

Consolidated Financial Results for the Six months Ended September 30, 2021 [Japanese GAAP]

Company name:	Oisix ra daichi Inc.	Stock exchange listings:	TSE
Securities code:	3182	URL:	http://www.oisixradaichi.co.jp
Representative:	Kohey Takashima, Representative Director, CEO		
Contact:	Kohei Matsumoto, Director, Corporate Planning Division General Manager		
Scheduled date of filing of Quarterly Report:			November 12, 2021
Scheduled date of payment of dividend:			-
Preparation of supplementary materials for financial results:			Yes
Holding of quarterly financial results meeting:			Yes

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for Six Months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

(1) Consolidated Operating Results (% of change from previous year)

Six months ended	Net Sales		Operating Income		EBITDA*1		Net Income Attributable to Owners of the Parent*3	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2021	56,167	18.1	3,347	△15.8	4,188	△10.5	2,156	△12.1
September 30, 2020 *2	47,566	46.1	3,976	341.5	4,678	246.8	2,452	528.2

Comprehensive income: 2nd Quarter of FY2021 (As of September 30, 2021) 2,312 million yen (△2.8%)
2nd Quarter of FY2020 (As of September 30, 2020) 2,379 million yen (669.4%)

(Note)

*1. EBITDA stands for earnings before depreciation and amortisation.

*2. Operating income for the 1H of the previous fiscal year under review has increased exceptionally. This is because the rapid increase in demand for home delivery accompanying the spread of COVID-19 has caused excess shipping capacity for Oisix brands, and we temporarily suspended the acquisition of new customers, prioritizing existing subscribers, resulting in promotional expenses decrease significantly.

Six months ended	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
September 30, 2021	59.00	58.97
September 30, 2020	65.00	64.84

(2) Consolidated Financial Position

Period ended	Total Assets	Net Assets	Shareholders' Equity Ratio
	Million yen	Million yen	%
September 30, 2021	51,695	22,309	41.5
March 31, 2021	38,360	19,991	49.8

2. Dividends

Fiscal Year ended or ending	Dividend per Share				
	1Q	2Q	3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
March 31, 2021	—	0.00	—	0.00	0.00
March 31, 2022	—	—	—	—	—
March 31, 2022 (Forecast)	—	0.00	—	0.00	0.00

(Note)

Revisions to the most recently announced forecast: None

3. Forecast for the Fiscal Year Ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Percentages represent year-on-year changes)

	Net Sales		Operating Income		EBITDA		Net Income		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	105,000	4.9	5,000	△33.0	6,500	△27.0	3,000	△40.4	82.13

(Note)

*1.Revisions to the most recently announced forecast: None

* Notes

(1) Changes of important subsidiaries during the period

(Changes of specific subsidiaries in accordance with changes in the scope of consolidation): None

(2) Adoption of specific accounting treatments to the preparation of consolidated quarterly financial statements:

None

(3) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of shares issued (common shares)

1) Number of shares issued (including treasury stock):

As of September 30, 2021	38,014,492shares
As of March 31, 2021	37,998,908shares

2) Number of treasury stocks:

As of September 30, 2021	1,469,712shares
As of March 31, 2021	1,469,655shares

3) Number of average shares during the period:

Six months ended September 30, 2021	36,540,492shares
Six months ended September 30, 2020	37,734,575shares

* This financial report is outside the scope of the audit by certified public accountants or auditing firms.

* Explanation of the proper use of forecast and other notes

The forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as of the date of publication of this document. They are not intended as the Company's commitment to achieve such forecasts, and actual results may differ significantly from these forecasts due to a wide range of factors.

Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	15,580	13,358
Accounts receivable - trade	8,485	9,048
Merchandise and finished goods	1,730	1,786
Work in process	85	106
Raw materials and supplies	422	511
Accounts receivable - other	2,789	3,124
Other	413	602
Allowance for doubtful accounts	△205	△216
Total current assets	29,302	28,320
Non-current assets		
Property, plant and equipment		
Leased assets	500	13,268
Accumulated depreciation	△457	△576
Leased assets, net	43	12,691
Other	2,191	3,412
Total property, plant and equipment	2,234	16,104
Intangible assets		
Goodwill	1,698	1,497
Other	2,064	2,200
Total intangible assets	3,763	3,698
Investments and other assets	3,060	3,572
Total non-current assets	9,058	23,375
Total assets	38,360	51,695

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	6,173	6,601
Short-term borrowings	1,040	1,000
Current portion of long-term borrowings	9	147
Lease obligations	25	532
Accounts payable - other	6,178	5,691
Income taxes payable	2,292	931
Provision for bonuses	—	1
Provision for point card certificates	279	60
Other	1,541	1,413
Total current liabilities	17,540	16,379
Non-current liabilities		
Long-term borrowings	245	129
Lease obligations	30	12,298
Provision for retirement benefits for directors (and other officers)	6	7
Asset retirement obligations	325	343
Deferred tax liabilities	13	22
Other	206	204
Total non-current liabilities	828	13,006
Total liabilities	18,369	29,386
Net assets		
Shareholders' equity		
Share capital	3,993	3,994
Capital surplus	8,014	8,015
Retained earnings	11,718	13,876
Treasury shares	△4,502	△4,503
Total shareholders' equity	19,223	21,383
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25	27
Foreign currency translation adjustment	△158	35
Total accumulated other comprehensive income	△133	62
Non-controlling interests	900	863
Total net assets	19,991	22,309
Total liabilities and net assets	38,360	51,695

(2) Consolidated Statement of Income

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Net sales	47,566	56,167
Cost of sales	23,587	28,599
Gross profit	23,979	27,568
Selling, general and administrative expenses	20,003	24,221
Operating profit	3,976	3,347
Non-operating income		
Interest income	0	0
Dividend income	0	0
Compensation income	7	8
Subsidy income	—	13
Material recycling revenue	3	3
Recoveries of written off receivables	7	12
Other	14	12
Total non-operating income	32	50
Non-operating expenses		
Interest expenses	9	20
Share issuance costs	17	—
Foreign exchange losses	12	8
Share of loss of entities accounted for using equity method	282	92
Other	5	3
Total non-operating expenses	327	125
Ordinary profit	3,681	3,272
Profit before income taxes	3,681	3,272
Income taxes - current	1,238	1,014
Income taxes - deferred	1	141
Total income taxes	1,239	1,155
Profit	2,441	2,117
Loss attributable to non-controlling interests	△10	△38
Profit attributable to owners of parent	2,452	2,156

(3) Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	2,441	2,117
Other comprehensive income		
Valuation difference on available-for-sale securities	0	2
Foreign currency translation adjustment	△41	193
Share of other comprehensive income of entities accounted for using equity method	△21	△1
Total other comprehensive income	△62	195
Comprehensive income	2,379	2,312
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,390	2,351
Comprehensive income attributable to non-controlling interests	△10	△38

(4) Consolidated Statement of Cash Flow

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities		
Profit before income taxes	3,681	3,272
Depreciation	404	549
Amortization of goodwill	297	290
Increase (decrease) in allowance for doubtful accounts	△38	11
Increase (decrease) in provision for bonuses	35	1
Interest and dividend income	△0	△0
Interest expenses	9	20
Foreign exchange losses (gains)	—	△0
Share of loss (profit) of entities accounted for using equity method	282	92
Decrease (increase) in trade receivables	△763	△556
Decrease (increase) in accounts receivable - other	△690	△334
Decrease (increase) in inventories	△170	△150
Increase (decrease) in trade payables	945	390
Increase (decrease) in accounts payable - other	529	△610
Increase (decrease) in accrued expenses	101	△57
Other, net	421	△489
Subtotal	5,046	2,429
Interest and dividends received	0	0
Interest paid	△9	△7
Income taxes paid	△559	△2,326
Net cash provided by (used in) operating activities	4,477	96
Cash flows from investing activities		
Purchase of property, plant and equipment	△923	△1,299
Purchase of intangible assets	△361	△322
Purchase of investment securities	△518	△306
Purchase of shares of subsidiaries and associates	△0	—
Payments of leasehold and guarantee deposits	△138	△399
Proceeds from refund of leasehold and guarantee deposits	0	0
Other, net	△2	△0
Net cash provided by (used in) investing activities	△1,943	△2,328
Cash flows from financing activities		
Proceeds from long-term borrowings	95	—
Repayments of long-term borrowings	△1	△26
Proceeds from issuance of shares	4,586	2
Proceeds from share issuance to non-controlling shareholders	300	—
Purchase of treasury shares	△0	△0
Repayments of lease obligations	△17	△13
Net cash provided by (used in) financing activities	4,961	△37
Effect of exchange rate change on cash and cash equivalents	7	47
Net increase (decrease) in cash and cash equivalents	7,503	△2,222
Cash and cash equivalents at beginning of period	7,654	15,552
Cash and cash equivalents at end of period	※15,158	※13,330
Cash flows from operating activities		
Profit before income taxes	3,681	3,272
Depreciation	404	549

Amortization of goodwill	297	290
Increase (decrease) in allowance for doubtful accounts	△38	11
Increase (decrease) in provision for bonuses	35	1