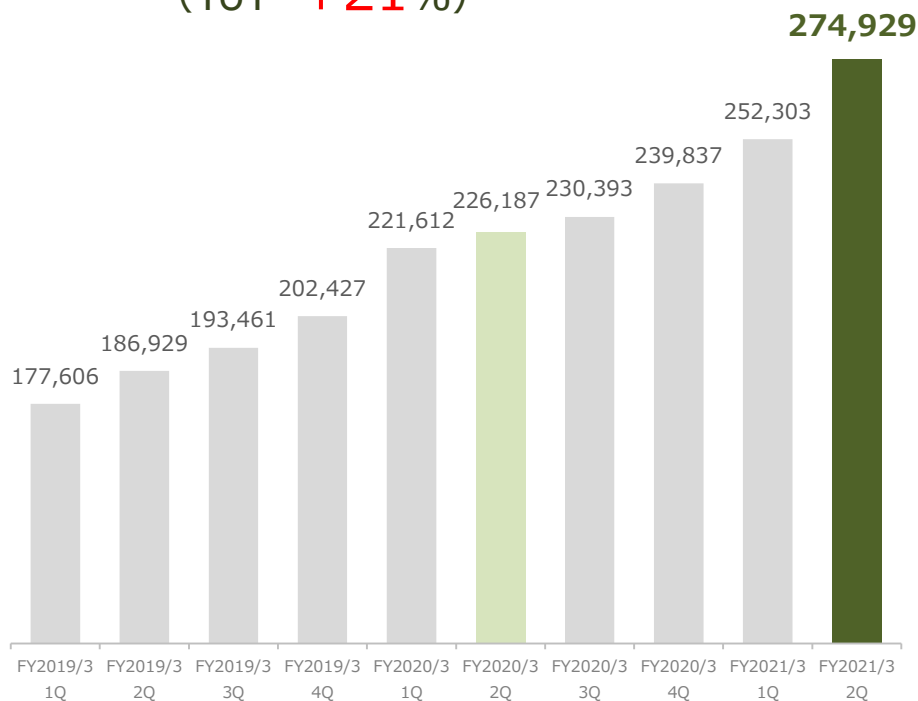
Subscribers : Grew roughly 20,000 as logistical capacity issues were resolved and new customer acquisitions resumed in full.

ARPU : Demand for home-cooked meals has risen 20% YoY as families refrained from summer travel and hometown visits.

■ No. of subscribers

274,929

(YoY **+21%**)

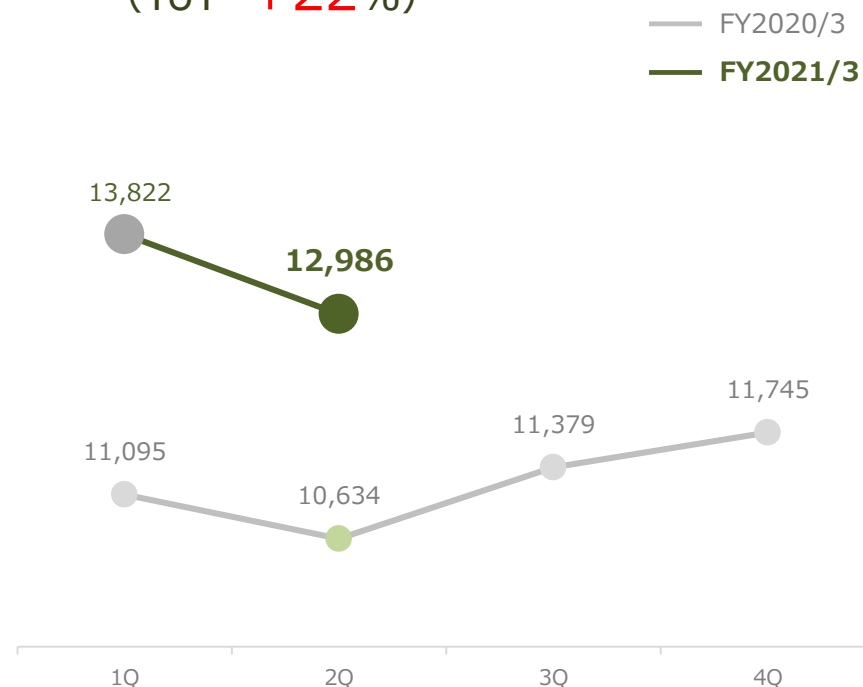


■ ARPU※

12,986

 yen

(YoY **+22%**)



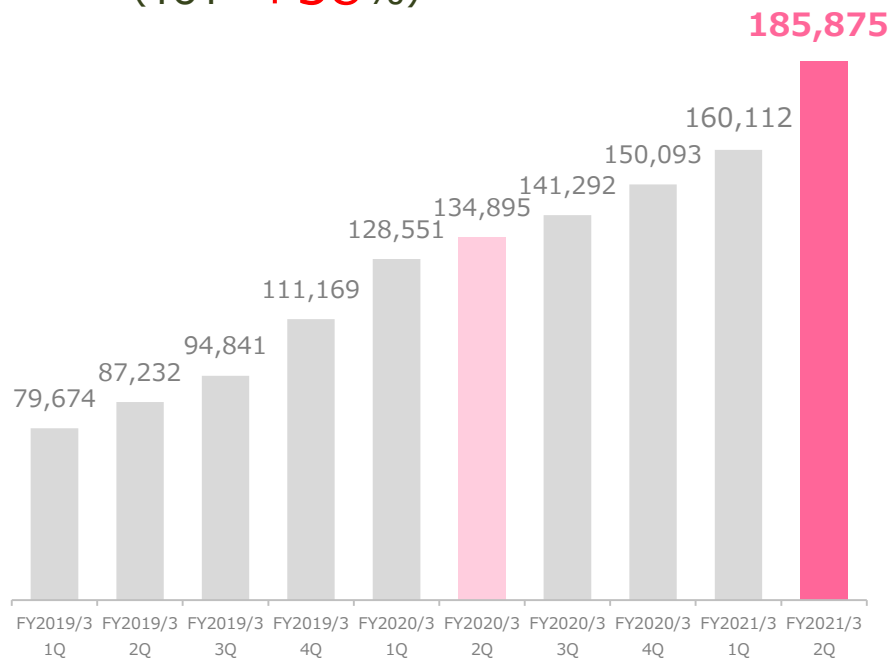
Oisix KPI

Prolonged stay-at-home practices by COVID-19 has led to the emergence of “getting tired of eating at home” as a problem. Offering time savings and premium cooking experiences, subscriptions to Kit Oisix Courses have increased substantially.

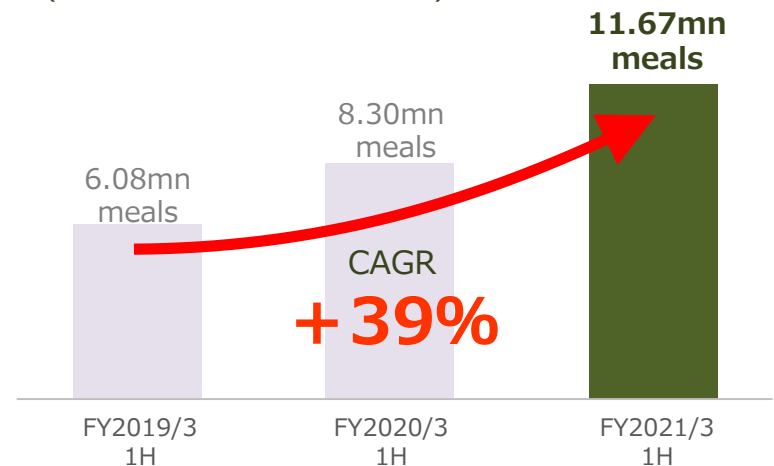
■ No. of meal kit course subscribers (Includes Oisix subscribers)

185,875

(YoY +38%)



◆ The number of meals sold by Kit Oisix (Sales trends in the first half)



✓ Demand for Kit Oisix has increased significantly due to an increase in home-cooked



Oisix Topics

-Kit Oisix Collaboration

Released multiple collaboration kits that utilize our meal kit development know-how and our partner's recipes/ingredients. Going forward, besides product collaboration, we consider new solutions such as collaboration in the EC business realm.

■ Collaboration with Mos Burger

◆ Enchanted Bolognese



- ✓ 12,000 Bolognese sets utilizing the renewed "Mos Burger" meat sauce sold out immediately on day of sale.



In addition to investing in the Future Food Fund, we are considering other collaborative initiatives in the food space.

■ Collaboration with OOTOYA

◆ Chicken and vegetable black vinegar *ankake*



- ✓ A Kit Oisix reproduction of the most popular menu at OOTOYA for 18 consecutive years sold out immediately on day of sale.



Promoting joint development of collaborative menus for Ootoya's EC business and Ootoya restaurants.

Oisix Topics

-Restaurant support

Domestic Delivery business
(Three major brands)

Domestic Delivery business
(Other)

Other Business

The “Home Restaurant” which address new customer behavior has been very well received by both restaurants and customer. We plan to continue expanding our handling.



✓ expanded to **23 shops and 43 items**

【Sales performance】

大阪伝統の味
名物串カツ田中

Number of “Kushikatsu” sold
exceeded 170,000



おいしさを、心をつなぐ。
車屋 鍋 やまや

casserole kits sold
4,000



【customer's voice】

- ✓ I wanted to go to the restaurant and eat lamb sukiyaki once, but I ordered it immediately because it was difficult to eat out due to the state of emergency. It was delicious.
- ✓ We ate it on Father's Day so that my father, a medical professional, could feel like a restaurant for the first time in a while. Side dishes and drinks were also reproduced and it was exciting. I still want to use it.



大阪伝統の味
名物串カツ田中

Oisix Topics

—Sayama Station

Domestic Delivery business
(Three major brands)

Domestic Delivery business
(Other)

Other Business

Completion in October 2020 as originally planned.

In 3Q, we will see operational testing of the Sayama Station ahead of next fiscal year's new center opening.

The new capacity will allow us to meet increased shipping demand in the future.

Status of shipping capacity

- ✓ Initially planned to operate in 3Q, but the productivity improvement of the existing center went well, and it was changed to 4Q operation.
- ✓ Sayama Station will be undergoing priority operational tests in 3Q in preparation for the optimal start of operations at the new Ebina Station next fiscal year.
- ✓ On the other hand, shipping capacity increased 50% and systems have been put in place to handle sudden surges in demand should COVID-19 reaccelerate.

initial investment and increase in logistics costs

- ① Initial investment : About 50 million
- ② increase in logistics costs : About 15 million/month (during 4Q of this term to 3Q of next term)



(Re-posting) Future shipping system

Oisix's most important management issue, the increase in shipping capacity, is expected to be resolved by the operation of the Sayama station from October.

Apr.2020 → **Oct.2020** → Oct.2021 →

Status /Measures	Exceeding logistics capacity	NEW		
		•Launch of <i>Sakutto Oisix</i>, a small SKU service •Expansion of satellite center ⇒Resuming new acquisitions gradually from the end of April	•With the start of operation of the Sayama station, there was a goal to solve the capacity problem •Actively resume new acquisitions	•Large increase in capacity due to operation of Shin-Ebina Station
		•Current Ebina Station + •Fujisawa •Zama	•Current Ebina Station •Fujisawa •Zama + •Sayama	Shin-Ebina Station (※Fujisawa and Sayama will be closed after Oct. 2021. Zama is dedicated to shipping radish)
Shipping Capacity		+10% increase in shipping capacity	Up to +50% increase in shipping capacity *Covers capacity up to the start of operation of the Shin-Ebina Station	Maximum shipping capacity +200% increase

Daichi KPI

Domestic Delivery business
(Three major brands)

Domestic Delivery business
(Other)

Other Business

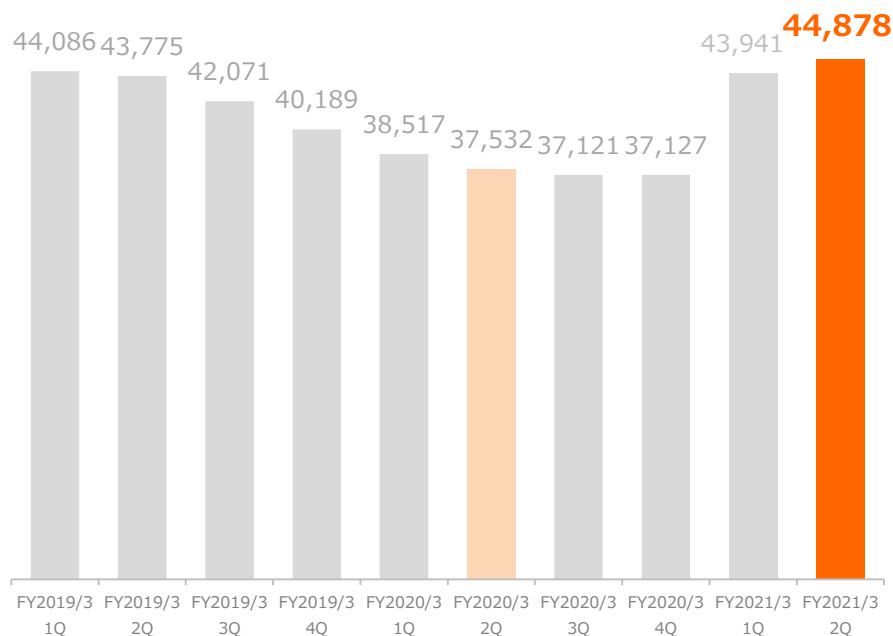
Sunscribers: Increasing trend continued partly on sustained repeat demand by new subscribers who joined during the Covid-19 self-restraint period.

ARPU : Increased by roughly 15% YoY as families refrained from summer travel/hometown visits and home delivery demand expanded.

■ No. of subscribers

44,878

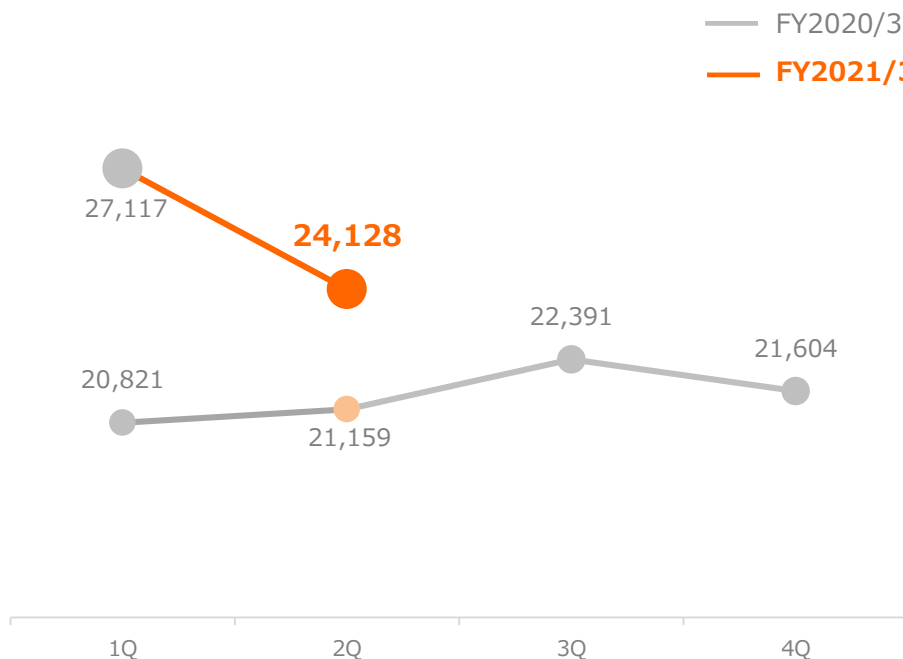
(YoY +20%)



■ ARPU※

24,128 yen

(YoY +14%)



Develop a method of attracting customers to re-expand members and carry out sales planning to improve LTV of the target group while responding to COVID-19.

Improvement of attracting customers

- ✓ Trial set to match 「Vegetable day」 was doing well
- ✓ Strengthening the system by increasing the number of outbound personnel
 - ⇒ Minimize opportunity loss and maintain subscribers growth in 2Q



Improvement of LTV

- ◆ For seniors living with two people,
 - ✓ Sales of additional subscription courses for fruits and vegetables were strong, recording +20% YoY sales.
 - ✓ The new brand “connoisseur's seasonal fish” is sales that exceed initial expectations.
- ◆ For Self-restraint Customer change,
 - ✓ “World dining table” special feature greatly increased sales.



Radish Boya KPI

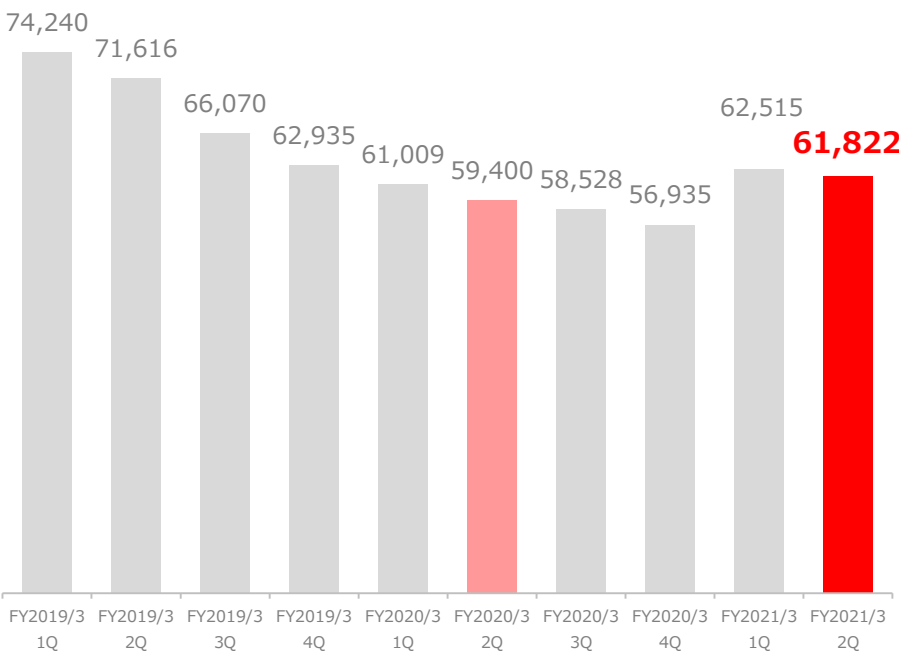
Subscribers : Fell slightly in 2Q as priorities were placed on operational improvement and new customer acquisitions were restrained as per prior stated strategy.

ARPU : increased by roughly 15% YoY as families refrained from summer travel/hometown visits and home delivery demand expanded.

No. of subscribers

61,822

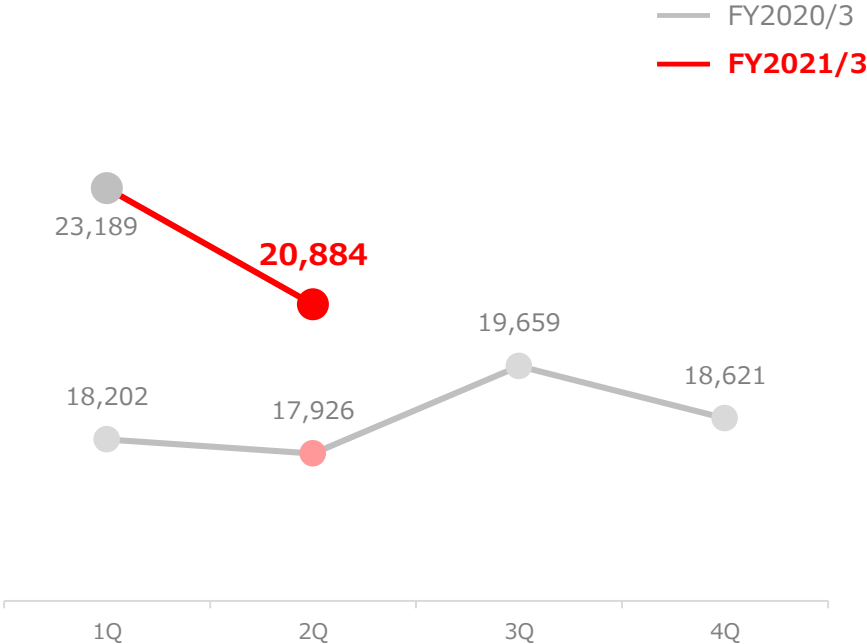
(YoY +4%)



ARPU※

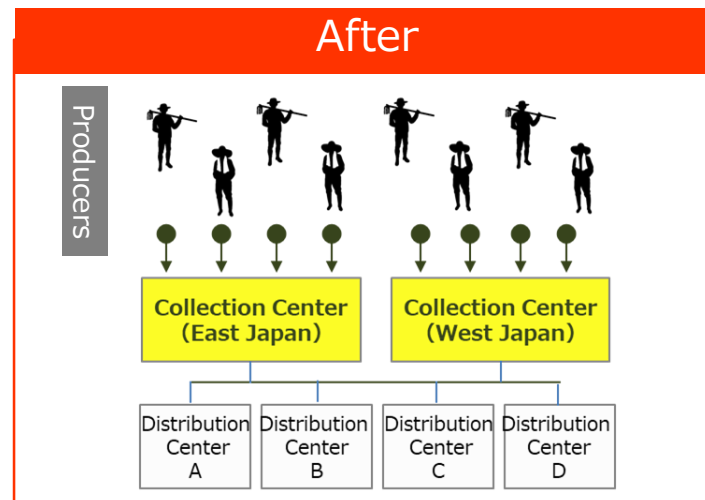
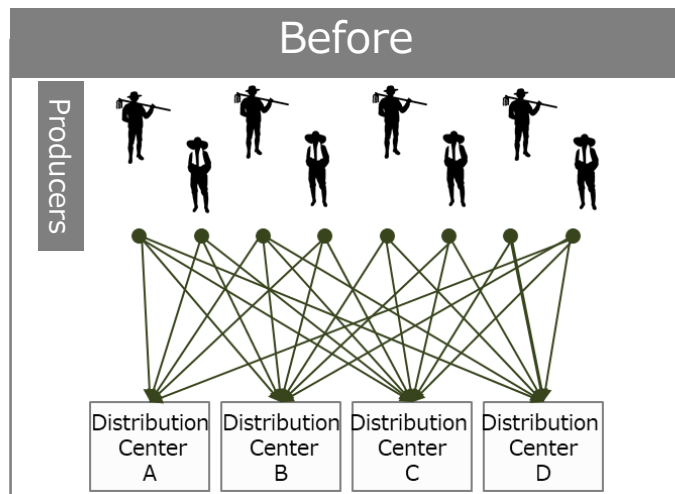
20,884 yen

(YoY +17%)



Radish Boya Topics

A measure to enhance profitability this fiscal year - "Consolidation of Radish Boya Collection Centers" - has been implemented in stages since June. **Purchasing cost was reduced by roughly 0.4ppts** owing to center consolidation for fresh produce.



CoGs

Since producers nationwide deliver individually to each distribution center, unnecessary procurement and distribution costs and disposal loss increase.

Cost of fresh produce was **reduced by roughly 0.4ppts** owing to center consolidation.

Fruit and vegetable claims

There were variations in quality checks at each center

By consolidating the centers, "uniform quality standards" and "quick quality feedback to production areas" will be possible, and we will focus on 3Q and beyond.

Domestic Delivery business Topics

- "Osechi"

Facing difficulty in planning for year-end holidays, an increasing number of families appear to be looking to simply stay home. New "paired" products connecting separated families, such as between homes and hometown (parent) homes, have proven to be popular and all three brands experiencing YoY growth.

Oisix

- ✓ Propose small number of people and multiple purchases such as pair sales of home + parents' home



Daichi

- ✓ In addition to New Year dishes, strengthen sales of hot pot and crab ingredients



Radish Boya

- ✓ Implemented "forwarding service" as a year-end gift for family members



The total of the three brands is aim to increase by **over +20% YoY growth**.

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③ Other Business

- Overseas Business
- Real Retail Business

With resolution of the shipping capacity issue at Oisix, new customer acquisitions have resumed and new regular subscriptions have seen a healthy increase. In similar fashion to the domestic home delivery business, ARPU also increased.

■ ISETAN DOOR

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



- ✓ Resuming new acquisition due to the elimination of tight capacity
- ✓ Subscribers grew steadily due to increased demand for home delivery, and **doubled from the end of the previous fiscal year**

■ d-meal kit

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



- ✓ The number of regular members increased **about 2times from the end of the previous fiscal year** in response to the increase in demand for home delivery.
- ✓ The trial set commemorating the first anniversary of the service is also performing well. Cumulative number of meal kits exceeds 400,000

Tokushimaru(subsidiary)

Domestic Delivery business
(Three major brands)

Domestic Delivery business
(Other)

Other Business

Significant growth in both transaction value and number of units in operation.

Demand for mobile sales at retail stores is expanding by Covid-19.

Steady progress against the annual increase of 300 units in operation under the initial plan.

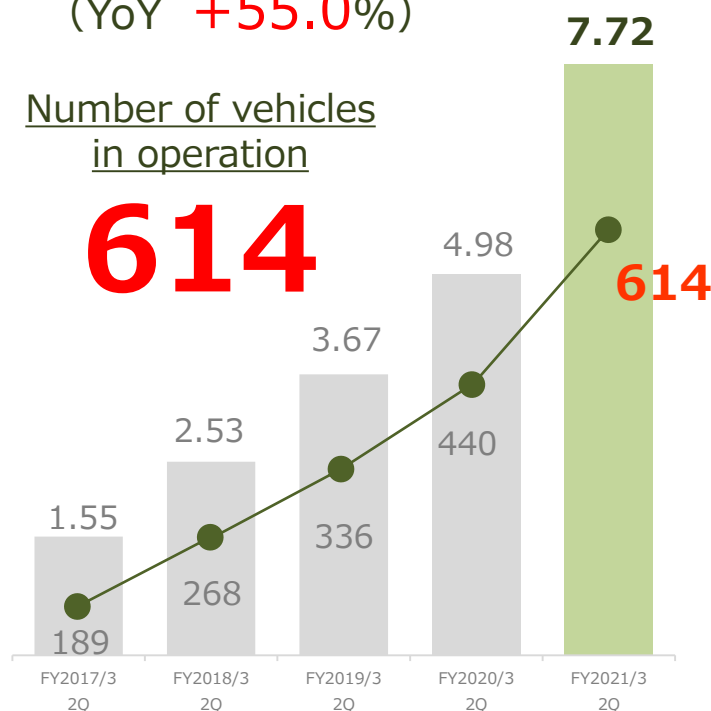
The 1H value of circulation

7.72bn yen

(YoY **+55.0%**)

Number of vehicles
in operation

614



Background of expansion

- ✓ Seen as a sales method to avoid crowding, demand/inquiries regarding mobile sales at retail stores grew.
- ✓ Improvements to the vehicle fleet expansion scheme has led to accelerated growth.
- ✓ Seen as a source of employment, sales partner applications have increased.



Since September,
the number of vehicles was increased
by one per week
**resulting in a rapid jump
to 11 operating vehicles.**

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Purple Carrot(U.S.)

※Purple Carrot shows the business situation from Apr. to Jun.

Domestic Delivery business
(Three major brands)

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(Other)

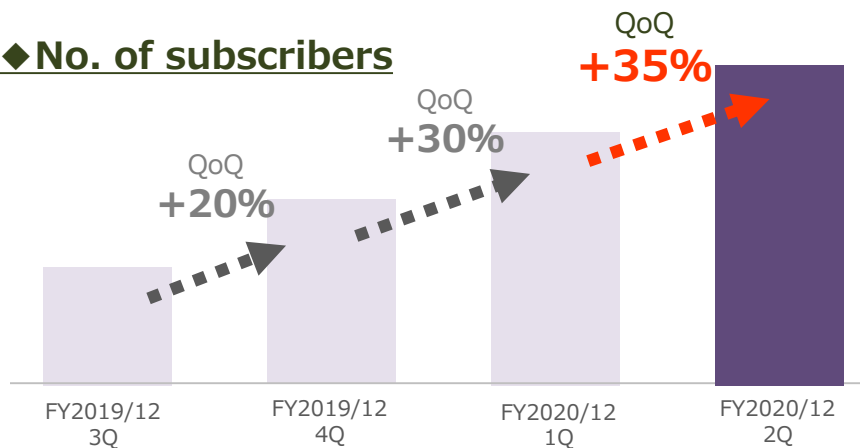
Other Business

Continuing from 1Q trends, the rapid increase in home delivery demand allowed for a quarterly profit. Growth in sales/subscriptions, however, have begun to stabilize. Aiming for intrinsic profit generation capability via a focus on service improvement.

Business status

- ✓ Similar to 1Q, **quarterly profit was achieved in 2Q** (April~June).
- ✓ Whilst subscribers have continued to see substantial increase by Covid-19, they are beginning to stabilize.
- ✓ A new unit has been created to specialize on customer satisfaction as the Co. aims for intrinsic profit generation capability via a focus on service improvement.

◆No. of subscribers



Progress of wholesale business

- ✓ Meal kit wholesale to Whole Foods Markets, the largest organic retailer in the U.S., started in July and is steadily expanding.



Hong Kong/Shanghai

Hong Kong: The COVID-19 driven increase in demand has resulted a quarterly profit for the first time ever. Given the one-off nature of the increase in sales, the Co continues to focus on stable sales and profit generation.

Shanghai: Completed fine-tuning of meal kits to match local customer needs.

■ Hong Kong

- Launched the service in 2009. Cross-border delivery of Japanese products



- ✓ Demand continues to increase due to the impact of COVID-19 and **achieved and quarterly surplus**
- ✓ Increased air transportation and local last one-mile to meet the rapid increase in home delivery demand

■ Shanghai

- Launched the service in 2017. Deliver products that meet Oisix product standards by local procurement



- ✓ The meal kit service, which started in June this year, has completed the refinement of products that meet local needs.
- ✓ Toward the next phase of "establishing continuous services," we will implement loyalty improvement measures that utilize communities.

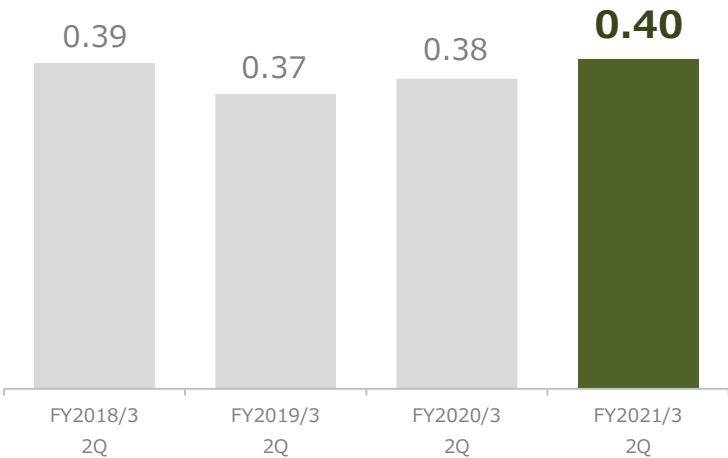
Real Retail Business

SinS: Steady progress in building Kit Oisix's Shop sales model
Nursery School Wholesale: Recovering from the impact of school closures in 1Q, sales in 2Q were roughly in-line with year earlier levels.

Shop in Shop

1H Sales
0.40 bn yen

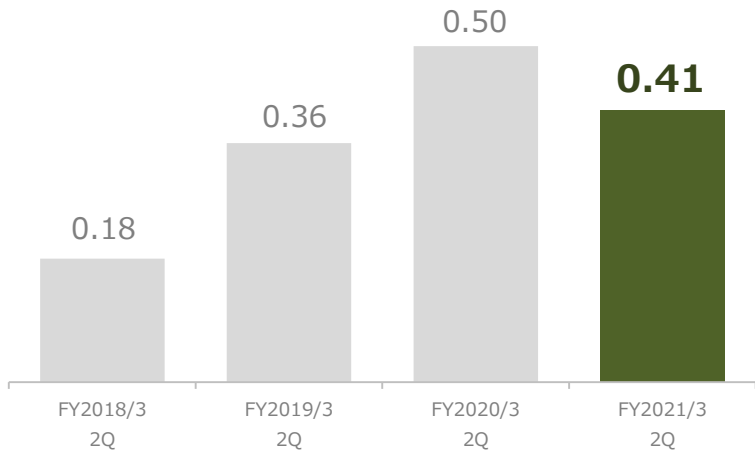
No. of shops
150



Nursery School Wholesale

1H Sales
0.41 bn yen

No. of trading
 nursery school
412



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

Future Food Fund

Fuso Chemical Industry and JALUX participate in the new LP.
 Relationship to LP is not only about investing, but also about diverse discussions in the food space relating to potential business alliances.
In addition, a new investment has been decided for snaq. Me, which sells snack subscriptions.

Future Food Fund

The corporate venture capital that specializes in the area of food innovation.
 As a business in the food sector, we aim to build an entire ecosystem by actively investing in advanced processes in "food, agriculture, and healthcare" both in Japan and overseas.

Limited Partner

Oisix ra daichi

SMBCベンチャーキャピタル

K4 Ventures

大和フード&アグリ

MOS BURGER

豊田通商株式会社

TV TOKYO

テレビ東京ダイレクト

FUSO

扶桑化学工業株式会社

Jalux

NEW

Relationship to LP is not only about investing, but also about diverse discussions in the food space relating to potential business alliances.

Food Start-ups

NEW

snaq.me



Natural snack subscription sale

MiL

Farmnote

Fifty Food Inc.

HiOLI Inc.

BASE FOOD

WHOSE CACAO

2Q Sales at affiliate Welcome (Dean & DeLuca) recovered to roughly year-earlier levels.

1Q

- ✓ In April and May, sales fell sharply owing to temporary closure of all stores by COVID-19.
- ✓ At twice year-earlier levels, online store sales are strong.



2Q

- ✓ With good recovery in store visitors, sales have bounced back to near year-earlier levels.
- ✓ Partly owing to new charges for plastic shopping bags, sales of eco-bags and seasonal tote bags are strong.



3. Social activities under COVID-19 circumstances

Social activities

-Healthcare worker support

“We Support,” which is a food support platform for medical professionals, has supplied a total of 360,000 foods
Provided to medical institutions, the total amount of support exceeded 300 mn yen.
Expanding support to medical institutions in western Japan.

医療従事者を食で応援
WeSupport

••A platform that connects medical institutions with food support companies



Support achievement

- ◆ **Total amount of support :** About **0.33** bn yen
- ◆ **Total amount of support meals :** About **360,000** meals
- ◆ **Support company :** **94**
 - Ajinomoto
 - Ito-en
 - KAGOME
 - Kameda Seika etc.
- ◆ **Support medical institution :** **76**
 - Eiju General Hospital
 - Tokyo shinagawa Hospital etc.

Social activities

-Producer / local support

We implementing sales support and product development for foodstuffs whose sales have been decimated by the decline in dining-out/ tourism.

■ Local brand chicken "Awao Dori"

- ✓ We developed and supporting sales of a meal kit utilizing "Awao Dori," a chicken brand on Tokushima Pref. that saw its sales channels evaporate with declining tourism.



*Sales start from Nov. 19

■ Sake rice for Japanese sake

- ✓ Demand for sake rice used in Japanese Sake has taken a hit with falling restaurant demand. As a new idea to generated demand, we are selling sake rice as a risotto set.
- ✓ We distributing as shareholder gifts for fiscal year 2020.



*Sales start from Dec. 20

4. Results Forecast Revisions

Highlights of Results Forecast Revisions

The full-year earnings outlook has been revised reflecting better than expected subscription and ARPU numbers in the 1H versus initial May forecasts.

	Initial forecast		Revised forecast	Change	%
Sales	78.00 _{bn yen}	➤	90.00 _{bn yen}	+12.00 _{bn yen}	+15.4%
EBITDA	4.40 _{bn yen}	➤	6.40 _{bn yen}	+2.00 _{bn yen}	+45.5%
Operating Income	3.00 _{bn yen}	➤	5.00 _{bn yen}	+2.00 _{bn yen}	+66.7%
Net income Attributable to owners of the parent	1.20 _{bn yen}	➤	2.50 _{bn yen}	+1.30 _{bn yen}	+108.3%

About the outlook for the 2H

2H sales and profits are likely to continue to benefit from the 1H increase in subscriptions. On the other hand, we conservatively assume a decline in ARPU as the tailwind provided by Covid-19 diminishes. Additionally, we anticipate rising costs as unspent 1H promotional expenses and new spring promotions are implemented. There are also increased logistics costs relating to start-up of operations at Sayama Station.

	Revised forecast	1H Results (Achievement Rate)	2H Outlook
Sales	90.00 _{bn yen}	47.56 _{bn yen} (53%)	Sales + Sales increase due to the number of subscribers increases + Sales increase due to year-end and New Year sales promotion - Possibility that ARPU will gradually decrease
EBITDA	6.40 _{bn yen}	4.67 _{bn yen} (73%)	
Operating Income	5.00 _{bn yen}	3.97 _{bn yen} (80%)	Costs ✓ Additional earn out costs incurred due to strong Purple Carrot performance (3Q) ✓ Investing PR costs for undigested portion in 1H (3Q/4Q) ✓ Oisix : Spring large-scale PR costs (4Q) (Planned large-scale upfront investment for the next term, apart from unused portion of this term) ✓ Increase in logistics costs due to the operation of Sayama station. (4Q)
Net income Attributable to owners of the parent	2.50 _{bn yen}	2.45 _{bn yen} (98%)	

Forecast revision by segment

		Initial forecast		Revised forecast	
		Sales	Segment profit (Exclude the impact of goodwill amortization)	Sales	Segment profit (Exclude the impact of goodwill amortization)
Home Delivery Business	Oisix	43.00bn yen	6.15bn yen	45.00bn yen (change rate +5%)	7.00bn yen (change rate +14%)
	Daichi	11.00bn yen	2.05bn yen	12.00bn yen (change rate +9%)	2.45bn yen (change rate +20%)
	Radish Boya	14.00bn yen	2.55bn yen	16.50bn yen (change rate +18%)	3.00bn yen (change rate +18%)
Other Business		10.00bn yen	0.90bn yen	16.50bn yen (change rate +65%)	1.40bn yen (change rate +56%)

Forecast revision by subscribers

* From this term, the definition of the number of members and ARPU has been changed to reflect more appropriate business conditions. Please refer to page 76 for figures for the past two periods

■ Outlook of subscribers

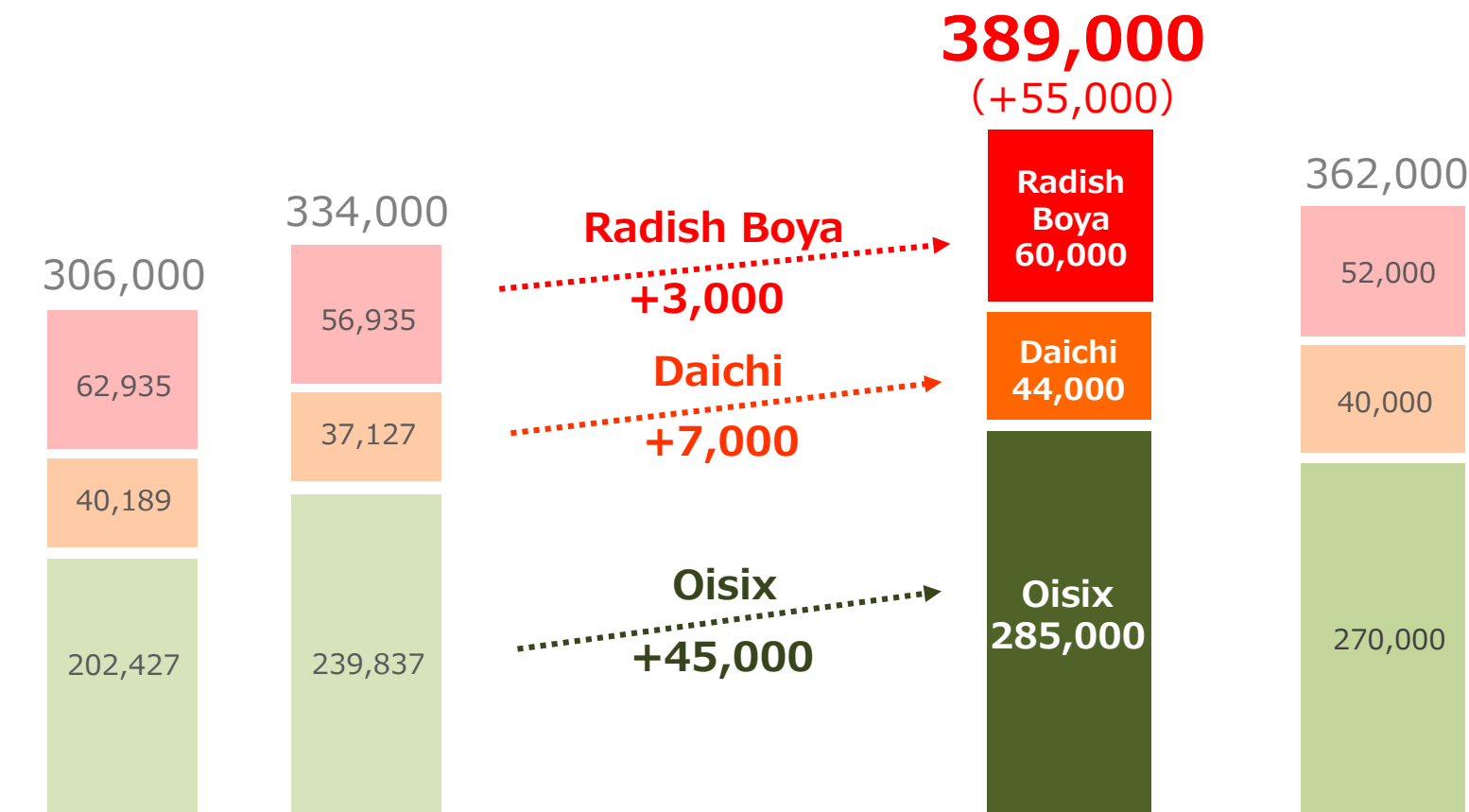
FY2021/3

FY2019/3

FY2020/3

Revised

Initial



Oisix ra daichi

5. New Business Topics

License agreement with Disney -Table for Tomorrow

We started the “Table for Tomorrow” project to create the future of children’s food with Disney. We plans to develop joint products such as meal kits and food education support services for children.

◆“Table for Tomorrow”

- Plans for "overwhelmingly enjoyable eating experience" and "problem-solving service / product development" through Disney's world view, such as joint product and event

Creating products in which children are actively involved in food

Medium to long term

◆First Effort

- Disney's first official meal kit
<Mickey & Minnie>
Hamburger with plenty of vegetables



©Disney

Disney

In the future,
we plan to jointly create
products on themes such as
(1) family-related food
(2) learning a well-balanced diet
(3) developing taste.

We also provide content
and events starting from food

Progress of the alliance with OOTOYA HD

Regarding the alliance with OOTOYA HD announced in August,
We plan to proceed with discussions with the new board following the
establishment of the TOB of COLOWIDE.

In addition, we started a new discussion about collaboration with COLOWIDE.

The story so far

Jul. 10th :
TOB started by Colowide for Ootoya HD

Aug. 14th :
Announced business alliance
with OOTOYA HD

Sep. 8th :
TOB established by Colowide

Nov. 4th :
Approved proposal for appointment
of officers at OOTOYA HD Extraordinary
General Meeting of Shareholders

Nov. 10th :
OOTOYA HD's parent company changed
to COLOWIDE

Discussion status

- ✓ Regarding the business alliance
with OOTOYA HD, we plan to proceed with
discussions with new board members



- ✓ In addition, we started a new discussion
about collaboration with COLOWIDE.



6. Our initiatives about sustainable

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.

New ORD Green Shift 5 Measures

New ORD Green Shift 5 Measures

Greenhouse gas
reduction
in agricultural production



1

**Introduction of
our original green standard**

Greenhouse gas
reduction
in last-one-miles



2

**Start of green energy
demonstration experiment
for delivery vehicles**

Promotion of
deplasticization of
packaging



3

**Further greening
of product packaging**

Food loss reduction



4

**Strengthening conventional
efforts to reduce food loss**

5

**Promotion of sales
of up-cycle foods**

① Introduction of our original green standard

We started considering the introduction of our original green standard to reduce greenhouse gases in agricultural production.

We aim to halve greenhouse gas emissions from our production within 5 years.

① Introduction of our original green standard

Producer of direct trading



- ✓ We started considering the introduction Of our original green standard to minimize greenhouse gas emissions.
- ✓ We aiming to halve greenhouse gas emissions in agricultural production related to our company in the next 5 years in collaboration with producers.
- ✓ We plan to index the greenhouse gas reduction effect in cultivation from the following perspectives.

- ① Materials
- ② Cultivation method
- ③ Equipment
- ④ Treatment method for non-edible parts
- ⑤ Disposal rate of edible parts



②Start of green energy demonstration experiment for delivery vehicles

To reduce greenhouse gas emissions in the last mile, we will start a demonstration experiment for a green energy shift for our last mile vehicle.

② Start of green energy demonstration experiment for delivery vehicles

- ✓ Started efforts to reduce greenhouse gas emissions of our last mile vehicles such as Daichi, Radishbo-ya, and Tokushimaru



During this term, we plan to introduce a green energy fuel vehicle from the Tokushimaru sales truck and start a demonstration experiment.



③ Further greening of product packaging

We aim to change the packaging of our products such as Kit Oisix, fruits and vegetables, processed products, etc.
to more than 50% environmentally friendly materials within the next 5 years

③ Further greening of product packaging

- ✓ We aim to change more than 50% of our products to environmentally friendly packaging within the next 5 years

◆ From Feb. 2020

We switched the outer bag of all "Kit Oisix" products to biomass plastic material.
It reduce CO2 emissions by 13 tons annually



- ✓ We changed to biodegradable materials, including Kit Oisix ingredients and seasoning bags
- ✓ For fruits and vegetables and processed products, we will promote the removal of plastics by simplifying packaging and changing materials.



- ④ Strengthening conventional efforts to reduce food loss
- ⑤ Promotion of sales of up-cycle foods

To reduce food loss, we strengthen conventional food loss reduction efforts and promote sales of up-cycle foods.

④ Strengthening conventional efforts to reduce food loss

- ✓ We strengthening efforts to reduce food loss throughout the supply chain centered on Kit Oisix

◆ Kit Oisix food loss reduction

Producers

- ✓ Significantly reduce field loss by relaxing standards such as size



Distribution

- ✓ Only 0.2% waste in the distribution process (Retail supermarket average: 5-10%)
- ✓ We donate food loss from the shipping center to the children's cafeteria



Home

- ✓ Loss at home is reduced to 1/3 due to the exhaustion of ingredients



⑤ Promotion of sales of up-cycle foods

- ✓ Food that has been reborn as a new food by adding some ingenuity to the ingredients that should be discarded. It is attracting attention as an effort to reduce food waste.
- ✓ We plan to open original upcycling sale site on the Oisix.



▲Upcycling Granola from Snaq. Me (FFF's investee)

APPENDIX • DATA SHEET

Corporate Overview

Name :	Oisix ra daichi Inc.
Location :	Shinagawa-ku, Tokyo
Established :	June 2000
Representative :	Kohey Takashima, Representative Director & CEO
Capital :	3,993 million yen
Employees :	860 (consolidated), as of the end of March 2020

Overview of Affiliates

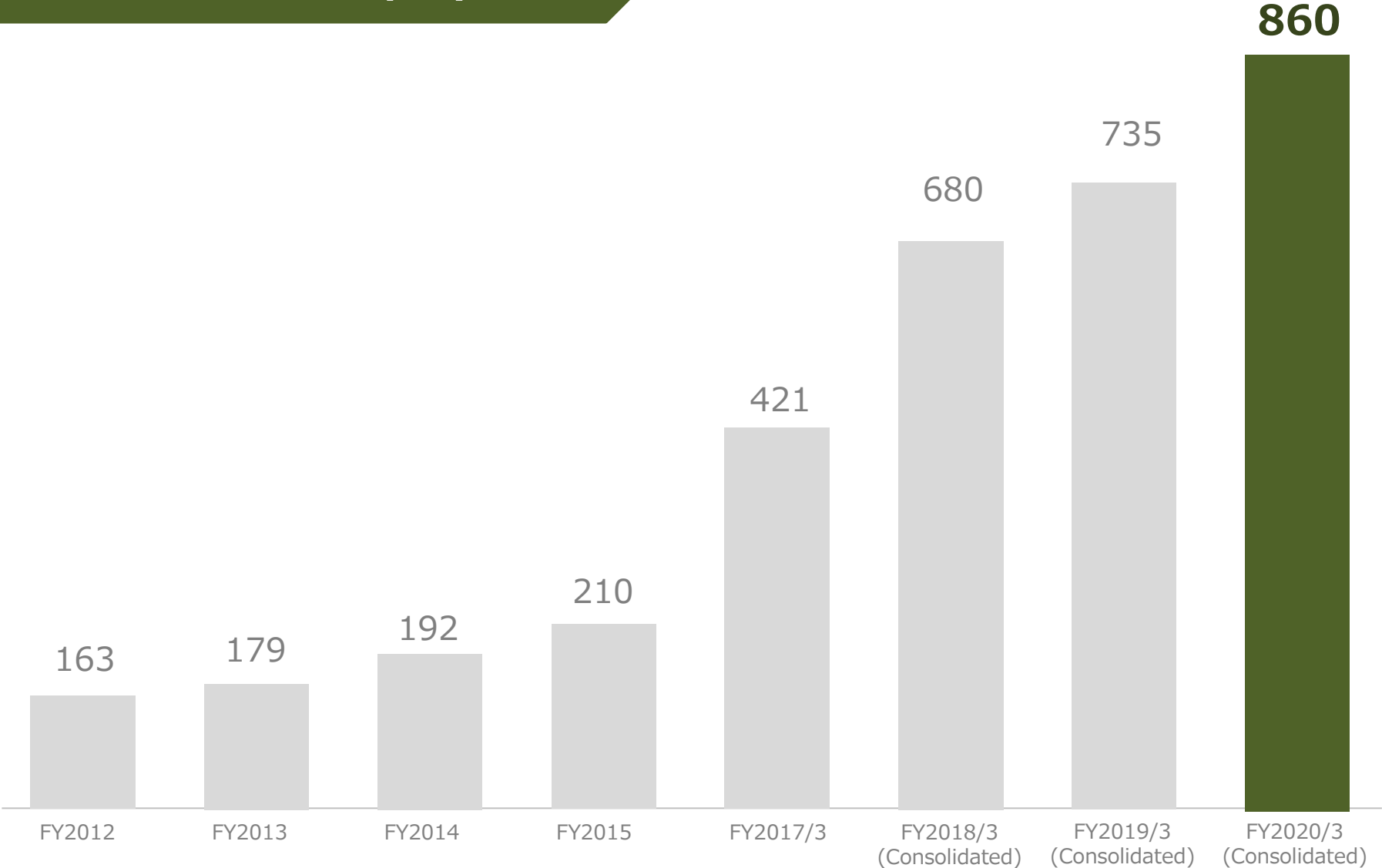
■ Consolidated subsidiaries

Tokushi-maru Inc.	Develops alliances with supermarkets in the mobile supermarket business; provides expertise to sales partners.
Fruits Basket Co., Ltd.	Handles processing, product development, and sales, for agricultural produce, including fruits and vegetables.
Karabiner Inc.	Develops and operates platform systems for EC sites; produces websites.
Crazy Kitchen Co., Ltd.	Handles catering, event production, and space production businesses.
Oisix Hong Kong Co.,Ltd.	Operates our businesses in Hong Kong under contract.
Oisix Shanghai Co., Ltd.	Operates the food products home delivery business in China.
Purple Carrot	Meal kit delivery service in the United States
Oisix Inc.	Overseas investment business
Future Food Fund Inc.	Investment business for food-related startup companies
Future Food Fund No.1 investment limited partnership	Investment business for food-related startup companies

■ Main Affiliates

Nihon Agri Inc.	Exports agricultural products.
DEAN & DELUCA	Lifestyle business through retail and restaurant businesses

Trend in No. of Employees



Main Business Risks

■ Effects of poor weather

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



■ Effects of concentration of logistics centers

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

■ Issues related to food safety

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

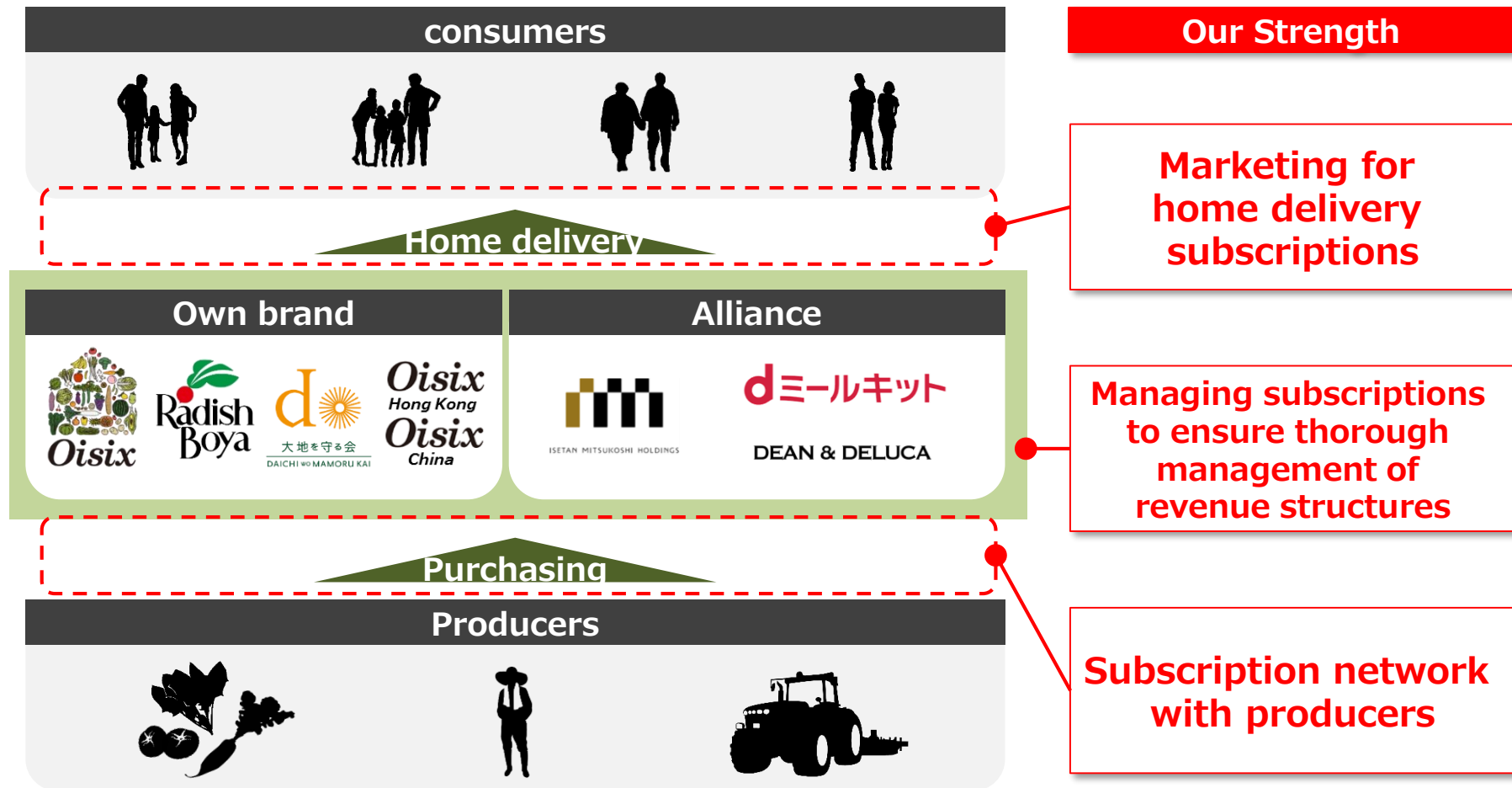
■ Effects of relationship with Yamato Transport Co., Ltd.

Most deliveries of the Group's products to subscribers are handled by Yamato Transport. While the Group strives to maintain a favorable ties to Yamato while building relationships with alternative delivery services, due to current conditions in the logistics business, if the Yamato Group were to demand a major increase in delivery fees or if transaction volumes between us were to shrink, the resulting changes may affect Group businesses and business results.



Our Subscription Model

Expanding our business areas to include alliances and marketing support for other companies based on subscription model strengths in our three home delivery brands.



What Our Three Brands Deliver

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

Working mothers with
small children



Meals that can be boasted
without taking time



Mothers focusing on
the home and children



Self realization
through Cooking



Senior women in two-
person households



Healthy daily living



Producers

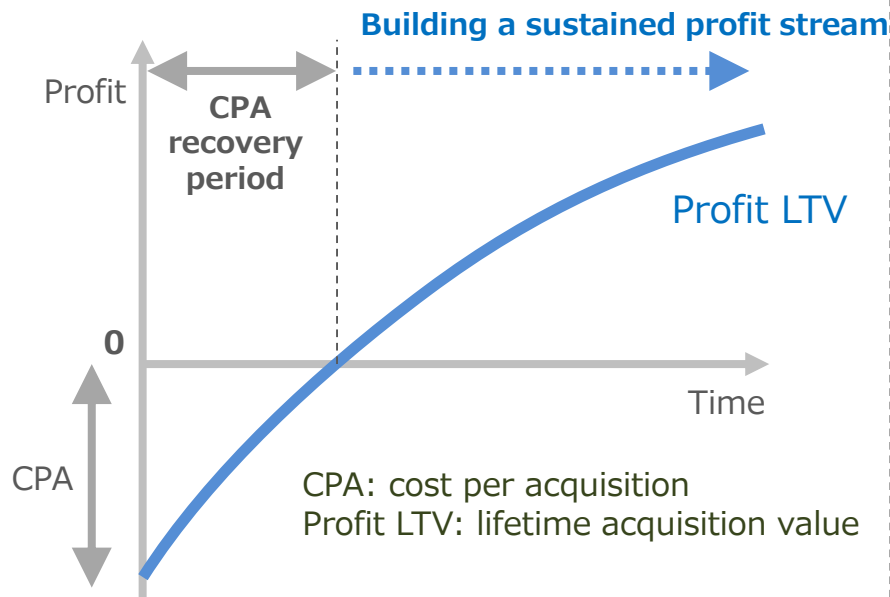


Subscription Management

Building a subscription model that generates sustained profits through rapid returns on investment to secure new customers and rigorous management of per delivery revenue and expenditures

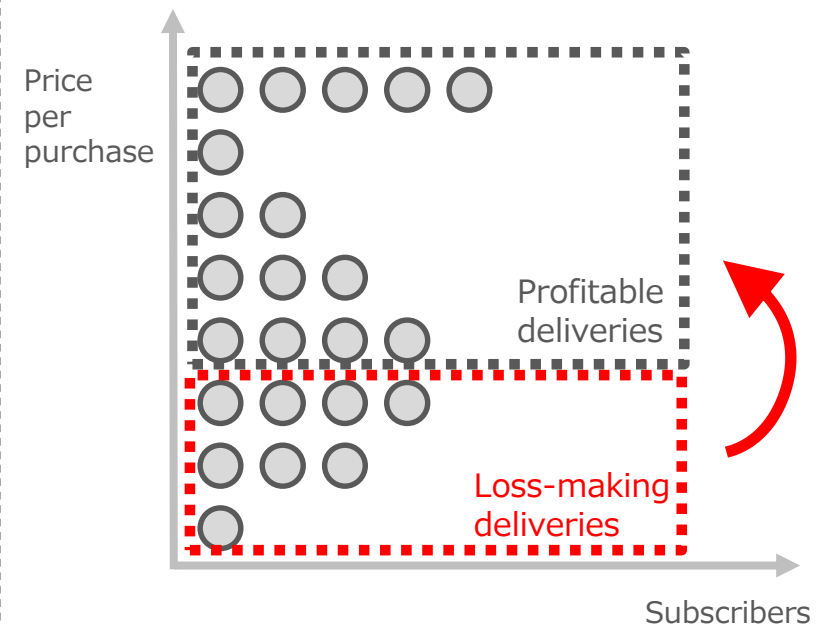
■ Rigorous CPA and LTV management

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



■ Rigorous management of unit revenues and expenditures

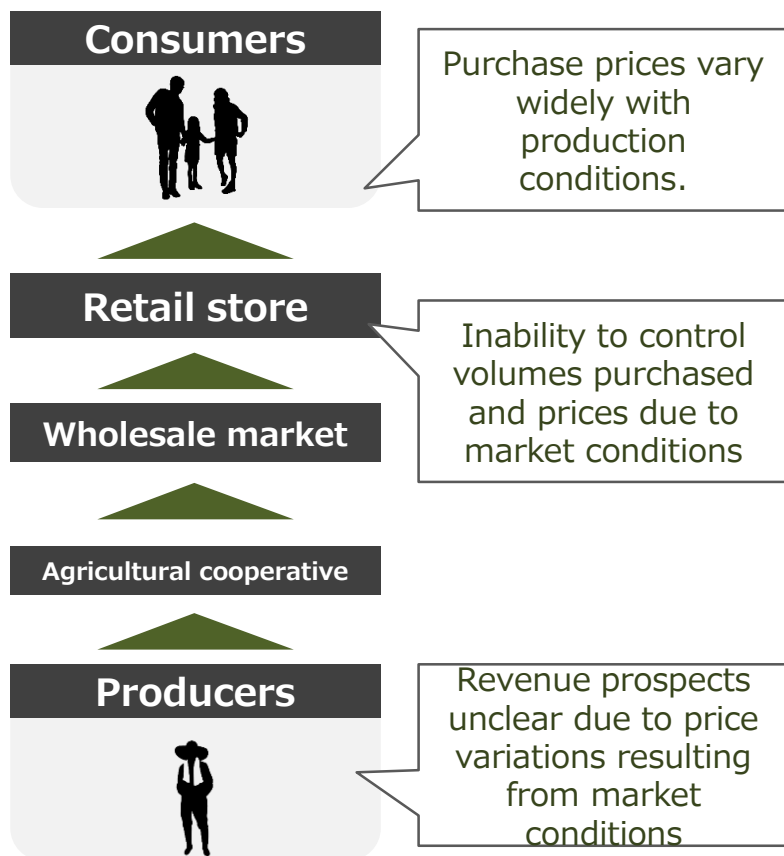
Making percentages of loss-making deliveries visible for each unit and reducing them structurally



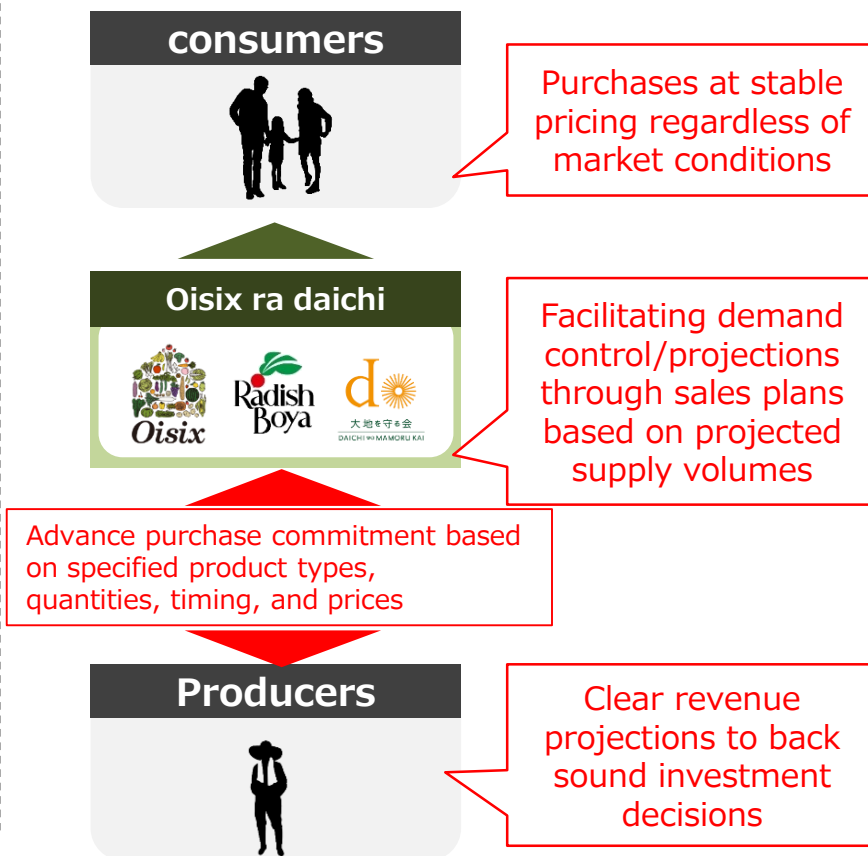
Subscription Network

Reducing risks and securing stable transactions through a subscription network based on 4,000 producers nationwide and procurement under transaction conditions arranged in advance

■ Typical distribution of agricultural products



■ Our efforts



Differences in the assets of the three brands



How to
join

WEB mainly

WEB/
door-to-door sales

WEB mainly

How to
order

WEB only

WEB/
Paper catalogs/
TEL

WEB/
Paper catalogs/
TEL

Logistics
bases

3 place
in Kanagawa

4 places
in Hokkaido,
Tokyo, Kanagawa,
Osaka.

1 place
in Chiba

Last One
Mile

Yamato trucks
approximately 99%

Our trucks
approximately 95%
(area around
Logistics bases)

Our trucks
approximately 85%
(area around
metropolitan area)

EC support

Utilizing the subscription know-how and assets that we have got in the domestic food delivery business, which is our strength, we develop the business of supporting other companies' EC

ISETAN
DOOR



DEAN & DELUCA



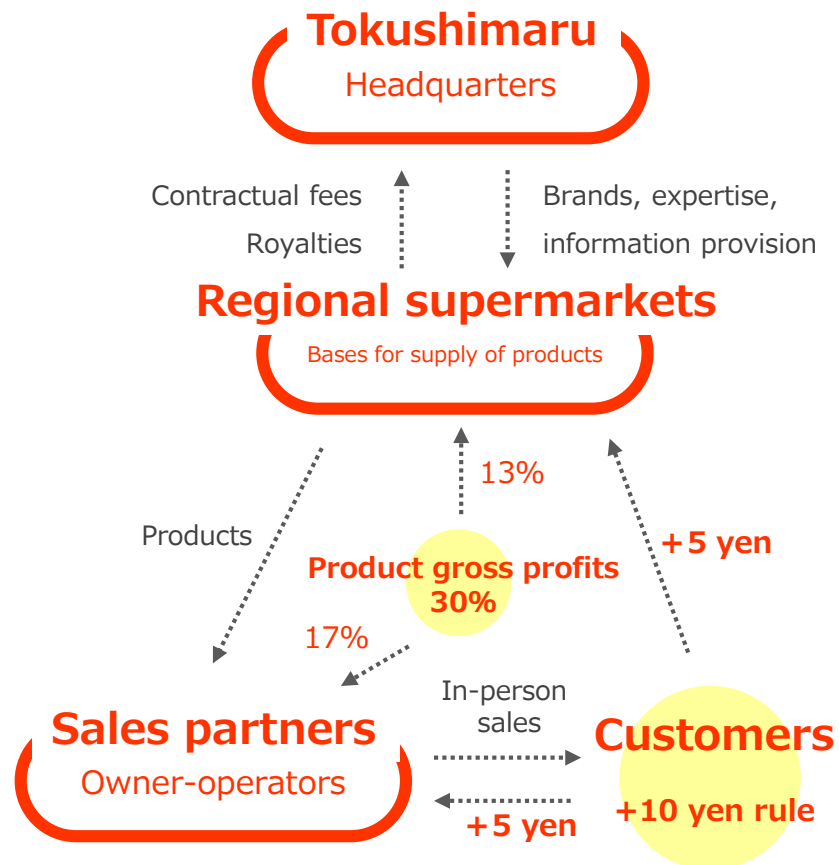
dミールキット powered by Oisix



Tokushimaru

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

■ Business model



Overseas Home Delivery

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



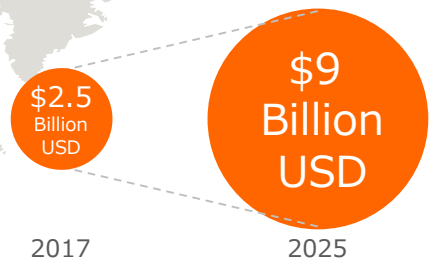
- ✓ Started the service in 2017. Grasp the needs to establish the subscription model for Chinese customers

■ Oisix Hong Kong



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

U.S. Meal Kit Market*



■ Purple Carrot Business(U.S.)

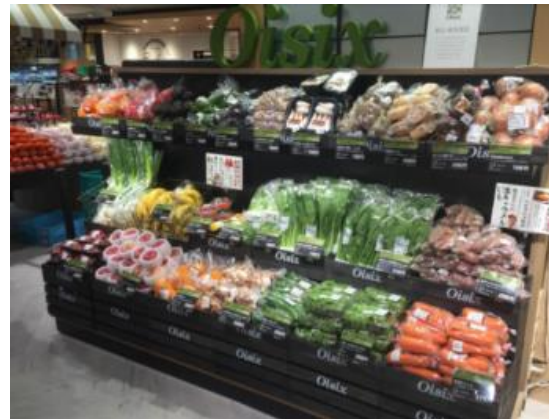
Oisix ra daichi



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

Shop in Shop

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



Kindergarten wholesale

The kindergarten wholesale business was launched in FY2015. Based on the Omakase Boya system that makes it possible to order ingredients for student meals based on menus, it provides support for kindergarten operations in both serving meals and nutrition.

Kindergarten



品名	単位	価格	在庫	注文	備考
おまかせぼーや					
...	...	...	...	...	...



- ◆ Stable purchases of safe produce and processed food meeting strict standards
- ◆ A wide-ranging product lineup that eliminates the need for additional purchasing
- ◆ Full-time senior nutritionists develop unique menus for use by kindergartens; they also respond to requests for nutritional consultations.
- ◆ Easy ordering using a simplified Web form
- ◆ Simplified single supplier management

Ordering

Delivery
on
Requested
date

Oisix ra daichi

Omakase Boya system
for receiving orders from kindergartens



品名	単位	価格	在庫	注文	備考
...	...	...	...	...	...



Purchase

Producers



Business Solutions

We propose B2B business solutions based on our safe, reliable products, outstanding customer base, and expertise in subscription-based EC.

■ EC consulting

Solutions support based on our expertise in repeat marketing, site user interface/user experience improvements, food logistics in three temperature zones, securing new EC customers, and omni-channel management



■ Ad Oisix: Periodic advertisements delivered to subscribers

In addition to an EC site that boasts 1.2 million unique views per month, this service delivers advertising to about 400,000 households, including subscribers to DWMK and Radish Boya.



■ Tavelty : seasonal vegetable novelty products

We offer novelty products based on our expertise in service, products, and delivery, established through more than 3 million regular deliveries a year.



DATA SHEET : Results

■ Results

	FY2019/3				FY2020/3				FY2021/3	
(mn yen)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Sales	16,853	31,720	48,906	64,026	16,265	32,552	52,425	71,040	23,132	47,567
Operating Profit	610	1,115	2,265	2,312	543	900	1,597	2,467	2,076	3,976
EBITDA	808	1,513	2,882	3,154	755	1,348	2,381	3,595	2,419	4,679
Net income Attributable to owners of the parent	537	893	2,533	2,387	270	390	695	790	1,184	2,452

DATA SHEET : Business Segment Result

■ Business Segment Result

		FY2019/3				FY2020/3				FY2021/3	
(mn yen)		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Oisix	Sales	6,863	13,769	22,190	29,619	8,308	16,524	26,522	35,829	11,265	23,047
	Marginal profit	970	1,943	3,371	4,036	933	1,868	3,261	4,801	2,367	4,335
Daichi	Sales	2,769	5,440	8,405	10,902	2,587	5,137	7,936	10,541	3,636	7,094
	Marginal profit	479	960	1,536	1,989	457	885	1,397	1,889	724	1,368
Radish Boya	Sales	5,811	9,926	14,346	18,028	3,770	7,459	11,410	14,980	4,721	9,083
	Marginal profit	1,030	1,765	2,657	3,342	688	1,273	2,001	2,667	899	1,626
Other Business	Sales	1,482	2,755	4,198	5,793	1,663	3,529	6,383	9,497	3,601	8,522
	Marginal profit	154	290	479	724	256	557	656	846	391	1,038
Companywide fixed costs, Goodwill etc		2,024	3,844	5,779	7,779	1,792	3,683	5,719	7,736	2,305	4,391

Data Sheet : Main KPI

KPI trend

		FY2019/3				FY2020/3				FY2021/3	
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Oisix	Subscribers (number)	177,606	186,929	193,461	202,427	221,612	226,187	230,393	239,837	252,303	274,929
	ARPU (yen)	11,558	11,118	11,522	11,173	11,095	10,634	11,379	11,745	13,822	12,986
	Price/ purchase (yen)	6,005	5,973	6,149	6,013	5,884	5,840	6,055	6,166	6,748	6,201
	Purchase Frequency (number)	1.92	1.86	1.87	1.86	1.89	1.82	1.88	1.90	2.05	2.09
Daichi	Subscribers (number)	44,086	43,775	42,071	40,189	38,517	37,532	37,121	37,127	43,941	44,878
	ARPU (yen)	20,247	19,807	20,226	19,171	20,821	21,159	22,391	21,604	27,117	24,128
	Price/ purchase (yen)	7,899	8,121	8,573	8,046	8,195	8,292	8,732	8,508	9,234	8,610
	Purchase Frequency (number)	2.56	2.44	2.36	2.38	2.54	2.55	2.56	2.54	2.94	2.80
Radish Boya	Subscribers (number)	74,240	71,616	66,070	62,935	61,009	59,400	58,528	56,935	62,515	61,822
	ARPU (yen)	17,158	17,076	18,439	17,401	18,202	17,926	19,659	18,621	23,189	20,884
	Price/ purchase (yen)	5,460	5,616	6,114	5,869	6,055	6,060	6,398	6,206	7,028	6,373
	Purchase Frequency (number)	3.14	3.04	3.02	2.97	3.01	2.96	3.07	3.00	3.30	3.28

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