



**FOODiSON**

# **FY24/3 Q3 Earnings Report**

**Foodison, Inc.**

**Ticker : TSE Growth 7114**

- 1 | **FY24/3 Q3 Financial Results**
- 2 | **Company Overview**
- 3 | **Growth Strategy**
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# FY24/3 Q3 Financial Results

# FY24/3 Q3 Key Metrics

## Financial Highlights

Revenue  
(Y/Y growth rate)

**1,766MM** (+15.3%)

Growth Profit  
(Y/Y growth rate)

**637MM** (+17.8%)

EBITDA<sup>(1)</sup>  
(Y/Y growth rate)

**105MM** (+41.7%)

## Key Business Metrics

Company

OPEX Ratio<sup>(2)</sup>  
(Y/Y Increase)

**30.1%**  
(-0.3pts)

Ad Expenditure Ratio  
(Y/Y Increase)

**1.8%**  
(+0.4pts)

BtoB Commerce

Q3 Active Users<sup>(3)</sup>  
(Y/Y growth rate)

**4,204**  
(+16.8%)

Q2 ARPU<sup>(4)</sup>  
(Y/Y growth rate)

**11.0万円**  
(+3.8%)

- (1) EBITDA = Operating Profit + depreciation and amortization, hereinafter referred to as "EBITDA"  
 (2) OPEX refers to Operating Expenditure which is calculated by subtracting depreciation and amortization expenses from SG&A. OPEX Ratio refers to a ratio of OPEX versus revenue.  
 (3) Refers to the number of users who placed at least one order each month. Figures are quarterly averages of monthly Active Users  
 (4) ARPU (Average Revenue Per User) refers to the average monthly revenue per active user

# FY24/3 Q3 Financial Highlights

## Financial Highlights

### Quarterly revenue and profit increased by capitalizing on demand during the peak seasons of the industry

- **Quarterly revenue and profit reached a record high**

- Revenue 1,766 MM JPY (Y/Y +15.3%)
- EBITDA 105 MM JPY (Y/Y +41.7%)

### BtoB commerce led the overall growth

- **The growth of active users and ARPU remains robust**

- BtoB Commerce Revenue 1,410 MM JPY (Y/Y +21.2%)
- Active Users 4,204 Users (Y/Y +16.8%)
- ARPU 110,990 JPY (Y/Y +3.8%)
- New Cohort Revenue 140 MM JPY (Y/Y +23.6%)

### Both BtoB commerce and BtoC commerce continue to experience an upward trend in gross profit margin

- **BtoB Commerce is undergoing structural changes aimed at expanding gross profit margin, which has shown promising results**

- Gross Profit Margin excluding HR 32.6% (Q/Q +0.5pts, Y/Y +1.5pts)

### Impact of the increase in fixed costs of a new Fulfilment Center<sup>(1)</sup> has been minimized

- **OPEX Ratio improved Y/Y despite the increase in fixed costs associated with the new FFC**

- OPEX Ratio 30.1% (Y/Y -0.3pts)

# FY24/3 Q3 Business Highlights and Outlook

## Business Highlights

- **Number of SKUs<sup>(1)</sup> increased with the opening of the new FFC**
- **Building a domestic supply system in response to China's import regulations on seafood products**
  - Held various events to support scallop farmers, who were particularly affected
- **Sequential release of sakana bacca private brand products**
- **HR remains committed to prioritizing the execution of its recruitment plan, however, there have been slight delays in both the timing of hiring and the training of new hires**

## Outlook

- **We plan to improve productivity and expand SKUs<sup>(1)</sup> by leveraging the capabilities gained from the new FFC**
  - Strive for further productivity improvement through optimization of supply chain management
  - Expand SKUs gradually with the expansion of warehouse capacity to achieve an increase in ARPU
- **In BtoC Commerce, we will launch private brand products that leverage the strengths of sakana bacca branding**
- **New store openings of BtoC Commerce involves patiently seeking favorable properties and carefully assessing them without being overly hasty**
- **Both the restaurant and retail industries are facing a shortage of staff, yet the demand remains strong. HR will persist in focusing on executing its recruitment plan**

# FY24/3 Q3 Financial Results

- Quarterly revenue increased by +15.3% (Y/Y), while EBITDA saw a notable increase of +41.7% (Y/Y), driven by capitalizing on demand during the peak seasons of the industry

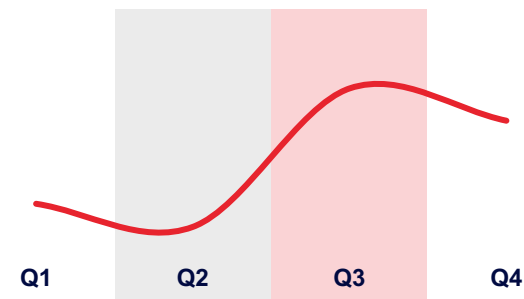
(MM JPY)	FY23/3 Q3 (Oct-Dec 2022)	FY24/3 Q3 (Oct-Dec 2023)	Y/Y	FY23/3 Q1-Q3 Total (April-Dec 2022)	FY24/3 Q1-Q3 Total (April-Dec 2023)	Y/Y
<b>Revenue</b>	1,533	<b>1,766</b>	+15.3%	3,894	<b>4,743</b>	+21.8%
BtoB Commerce	1,163	<b>1,410</b>	+21.2%	2,900	<b>3,713</b>	+28.0%
BtoC Commerce	275	<b>266</b>	-3.3%	707	<b>743</b>	+5.1%
HR	93	<b>89</b>	-3.8%	282	<b>286</b>	+1.5%
<b>Gross Profit</b>	541	<b>637</b>	+17.8%	1,421	<b>1,708</b>	+20.2%
Gross Profit Margin	35.3%	<b>36.1%</b>	+0.8pts	36.5%	<b>36.0%</b>	-0.5pts
<b>Operating Profit</b>	69	<b>98</b>	+40.7%	122	<b>150</b>	+23.4%
<b>EBITDA</b>	74	<b>105</b>	+41.7%	136	<b>168</b>	+23.4%
<b>Ordinary Profit</b>	62	<b>99</b>	+60.3%	121	<b>151</b>	+24.8%
<b>Net Income</b>	39	<b>80</b>	+101.6%	74	<b>138</b>	+86.5%

# FY24/3 Q3 Actual vs Forecast

(MM JPY)	FY24/3 Q1-Q3 Total	FY24/3 Full-Year	
	Actual	Forecast <sup>(1)</sup>	vs Actual
<b>Revenue</b>	4,743	6,541	<b>72.5%</b>
<b>Operating Profit</b>	150	164	<b>91.8%</b>
<b>Ordinary Profit</b>	151	167	<b>90.4%</b>
<b>Net Income</b>	138	172	<b>80.3%</b>

## (For Reference) Business Seasonality

Demand in Q2 declines due to the impact of high temperatures during the summer. However, demand grows significantly in Q3 driven by holiday demands for restaurants



### Q4 Outlook

- No changes to the assessment of business environment or demand
- The delay in revenue progress is primarily due to the closure of a BtoC store at the end of September, with similar effects expected in Q4
- We anticipate steady progress in operating profit and ordinary profit

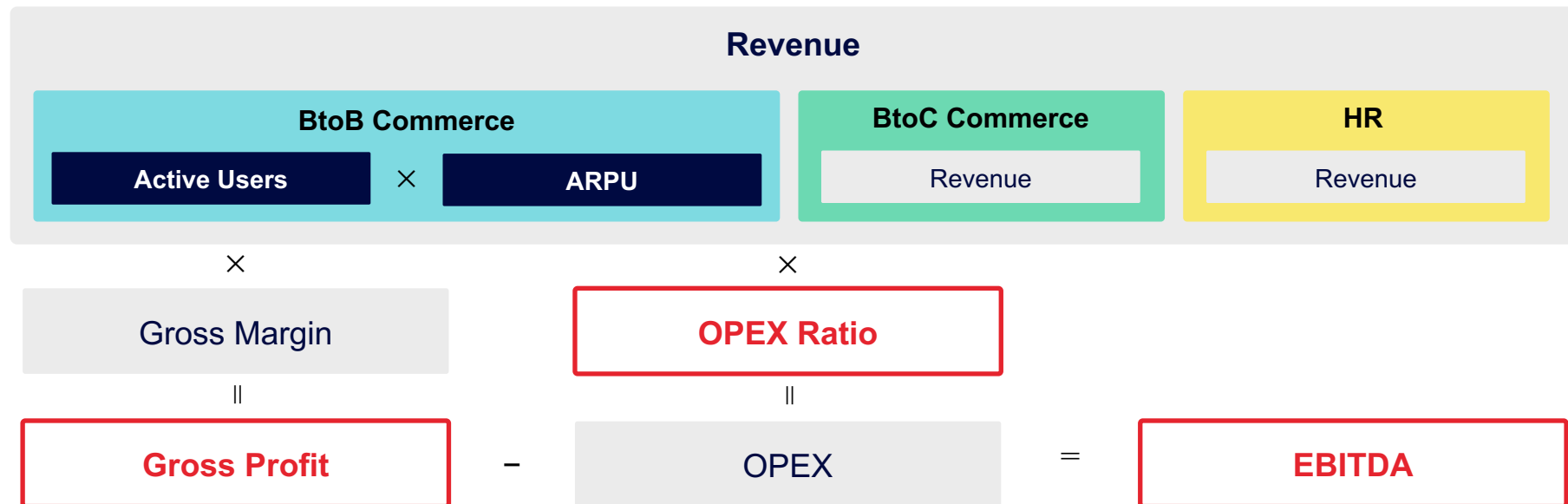


# Business Model

- The assessment of value creation is based on gross profit, OPEX ratio, and EBITDA, while the business growth is assessed by Active Users and ARPU in BtoB Commerce. In the short term, the most critical KPI is the growth of gross profit

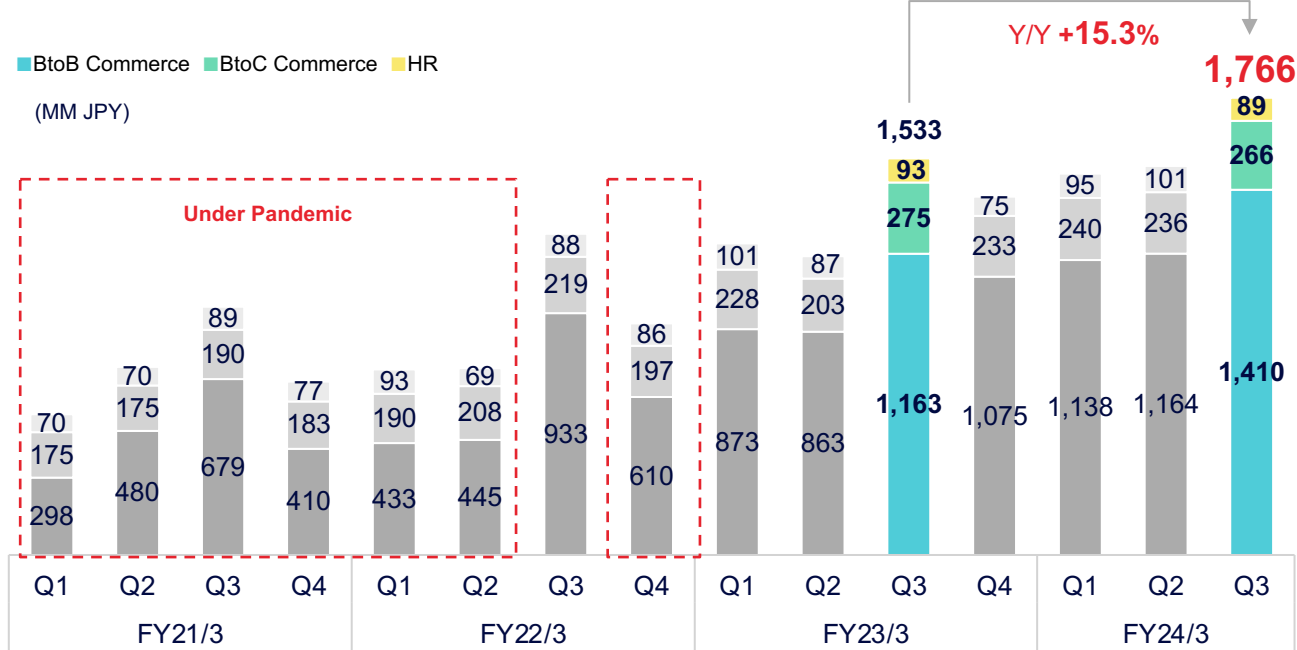
Financial KPI

Business KPI



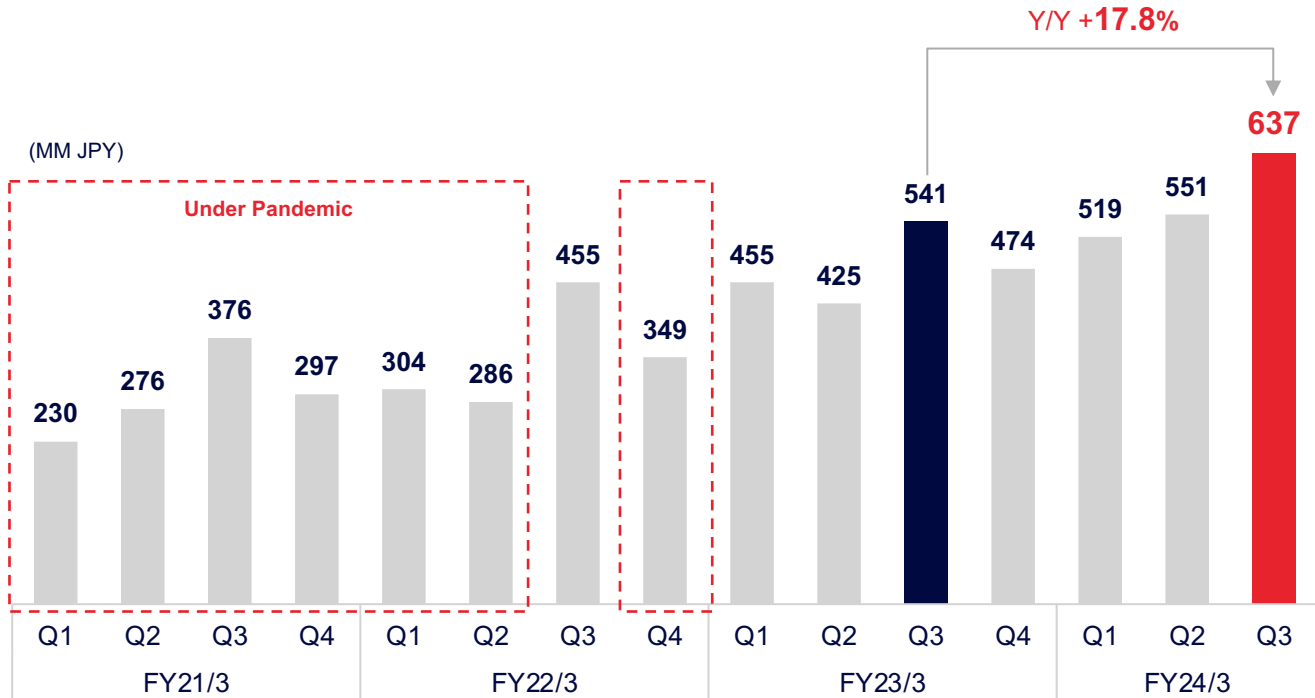
# Consolidated Revenue

- Both Active Users and ARPU had consistent growth which led to growth of +21.2% (Y/Y) in BtoB Commerce revenue
- BtoC Commerce revenue experienced a decline of 3.3% (Y/Y), primarily due to the closure of a store at the end of September
- HR remains committed to prioritizing the execution of its recruitment plan, however, there have been slight delays in both the timing of hiring and the training of new hires, resulting in a revenue decline of 3.8% (Y/Y)



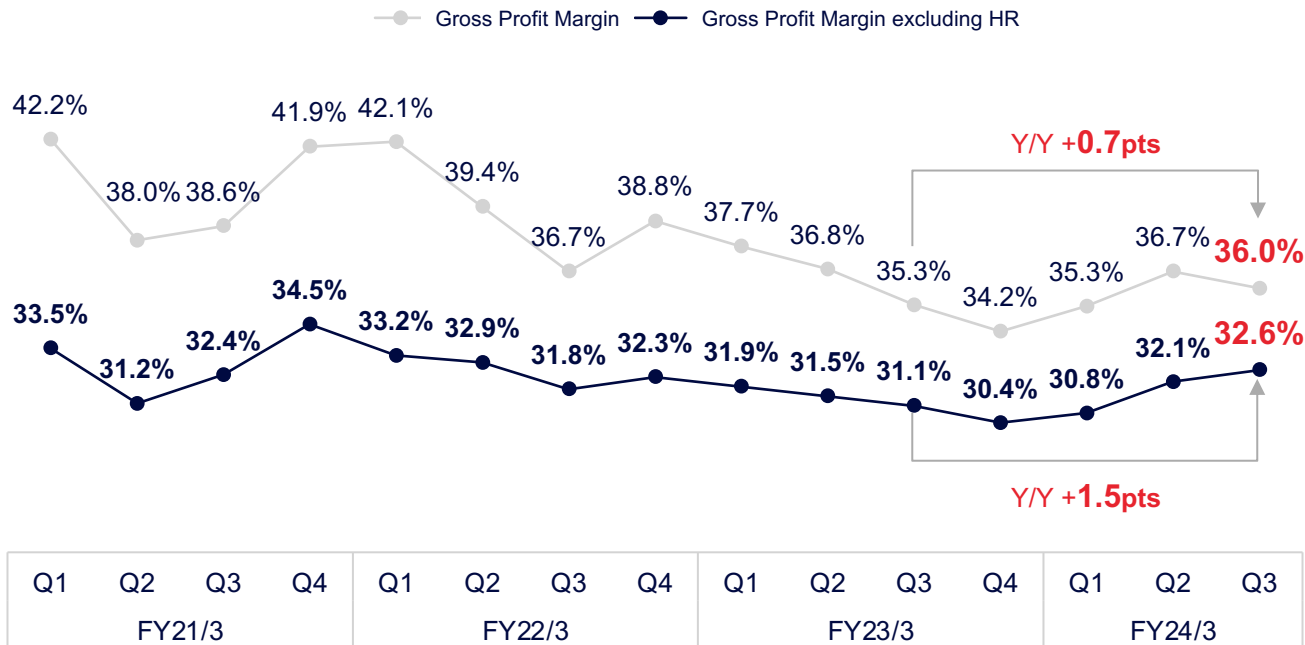
# Consolidated Gross Profit

- Gross profit has been steadily progressing, with a +17.8% growth (Y/Y)



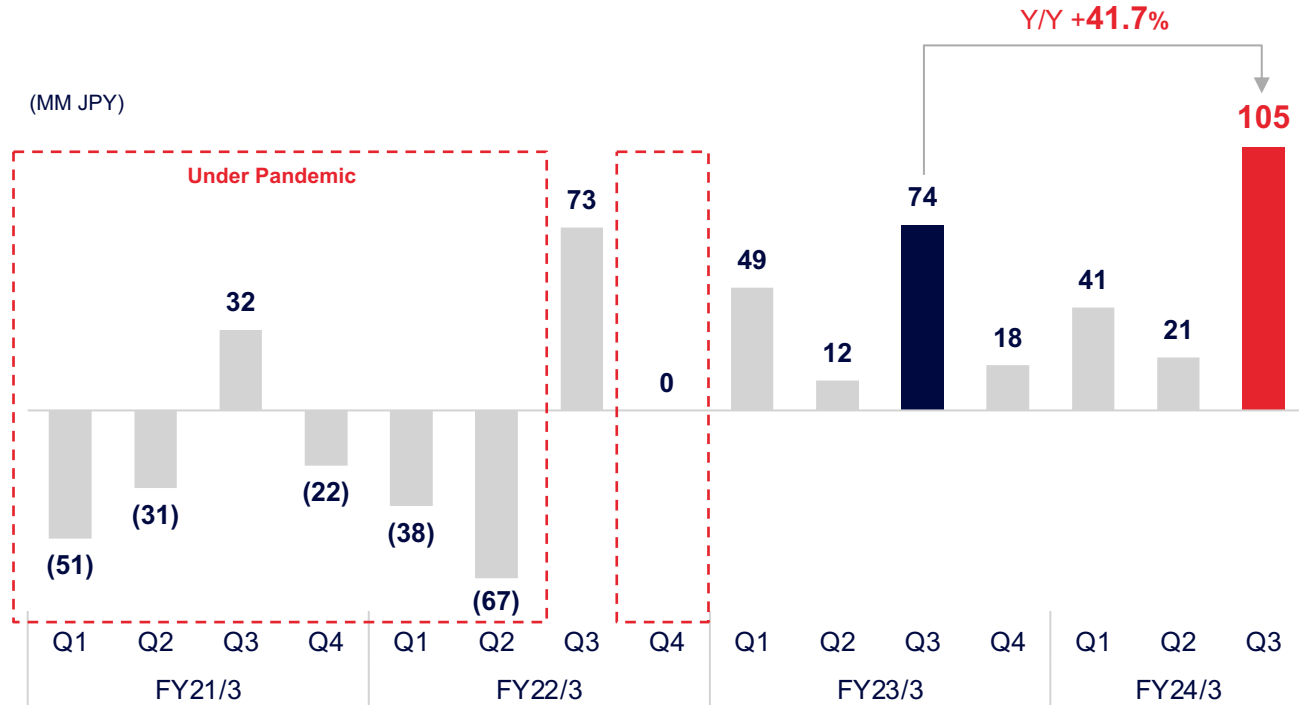
# Consolidated Gross Profit Margin

- BtoB Commerce is undergoing structural changes aimed at expanding gross profit margin, which has shown promising results



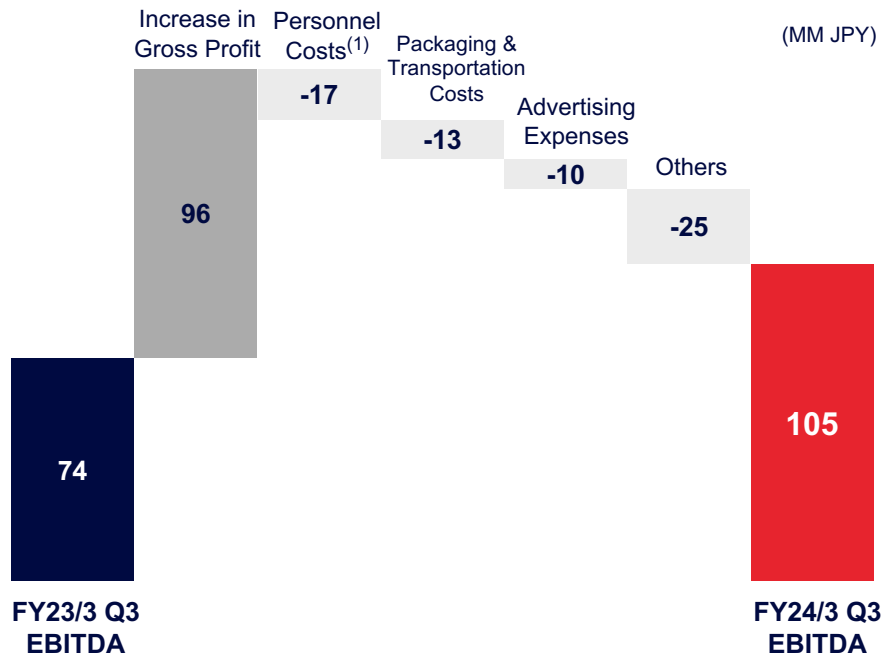
# Consolidated EBITDA

- EBITDA increased by +41.7%(Y/Y) due to an improvement in gross profit margin



# EBITDA Change Analysis

vs FY23/3 Q3



## Increase in Gross Profit

- Increase in Active Users and ARPU of BtoB Commerce
- Increase in Gross Profit Margin

## Increase in SG&A

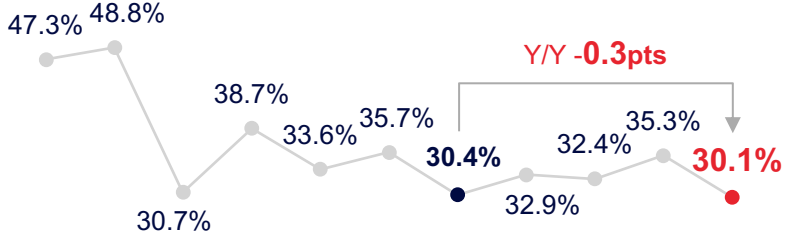
- Personnel Costs : Increase due to increased shipment volume and new recruitment
- Packing & Transportation Costs : Increase due to increased shipment volume
- Advertising Expenses : Increase for new user acquisition
- Others : Increase due to increased new FFC fixed costs, transaction fees and consumables costs

(1) Personnel costs include salaries and allowances, bonuses, executive remuneration, and statutory welfare expenses

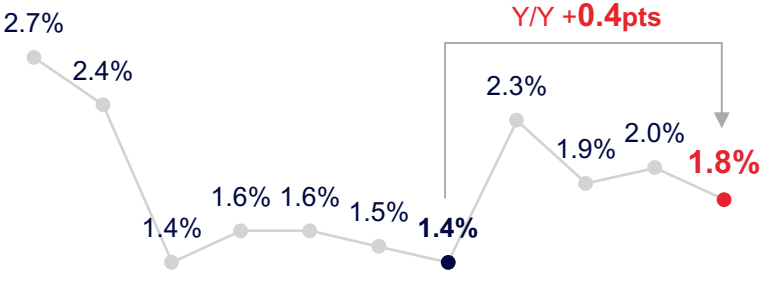
# Company | OPEX Ratio and Advertising / Sales Ratio

- OPEX Ratio improved by 0.3pts (Y/Y), despite the increased fixed costs associated with the new FFC
- Advertising-to-Sales Ratio increased by +0.4pts (Y/Y) due to investments made for new user acquisition, as planned

## OPEX Ratio



## Advertising-to-Sales Ratio



Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
FY22/3				FY23/3				FY24/3		

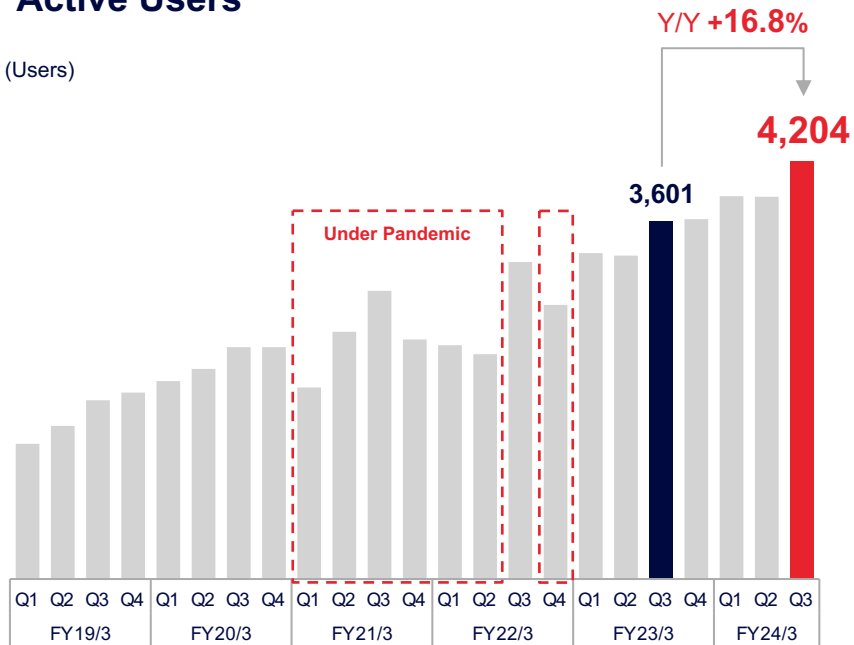
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
FY22/3				FY23/3				FY24/3		

# BtoB Commerce | Active Users and ARPU

- Active users and ARPU have both grown steadily

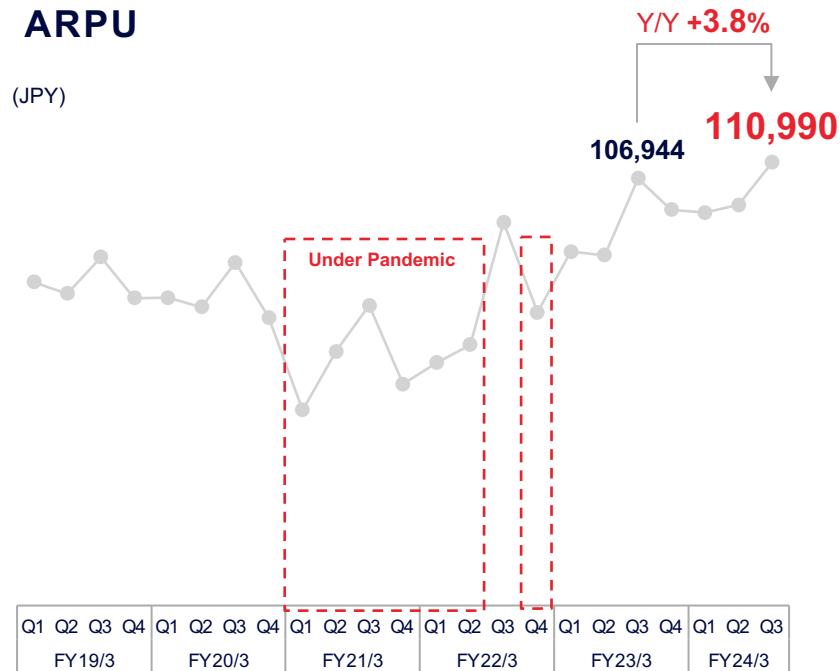
## Active Users

(Users)



## ARPU

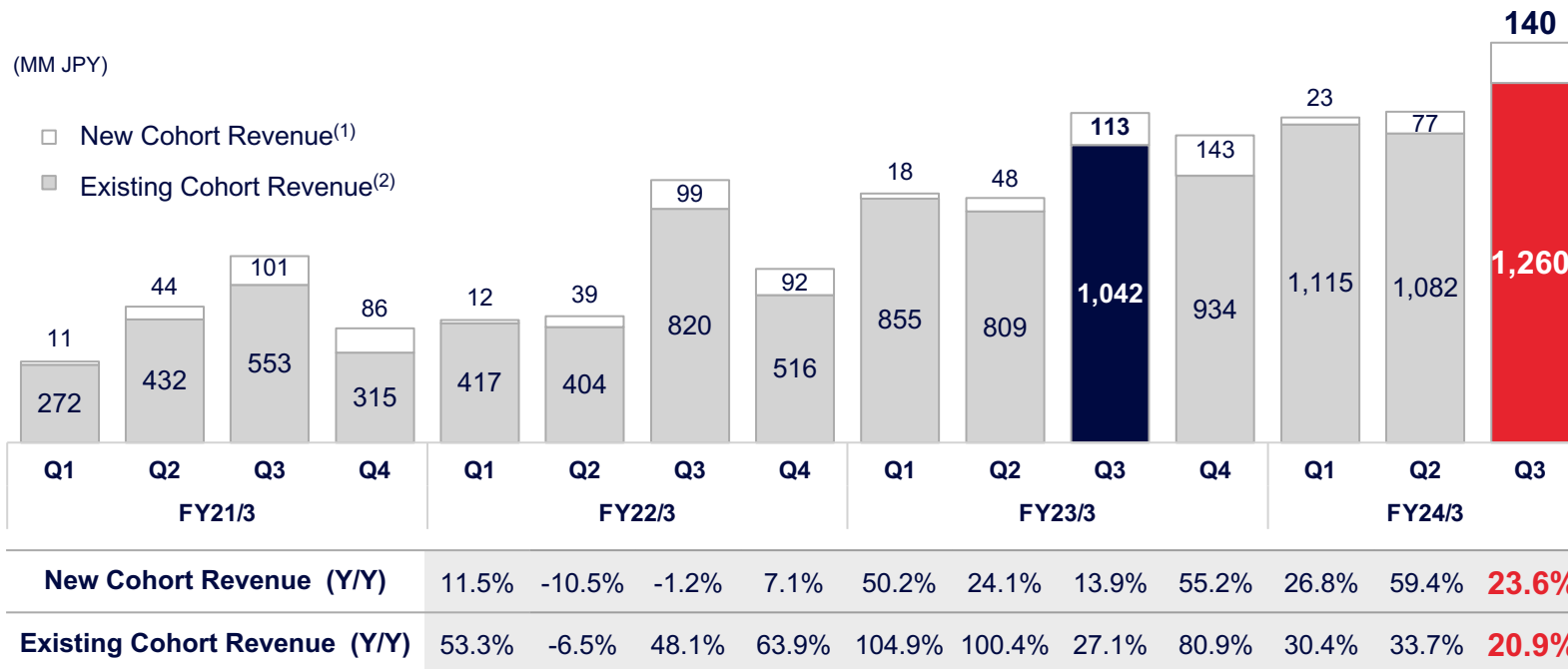
(JPY)





# BtoB Commerce | Revenue by Cohort

- Existing Cohort Revenue had steady growth of +20.9% due to the high retention of the existing users
- As a result of the increased advertising expense, the growth rate of New Cohort Revenue had a rapid growth of +23.6% (Y/Y)



(1) "New Cohort Revenue" are the sum of quarterly sales brought by newly registered users in the same fiscal year as the year of enrollment

(2) "Existing Cohort Revenue" are the sum of quarterly sales generated by users enrolled before the previous fiscal year

# Company Overview

## OUR MISSION

***Changing the World's Food Experience More Enjoyable***

## OUR VISION

***Creating A Better Cycle in Fresh Food Distribution***

The food industry is immense.

From production to wholesale, distribution, retail, and consumers, the population involved is the highest of all industries.

That is why there are countless challenges that can be seen locally.

The players are highly specialized, but there is no role to optimize the overall. We tend to blame someone else for this. That's why nothing changes. Foodison, takes a bird's eye view of it.

By becoming the conductor of the huge orchestra of the food industry, we will draw out the potential of professionals and create a new circulation in the fresh food distribution.

Imagine a world where you can source a variety of ingredients from all over Japan with just one fingertip.

Imagine a world filled with aspiring craftsmen passionate about working for food.

Imagine a world where the first taste of an unknown fish reaches your dining table.

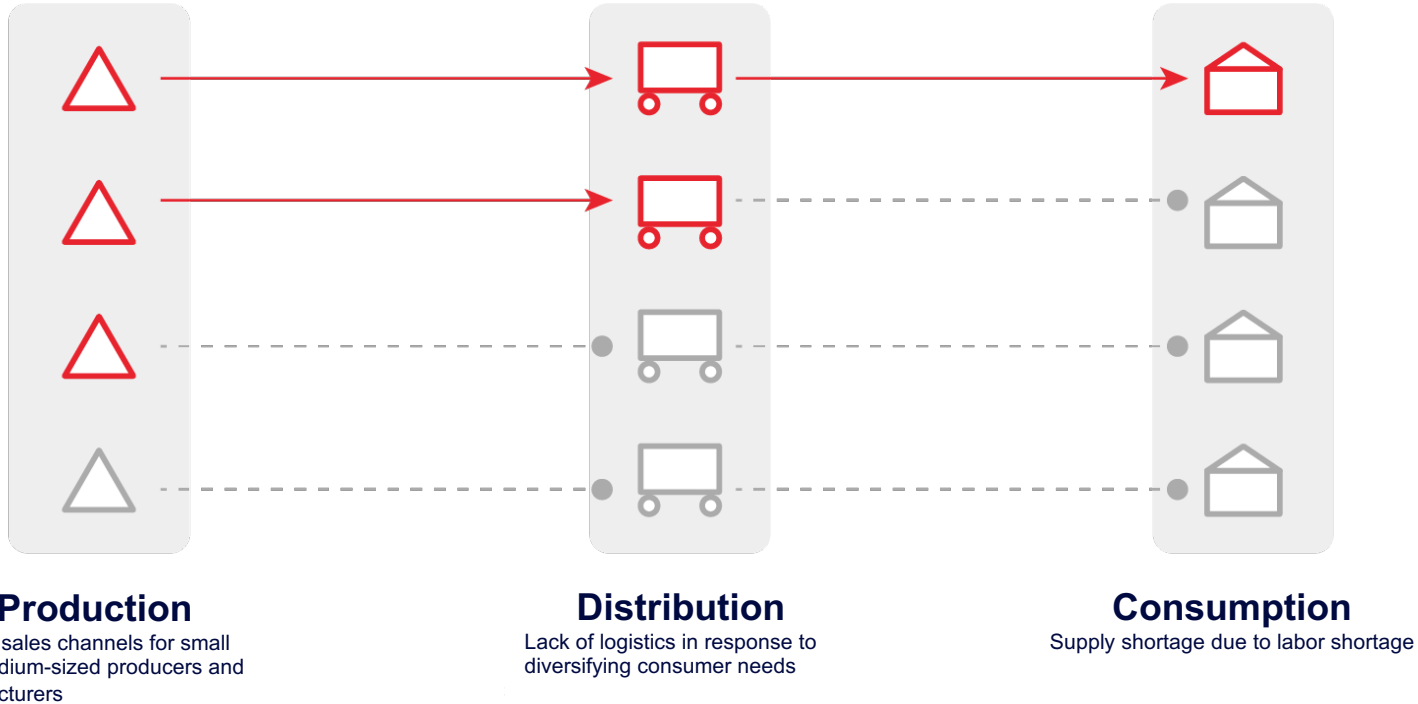
The food culture that Japan is proud of has only begun.

**FOODISON**



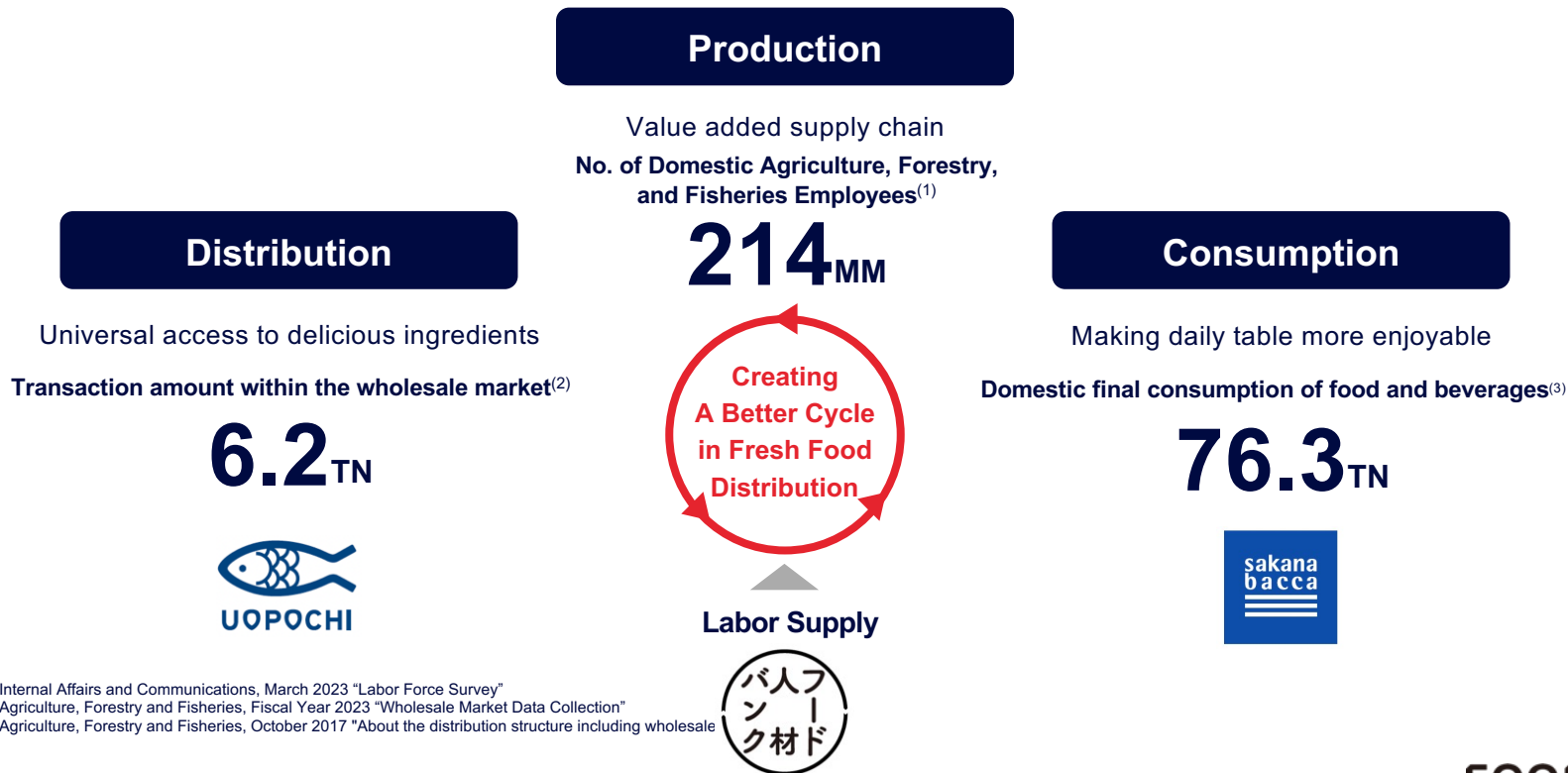
# The Challenges Faced by the Food Industry

The food industry, which is at the core of our daily lives, has been experiencing a shift in balance due to change in the environment



# Updating Fresh Food Distribution as a Platformer

Updating fresh food distribution, which has lagged in the use of information technology, to a digital-centric distribution system to realize a world where a wide variety of food products can be enjoyed



(1) Ministry of Internal Affairs and Communications, March 2023 "Labor Force Survey"

(2) Ministry of Agriculture, Forestry and Fisheries, Fiscal Year 2023 "Wholesale Market Data Collection"

(3) Ministry of Agriculture, Forestry and Fisheries, October 2017 "About the distribution structure including wholesale"

# BtoB



UOPOCHI

Connecting local suppliers nationwide for the best encounters between food ingredients and chefs

Uopochi

## BtoB Commerce Food EC for restaurants

“Uopochi” is a procurement service for restaurants primary focusing on fresh food. Our own logistics base in the Ota wholesale market connects information and logistics to ensure smooth procurement of fresh fish and other food ingredients.

Core Users

Small and Medium-sized Restaurants

### Problem

Limited resource

Have to go to the market in the morning to select supplies

Desire for high-quality ingredients and rare food items

### Value Proposition

- Easy ordering with smartphone
- Delivery from the market to the door
- Accepting orders until 3AM, with delivery as early as the next day

- Orders for the next day can be placed from 3 : 30 pm
- Detail information about products provided by professional buyers

- A variety of fresh fish procured direct from all over Japan

# BtoC



*Adding a touch of excitement and adventure to dishes at home*

## sakana bacca

### BtoB Commerce

**The seafood store always has something new to discover**

“sakana bacca” is a modern style seafood store with a focus on high-quality fish from nationwide, high design, and product planning. Currently expanding to 9 stores in Tokyo.

### Core Users

### Local Consumer

### Problem

Unsatisfied with the freshness and product lineup of fish at supermarkets

The difficulty of cooking fish, even if you want to eat it

There are limited opportunities for learning and experiencing about food and ingredients

### Value Proposition

- Direct from the market
- Variety of fresh seafood that can only be found in a specialty store

- Easy-to-understand explanations by professionals

- Events focused on enhancing the food experience
- Promotion of private brands in collaboration with producers and suppliers

# HR



*Aspiring to make the job of the food industry a desirable career, making specialized skills available to everyone*

## Food Talent Bank

HR

**A recruitment agency for the food industry**

Strong understanding of the industry and are able to make the best match for talented individuals

**Core Users**

**Restaurants, supermarkets, food factories, etc.**



### Problem

The database of major staffing companies is mainly focused on office workers

When talking to recruitment agents, they don't understand the level of skill required

Recruitment channels only target part-time workers

### Value Proposition

▶ A database specialized in the food industry

▶ Agents with a high level of understanding of the industry

▶ Introduction of regular employment in the food industry

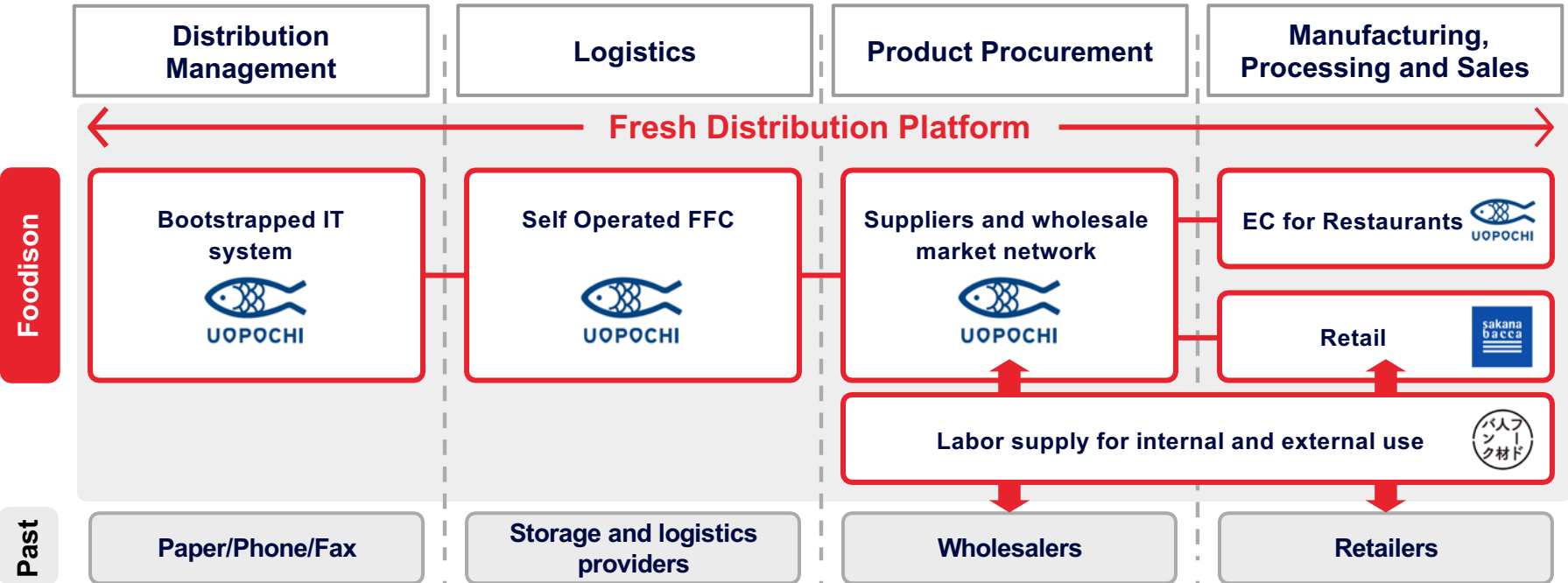


## COMPANY HIGHLIGHT

- 1 | **A Seamless Platform Connected from Upstream to Downstream**
- 2 | **Access to Fresh Wholesale Markets and Strong Supplier Network**
- 3 | **High Barriers to Entry for Digital Transformation in Fresh Food Distribution**
- 4 | **Attractive Business Model and Growth Potential**

# Establishing a Fresh Food Distribution Platform on Uopochi

Current fresh food distribution systems were designed before AI and the Internet were invented, and more convenient distribution systems can be realized by utilizing the latest technologies. We built a system that integrates distribution functions that have been divided into different branches of industry in a single integrated system to improve productivity



# Access to the Fresh Markets and Nationwide Unique Network of Suppliers

Building a strong network of local suppliers based on our own distribution functions to provide reliable value

## Access to the Fresh Wholesale Markets

The proprietary distribution functions within wholesale markets enables fast procurement and delivery



## Nationwide Unique Network of Suppliers

Listing Frequency

- High
- Medium
- Low
- None

※As of May, 2023

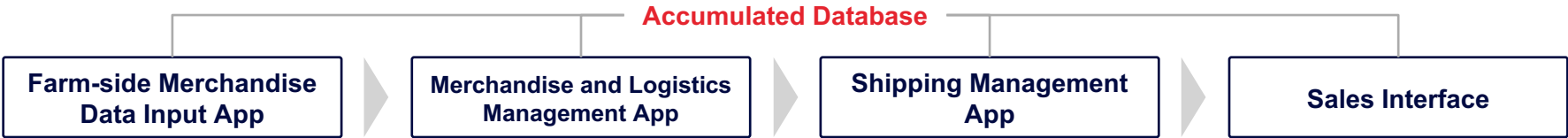
More than 70 local regions



# Analog and Complex Distribution Structures

Overcame barriers to entry for applying digital transformation in fresh distribution by developing proprietary software

## Proprietary Software Development



目方計量データ一覧

全件 | サカナ(サカナ) | 鮮魚産数 1457 | マグロ 340 | 消費 396

出荷日	発送先	仕入れ先	品名	規格	数量	重量	計量
2023-04	FD_産	品-4	5216294	天然七ツク トビウオ (定置)	全 位	209 100g	10 14.39 平均2.5
2023-04	FD_産	品-4	5216229	天然七ツク イサキ (定置)	全 位	209 100g	10 1.82 - 4.16 平均2.9
2023-04	FD_産	品-4	5216269	天然七ツク ゴマサシ (定置)	全 位	209 100g	10 0.98 - 2.34 平均1.6
2023-04	FD_産	品-4	5217084	天然七ツク 小巻サシ (定置)	全 位	209 100g	10 2.11 - 4.84 平均3.4

トップへ戻る | 2023-05-01 | 納品済 29 / 29

履歴連絡 | マップ | CSV | 納込先変更

鮮魚かり取り一覧

No.	希望 平均納品	顧客情報
1	午前 09:49	AM B
2	午前 09:54	AM D
3	午後 09:50	AM B
4	午前 10:04	AM B
5	午前 10:12	AM D



# Regulated Market

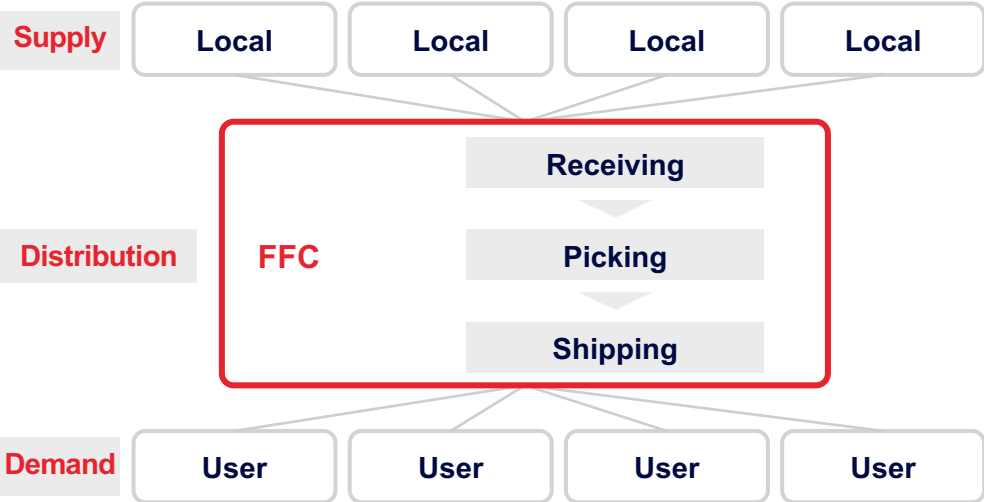
We have obtained various permits and licenses to operate in the Tokyo Central Wholesale Market and have secured space for large-scale shipping operations at the Ota Market

## Obtained licenses to enter wholesale market

- Wholesale business license within the market
- Auction participation license
- Seafood manufacturing permitted facilities in the market

## Securing large-scale FFC directly connect to the market

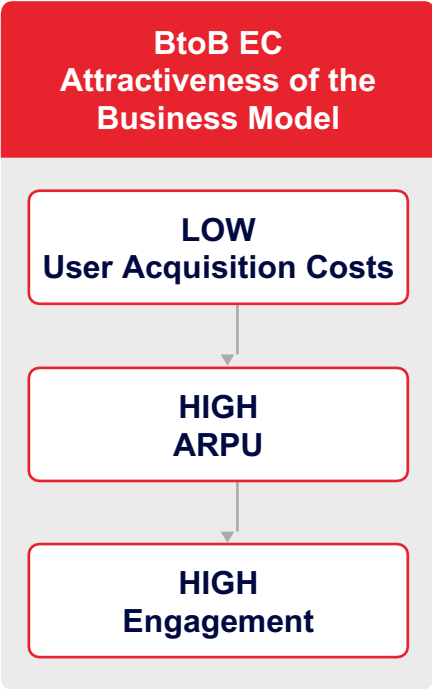
With the demand and supply spread across the country, large-scale FFC that is connected to the market provides competitive advantage



# Characteristics and Attractions of BtoB EC Business Model

Due to the higher unit price in BtoB EC, efficiency and cost savings are high, and there is a high level of engagement given the demand is for business purposes. Therefore, it is important to ensure service quality

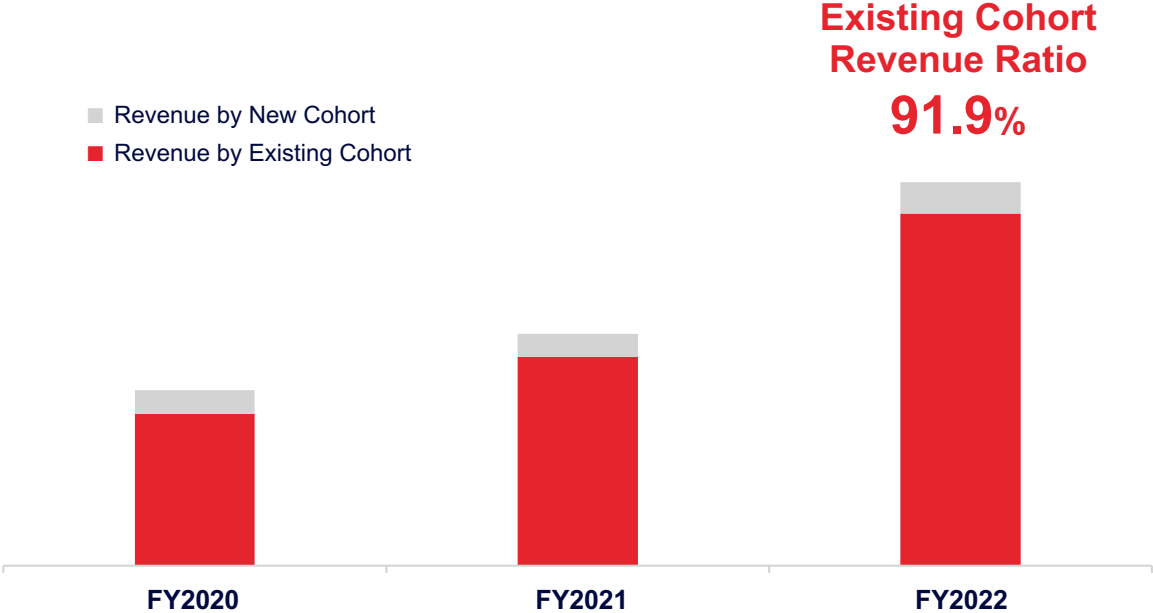
Features of BtoC and BtoB EC		BtoC EC	BtoB EC
Typical examples		Mall Type	Self Operated
Product Category		<b>Wide</b> Home appliances, clothes, etc.	<b>Narrow</b> Food, tools, etc.
ARPU	Purchase Frequency	<b>Low</b> When necessary	<b>High</b> Always required
	Unit Price	<b>Low</b> Personal use	<b>High</b> Business use
Marketing Cost	New user acquisition	<b>High</b> High competition	<b>Low</b> Low competition
	Existing users	<b>High</b> Need to stimulate	<b>Minimal</b> Business demand



# User Engagement is High, and Existing Cohort is Driving Growth

Revenue has been expanding year by year due to the perceived convenience and gained trust from customers

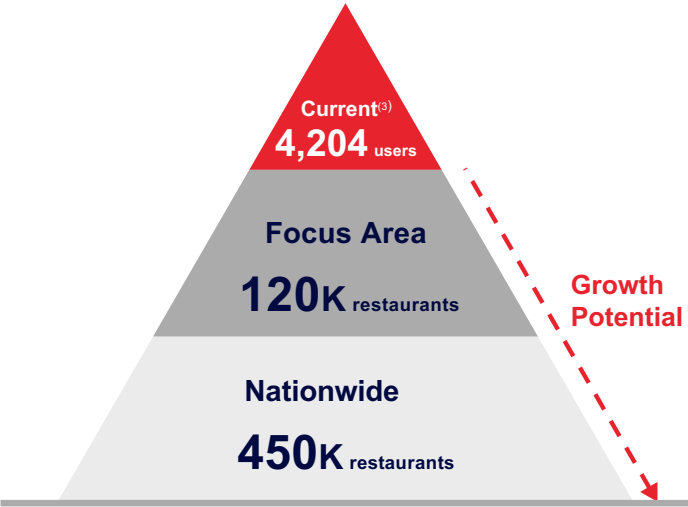
## BtoB Commerce | Revenue by Cohort



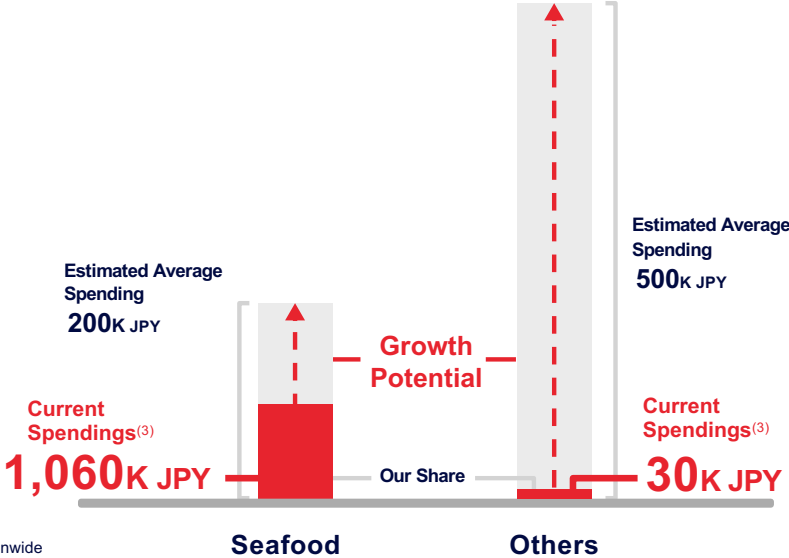
# Growth potentials of KPIs in BtoB Commerce

There is ample room to expand the tail end of BtoB Commerce users and ARPU

## Growth Potential of Users<sup>(1)</sup>



## Growth Potential of ARPU<sup>(2)</sup>

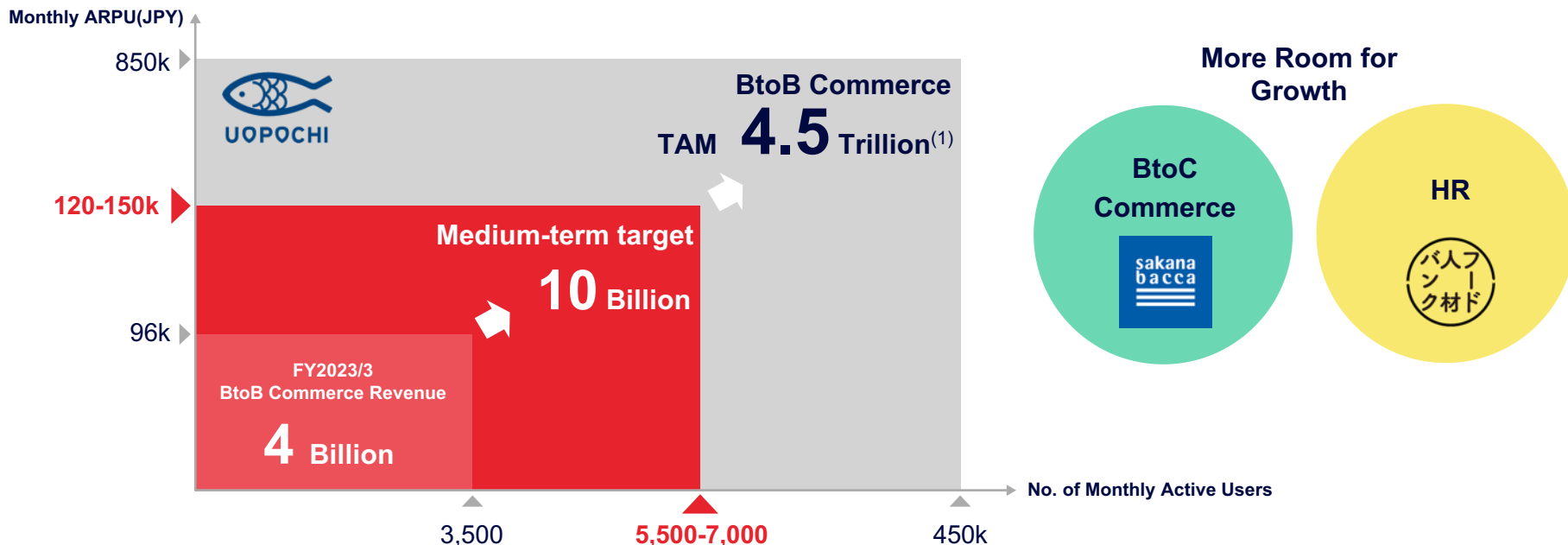


(1) Calculated by estimating the proportion of small and medium-sized restaurants to be 75% from the number of restaurants nationwide (Ministry of Internal Affairs and Communications / Ministry of Economy, Trade and Industry "2016 Economic Census - Activity Survey")  
 (2) Calculated based on the assumption that of monthly sales of 3.5 million yen and a cost ratio of 33%, of which food accounts for 60% and seafoods account for 30%.  
 (3) As of FY24/3 Q2



# Market Opportunities Expand as We Gain Market Share

There are approximately 450,000 restaurants nationwide, indicating ample room for expansion in BtoB Commerce alone. By further expanding into BtoC Commerce and establishing support functions such as HR services, there is significant potential to increase revenue and build upon the existing foundation

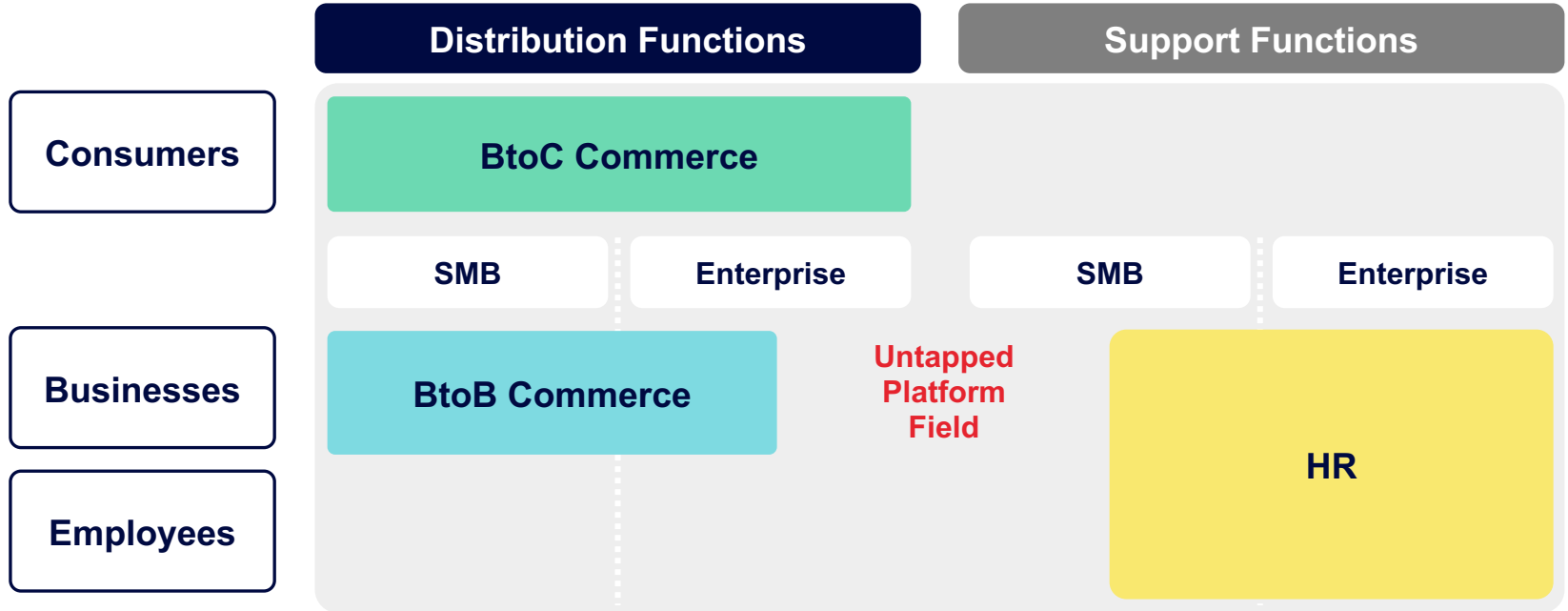


(1) TAM (Total Addressable Market) is the largest market size that our BtoB Commerce can capture, and is calculated by estimating from the number of restaurants nationwide and the sales amount of restaurants (Ministry of Internal Affairs and Communications / Ministry of Economy, Trade and Industry "2016 Economic Census - Activity Survey").  
The calculation formula is as follows : Number of restaurants nationwide 450,000 × Total sales (income) per establishment : Approximately 31.73 million yen × Cost ratio of general restaurants 33% (estimated by the Company)

# Growth Strategy

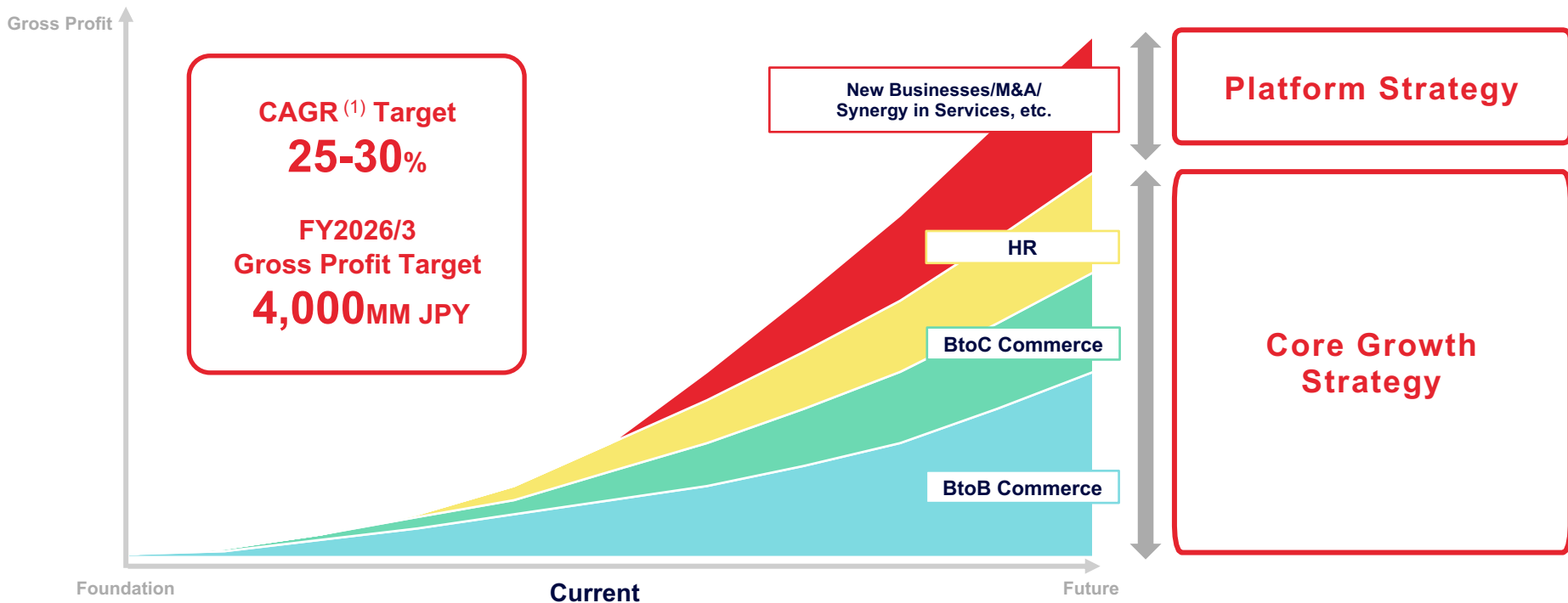
# General Concept of Our Platform Growth

We intend to expand the scope of our platform in the long term by building distribution and support functions



# Medium to Long-term Growth Image

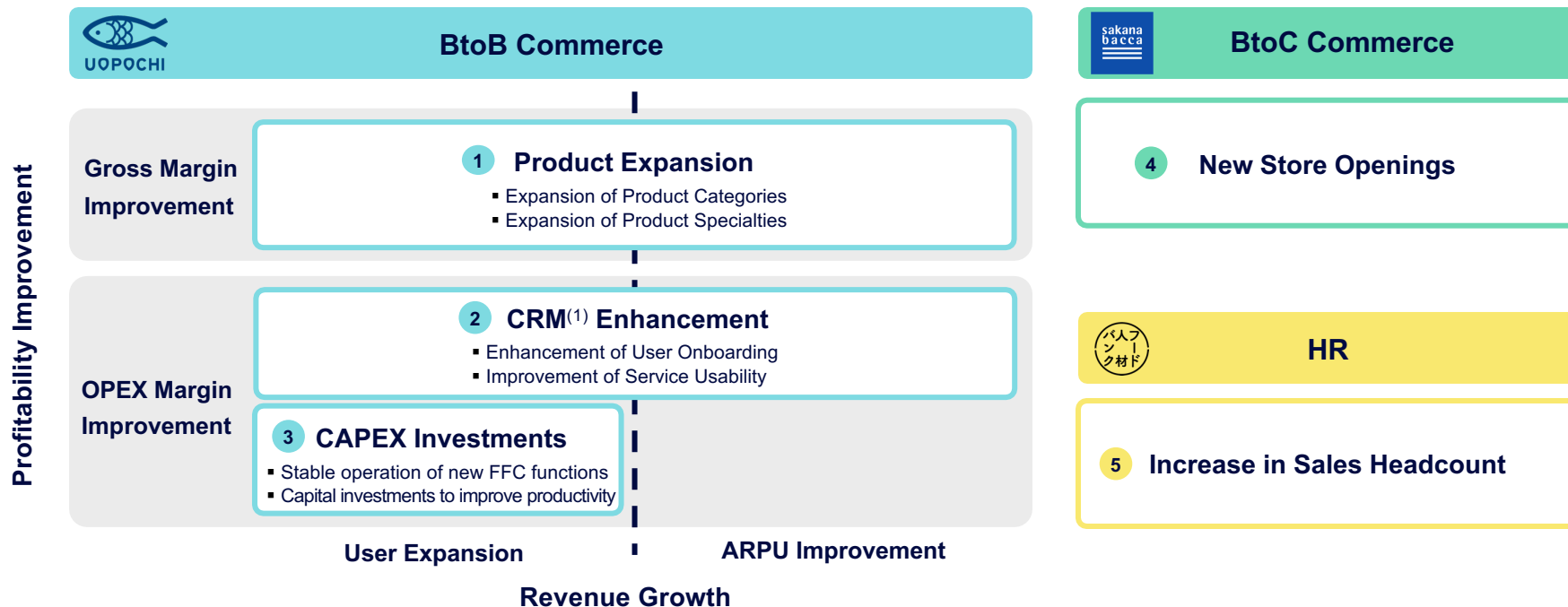
We will ensure the growth of existing services through Core Growth Strategy, and accelerate growth through Platform Strategy that aims to build a long-term platform



(1) CAGR = Compound Annual Growth Rate

# Core Growth Strategy

Our growth strategies are centered in improving usability



(1) CRM (Customer Relationship Management) is a series of initiatives aimed at building, maintaining, and improving good relationships with users

# Progress of Core Growth Strategy

Progress of each strategy is on track, and KPIs of BtoB Commerce are already showing positive outcome



## BtoB Commerce

### 1 Product Expansion

- Increase in the number of SKUs, utilizing the expansion of the warehouse
- Private product development and distribution support for snow crabs in Hokkaido

### 2 CRM Enhancement

- Reimplementing the marketing automation system
- Revision in pricing structure aimed at exploring user reservation prices

### 3 CAPEX Investments

- New FFC operation started in August
- Sequential capital investment to enhance productivity



## BtoC Commerce

### 4 New Store Openings

- New store in Tokyo Station in April



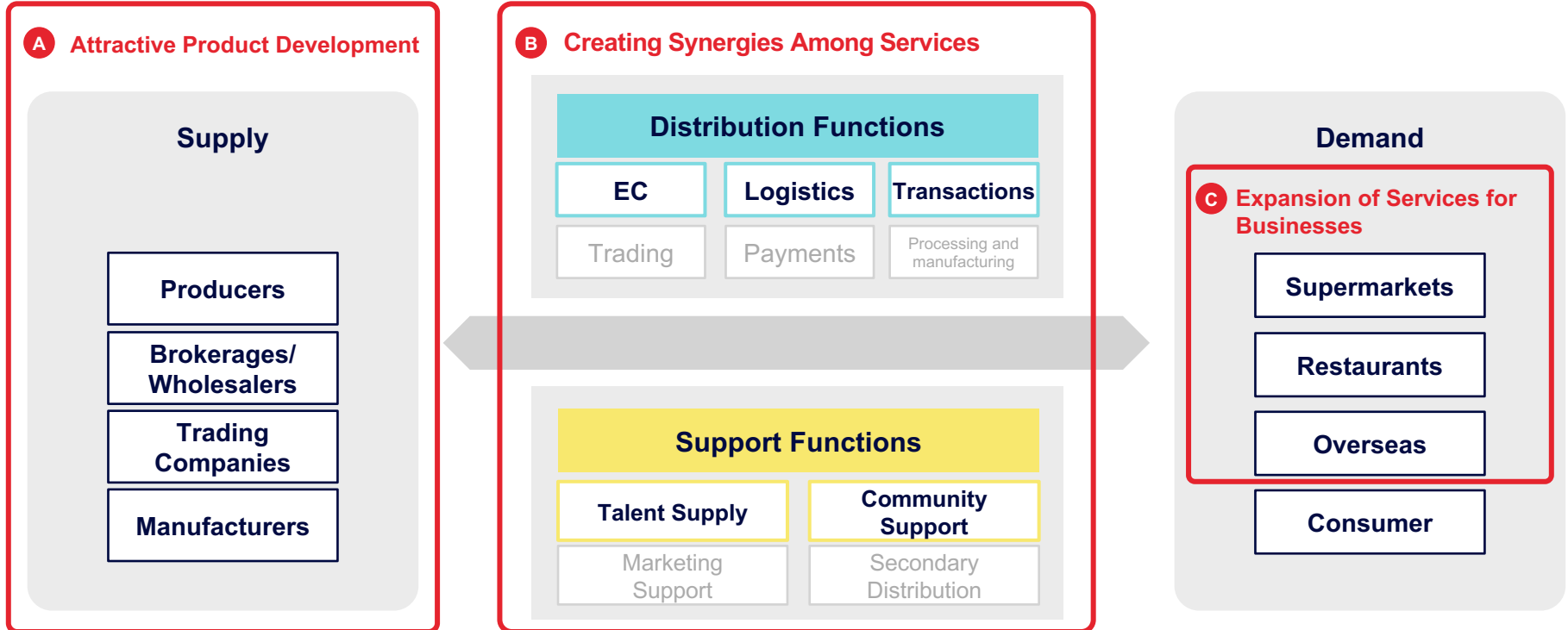
## HR

### 5 Increase in Sales Headcount

- Slight delay in hiring and training

# Platform Strategy

We plan to expand distribution and support functions to provide services according to customer size, area, and product category



# Progress of Platform Strategy

Executing initiatives with the potential for medium to long-term impact

## A Attractive Product Development

- New private-brand products are being launched sequentially since June
- We plan to consider external sales once we have expanded our product lineup consistently and established popular items



## B Creating Synergies Among Services

- Special sales arrangement of seafood processed products from Sanriku and Joban, as well as seafood products from Fukushima, through both BtoB and BtoC channels



## C Expansion of Services for Businesses

- Various tests underway (Undisclosed)



# Approach to Medium to Long-term Corporate Value Creation

We aim to improve corporate value by maximizing long-term free cash flow (EBITDA expansion) through the expansion of gross profit and the improvement of OPEX<sup>(1)</sup> ratio

## 3 Financial KPIs to Maximize Free Cash Flow

Profit Growth Metric

**Gross Profit**

Operating Leverage Improvement Metric

**OPEX Ratio**

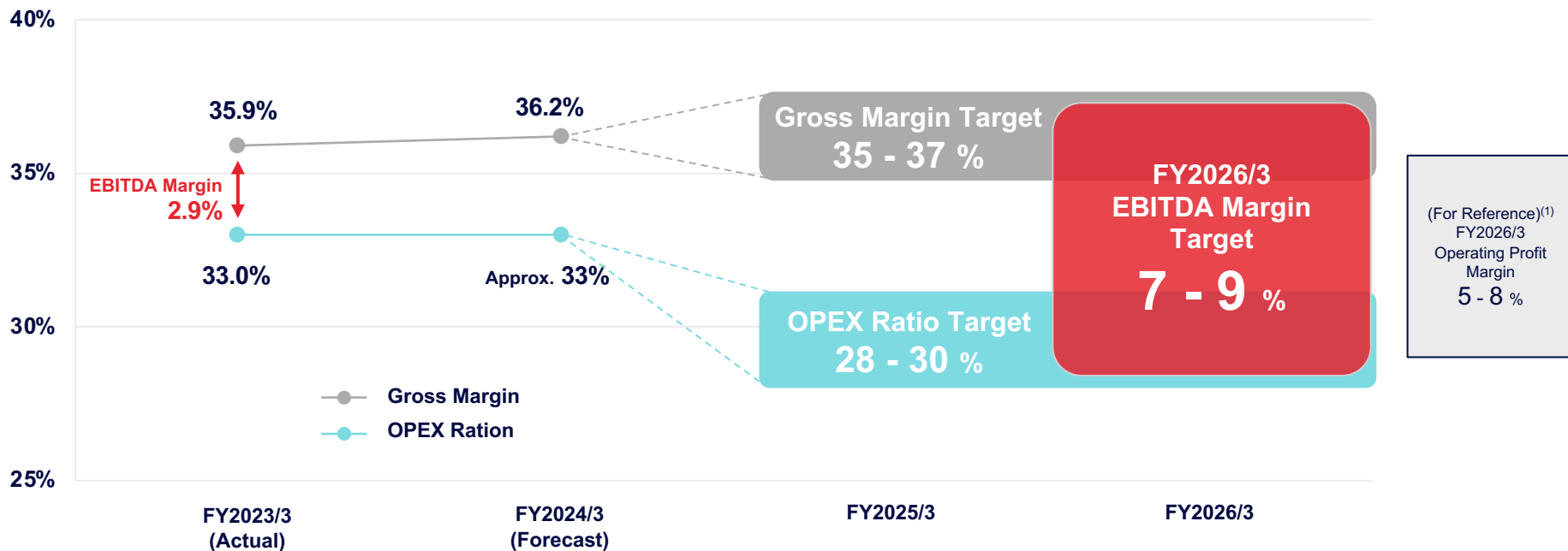


Free Cash Flow Growth Metric

**EBITDA**

# Medium-term Revenue Structure Image

In FY24/3, the OPEX ratio is expected to remain at the same level as the previous year due to New FFC Establishment. However, from FY25/3, the OPEX ratio is expected to improve again and the profit margin is expected to increase



(1) Since EBITDA is our Financial KPI, EBITDA margin is an associated indicator and Operating Profit margin is shown for reference purpose only

# APPENDIX

# Glossary

<b>EBITDA</b>	Abbreviation for “Earnings Before Interest, Taxes, Depreciation and Amortization”, which is calculated by adding depreciation and amortization on operating profit
<b>OPEX</b>	Abbreviation for “Operating Expenditure”, which is calculated by subtracting depreciation and amortization expenses from SG&A. “OPEX Ratio” refers to a ratio of OPEX versus revenue
<b>Active Users</b>	Refers to the number of users who placed at least one order each month. Figures are quarterly averages of monthly Active Users
<b>ARPU</b>	Abbreviation for “Average Revenue Per User”
<b>New Cohort Revenue</b>	Refers to the sum of quarterly sales brought by newly registered users in the same fiscal year as the year of enrollment
<b>Existing Cohort Revenue</b>	Refers to the sum of quarterly sales generated by users enrolled before the previous fiscal year
<b>FFC</b>	Abbreviation for “Fulfillment Center”. It refers to a logistics base that is responsible for inventory storage, management, packaging, shipping, etc. The new fulfillment center refers to the logistics base opened in August 2023
<b>SKU</b>	Abbreviation for “Stock Keeping Unit”. It refers to the number of items in inventory management
<b>Y/Y</b>	Abbreviation for “Year-over-Year”

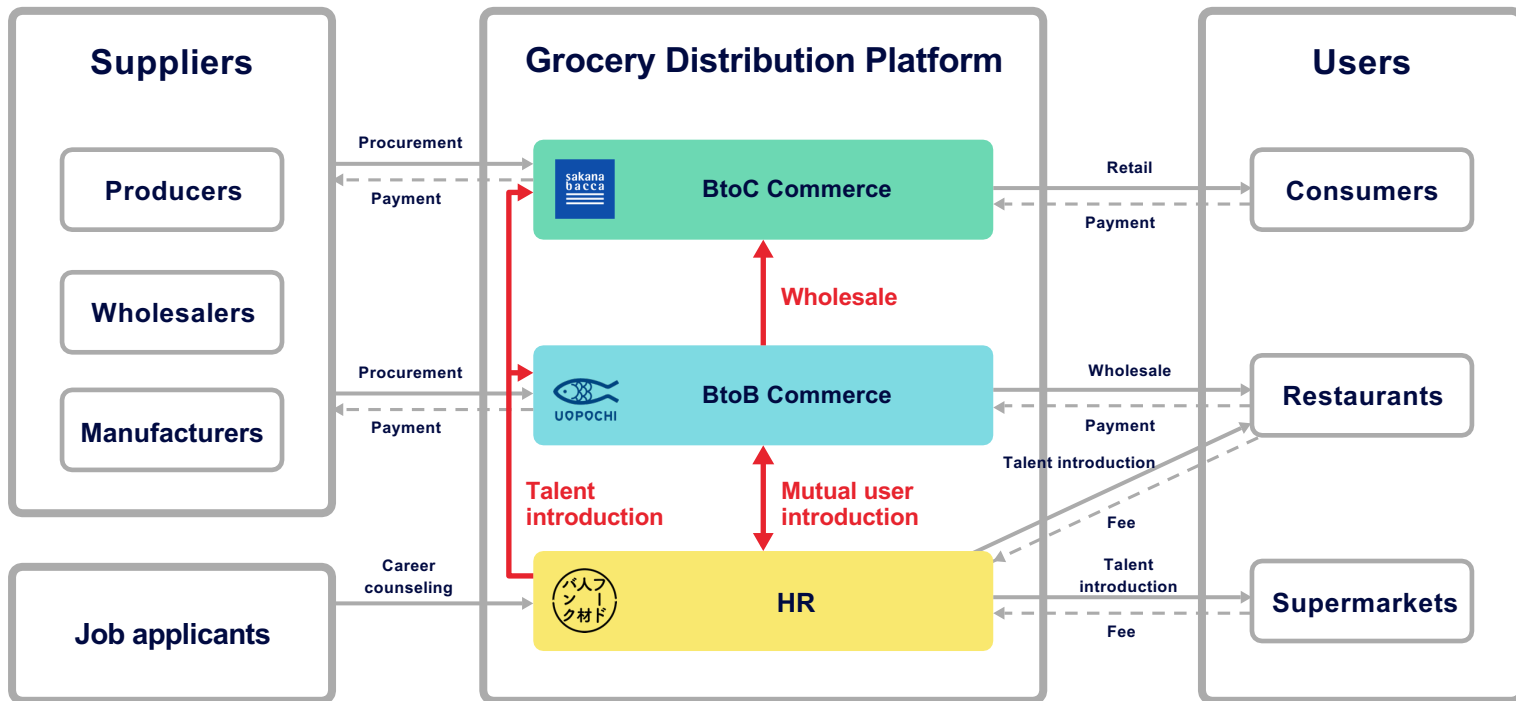
**COMPANY OVERVIEW**

<b>Company Name</b>	<b>Foodison, Inc.</b>
<b>Founded</b>	<b>April 1, 2013</b>
<b>Founder and CEO</b>	<b>Tohru Yamamoto</b>
<b>Headquarter</b>	<b>Ken Media Building 5F, 3-3-7, Kachidoki, Chuou-ku, Tokyo</b>
<b>Group Company</b>	<b>Foodison Ota Corporation</b> (Wholly-owned subsidiary and a wholesaler in Ota Market)
<b>No. of Employees</b>	<b>234<sup>(1)</sup></b>

(1) As of end of March, 2023, consolidated figures including temporary employees

# Business Diagram

With a focus on BtoB Commerce, we aim to cover a wide range of the food industry, allowing each service to organically create synergies

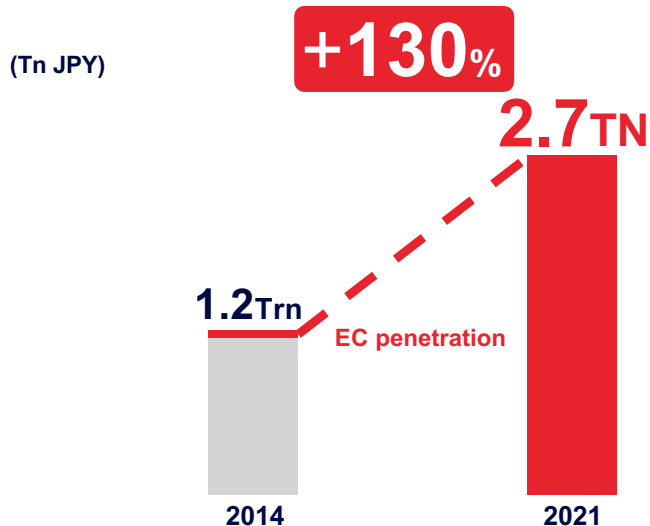


# Food EC market in Japan is Entering a Growth Phase

The E-Commerce (EC) ratio in the food industry was 4.2% in 2022, which is lower compared to other categories, indicating a high growth potential for the EC market

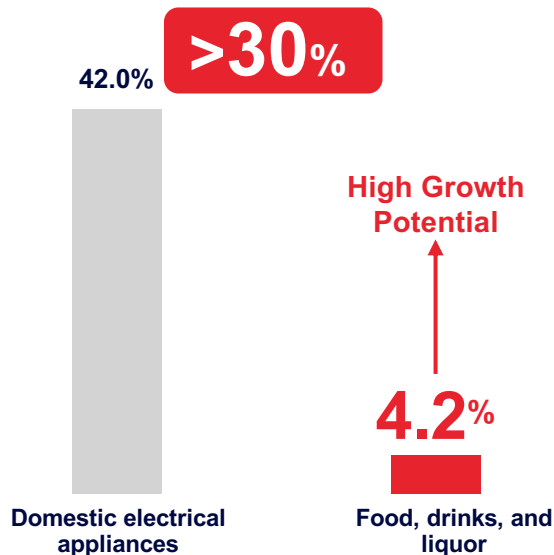
## Expansion of Food EC

### Food EC Market Growth Rate



## High Growth Potential

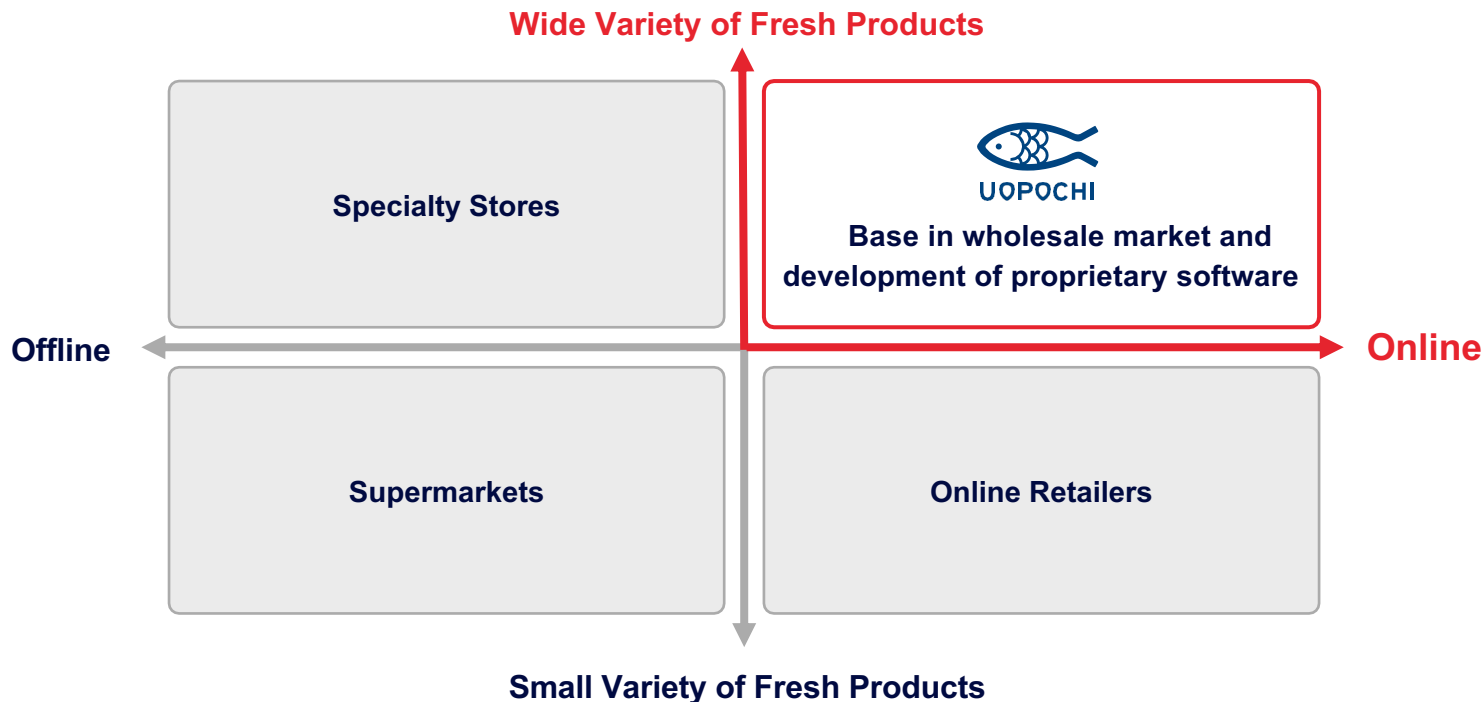
### Difference in EC Ratios



(1) E-commerce market size and e-commerce ratio refer to the "FY2021 E-Commerce Market Survey" and the "FY 2014 Infrastructure Development for Informatization and Servitization of Japan's Economy and Society (E-Commerce Market Survey)" by the Ministry of Economy, Trade and Industry. Graphs are prepared by the Company.

# Unique Positioning as an EC Operator with Access to Wholesale Market

Holding a FFC base within the wholesale market and building an e-commerce around it provides unique advantage because of its superiority in product procurement and logistics





GROWTH STRATEGY

# Core Growth Strategy in Detail

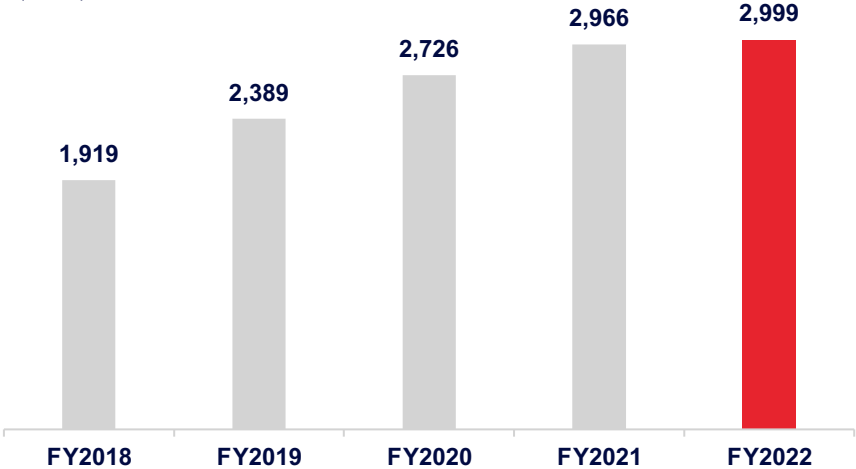
# Core Growth Strategy | ① Product Expansion

Expand vegetable and meat products from a focus on seafood products, and enhance our product offerings with unique and distinctive items to further differentiate

## Actual

### Daily Average No. of SKUs on the website

(SKUs)



## Tactics

### Expansion of Product Categories

#### BtoB Commerce Sales Composition Ratio<sup>(2)</sup>



### Expansion of Product Specialties

#### Product Specialties Required for Restaurants

- Simplicity of cooking
- Originality
- Stability

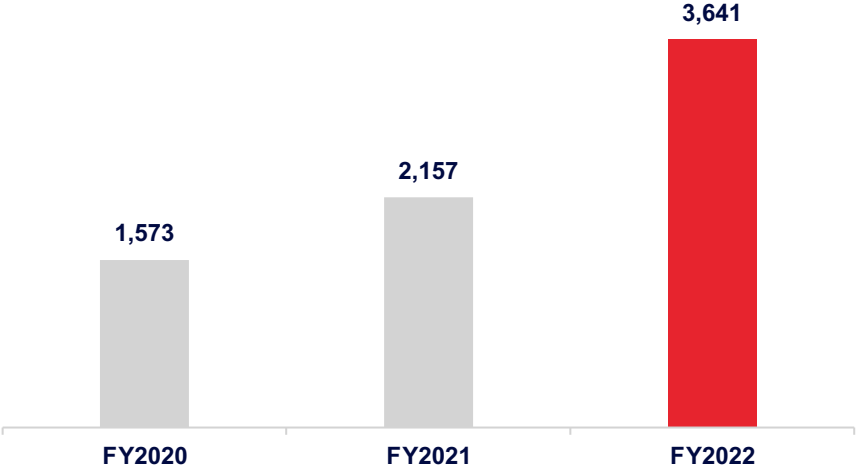
# Core Growth Strategy | ② CRM Enhancement

We plan to continuously strengthen customer success and UI/UX to expand Active Users

## Actual

### Existing Cohort Revenue

(MM JPY)

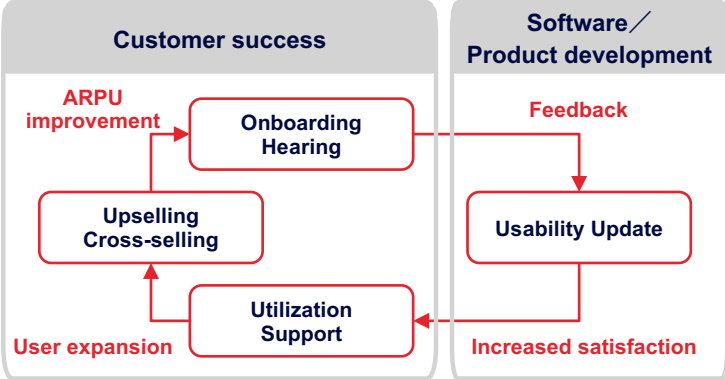


## Tactics

Enhancement of User Onboarding

Improvement of Service Usability

### Existing Cohort Sales Improvement Cycle



# Core Growth Strategy | ③ CAPEX Investments

Expand new FFC functions to improve productivity over the medium to long term

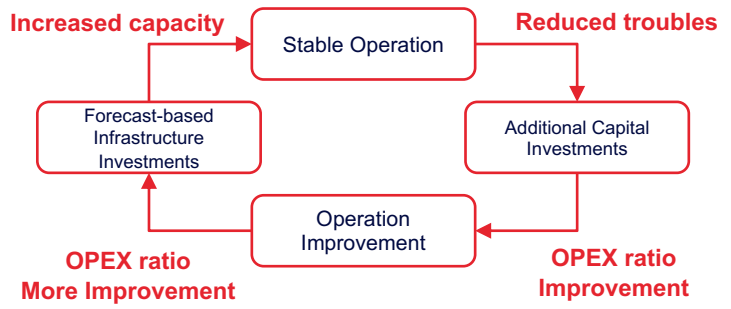
## Actual

- 2014 Establishment of FFC function in the Tsukiji Market
- 2016 Opened FFC function in the Ota Market and started operation in two bases Tsukiji and Ota
- 2018 With the relocation to the Toyosu Market from Tsukiji, the FFC function was opened in the Toyosu Market, and started operation in two bases Toyosu and Ota
- 2019 In pursuit of efficiency, enhanced the FFC function in the Ota market and closed the Toyosu Market function. Started operation of one site in Ota
- 2021 Opened in-house processing function in Ota Market
- 2023 In order to increase shipping capacity, FFC functions was expanded outside the Ota market and two bases will be put into operation**

## Tactics

- Stable Operation of New FFC Functions**
- Capital Investments to Improve Productivity**

### Infrastructure Investment Plan and Improvement Cycle



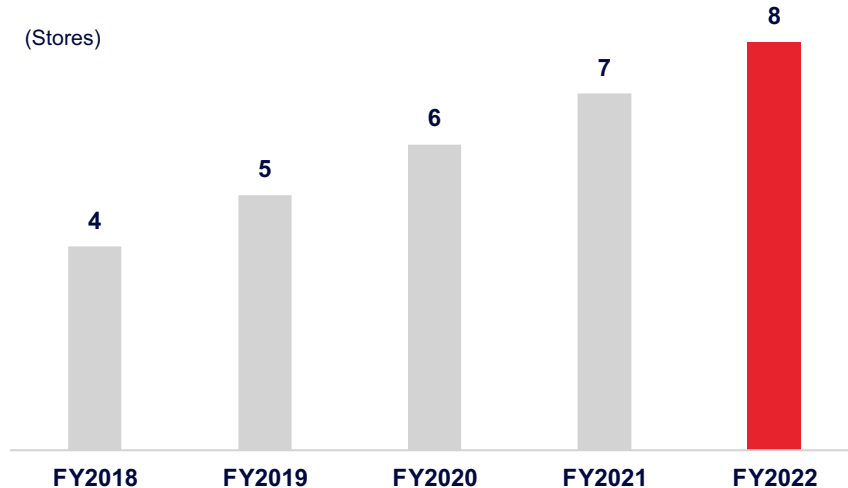
# Core Growth Strategy | ④ New store openings

To open in-station stores with a focus on location conditions

## Actual

### Number of Stores<sup>(1)</sup>

(Stores)



(1) As of the end of March in each fiscal years

## Tactics

**Open Stores in Good Terms**

### Room for New Store Opening

Area	Stations with more than 40,000 passengers <sup>(2)</sup>
Tokyo, Kanagawa, Chiba, Saitama	About 300 stations
Tokyo wards	About 150 stations
Tokyo wards close to residential area	About 90 stations

(2) Based on our research from the information published by each railway company

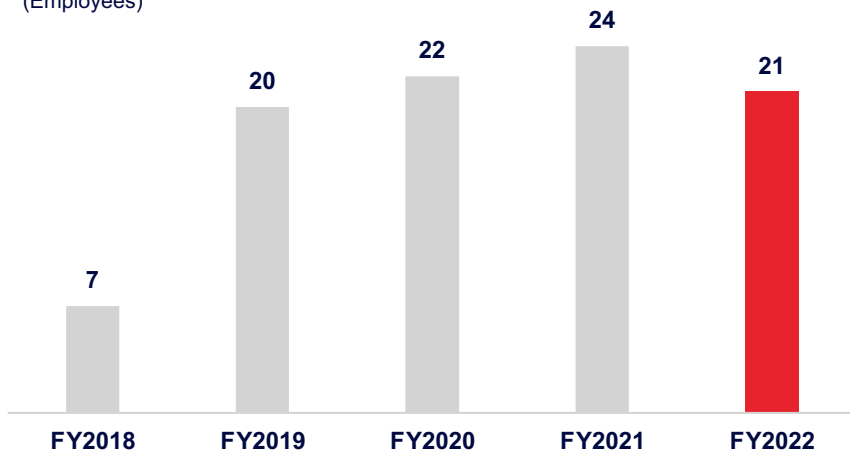
# Core Growth Strategy | ⑤ Recruiting

Actively recruit mainly younger employees and aim to expand the scale of the organization

## Actual

### HR Services Number of Employees<sup>(1)</sup>

(Employees)



(1) As of the end of March in each fiscal years

## Tactics

**Continuous recruitment**

### Hiring Strategy

- Proactive recruitment and promotions
- Creating an attractive work environment
- New graduate recruitment

GROWTH STRATEGY

# Platform Strategy in Detail

## Platform Strategy | ① Attractive Product Development

We will work towards leveraging brands by enhancing our private labels products, with the expansion of the supplier network, the strengthening of product development capabilities, and private brand initiatives



Original Beer  
『SAKANA TO ALE』



Whitebait Snack  
『PARI PARY』

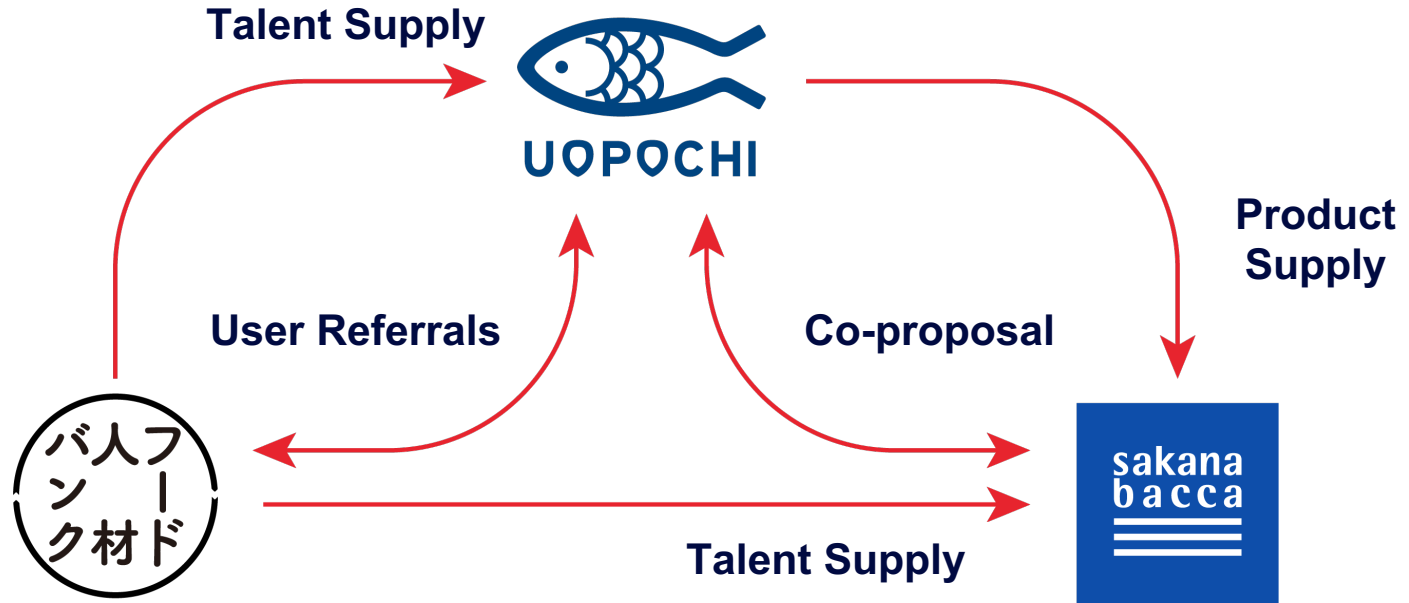


Collaboration with  
a legacy seaweed manufacturer  
『Shinise Denso Ariake Nori』



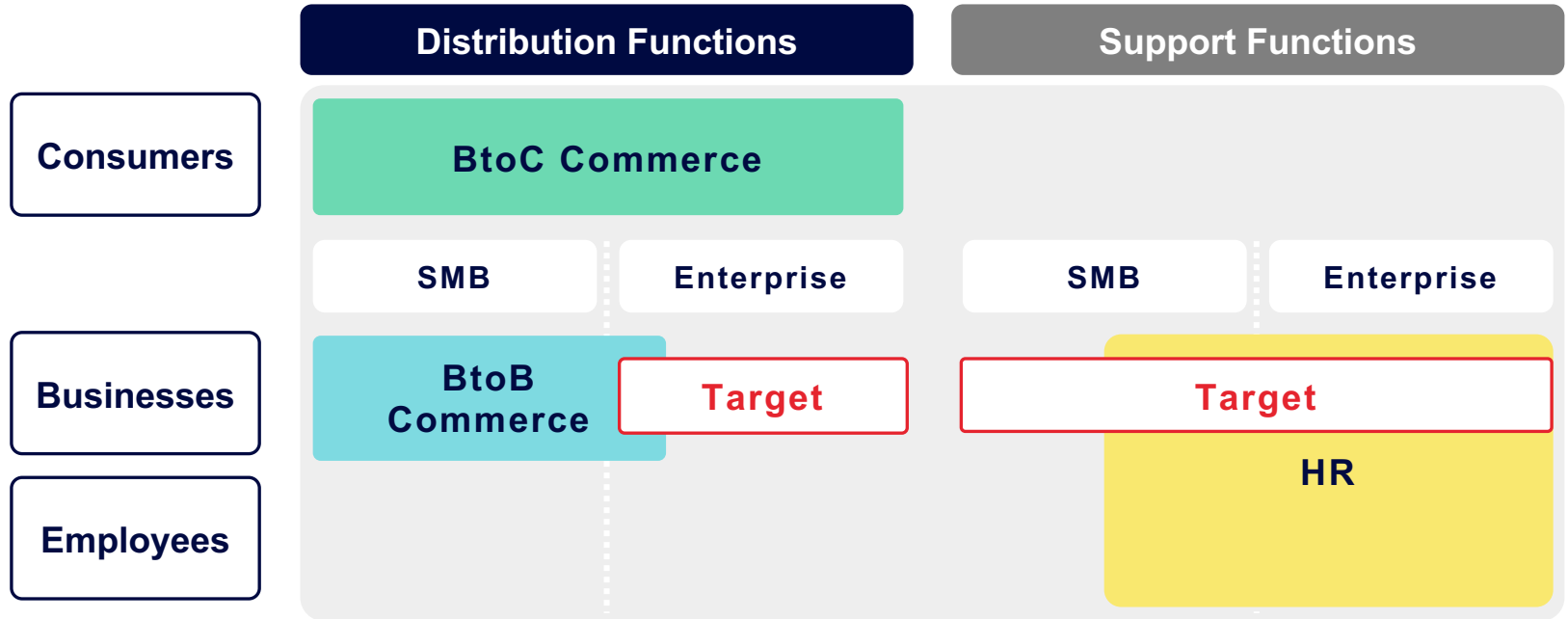
## Platform Strategy | ② Creating Synergies Among Services

As we expand each service, there is increased potential to create synergies, and we aim to take those advantage of opportunities to improve productivity



# Platform Strategy | © Expansion of Services for Businesses

While keeping a wide range of options such as expanding existing businesses, developing new businesses, and M&A, we will focus on expanding services for businesses



# Board of Directors

## Representative Director and CEO

### Tohru Yamamoto

---

- Joined SMS Co., Ltd. in 2003, as a founding member, and served as a director of HR business and new business development
- Founder and CEO of Foodison since 2013

## Board of Director

### Itaru Tanimura

---

- Former Partner at McKinsey & Co.
- Founder and CEO of So-net M3 Inc. (currently M3, Inc.) since 2000
- An independent director of Foodison since 2015

## Board of Director and CFO

### Naoki Naito

---

- Joined Mizuho Corporate Bank (currently Mizuho Bank, Ltd.) in April 2006, where he was engaged in investment banking with a focus on M&A and structured finance
- Joined Foodison in 2016 and became a Board of Director and CFO in 2018
- MBA from Wharton School, University of Pennsylvania

## Board of Director

### Hideaki Fukutake

---

- After working at KEYENCE Co., Ltd., as a business manager and new business development at SMS Co., Ltd., he served as an outside director of Benesse Holdings, Inc. in 2014, and was appointed as a non-executive director of Benesse Holdings Co., Ltd. in 2021 .
- An independent director of Foodison since 2015

# Quarterly Performance Trends

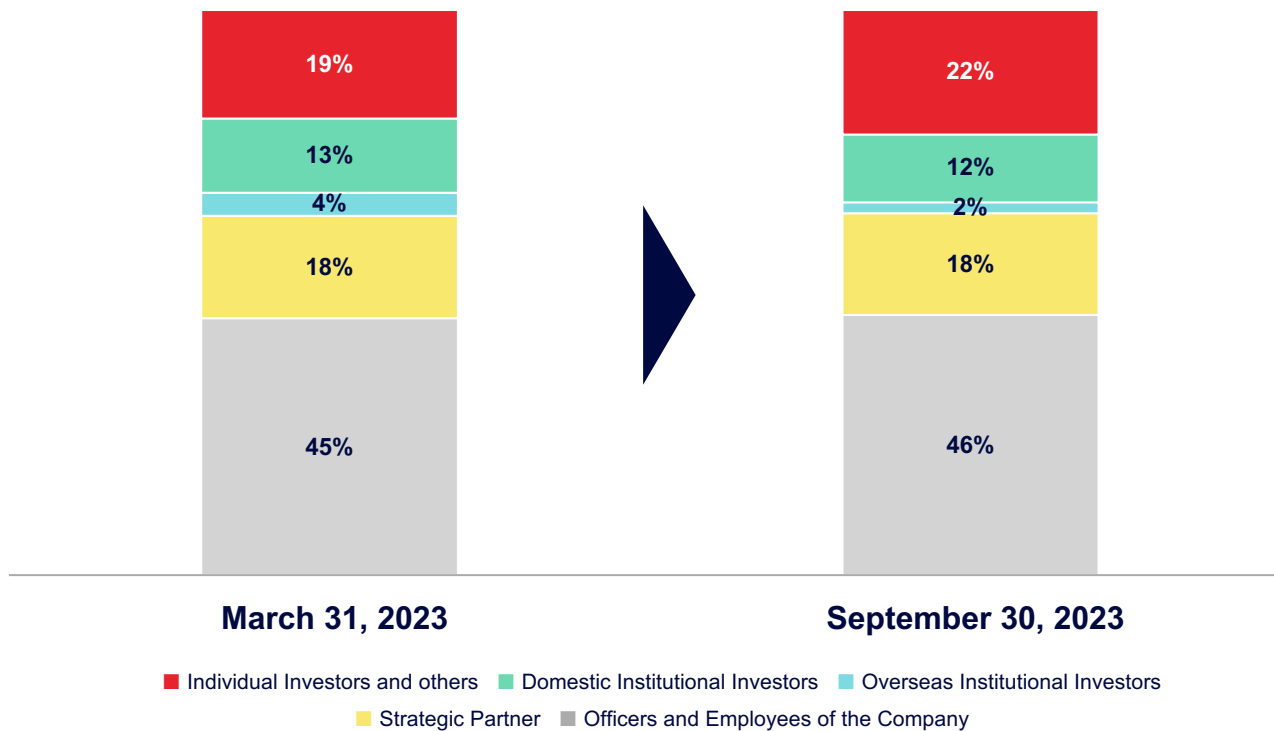
	FY21/3				FY22/3				FY23/3				FY24/3		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
(MM JPY)															
<b>Revenue</b>	544	726	974	709	723	725	1,241	902	1,205	1,155	1,533	1,385	1,474	1,502	1,766
BtoB Commerce	298	480	679	410	433	445	933	610	873	863	1,163	1,075	1,138	1,164	1,410
BtoC Commerce	175	175	190	183	190	208	219	197	228	203	275	233	240	236	266
HR	70	70	89	77	93	69	88	86	101	87	93	75	95	101	89
<b>Gross Profit</b>	230	276	376	297	304	286	455	349	455	425	541	474	519	551	637
<b>EBITDA</b>	-51	-31	32	-22	-38	-67	73	0	49	12	74	18	41	21	105
<b>Operating Profit</b>	-52	-34	29	-25	-40	-70	70	-2	44	7	69	14	37	15	98
<b>Revenue Growth Rate(Y/Y)</b>	-	-	-	-	32.7%	-0.3%	27.4%	27.0%	66.8%	59.3%	23.5%	53.5%	22.3%	30.0%	15.3%

# Balance Sheet

(MM JPY)	FY24/3 Q3 (Dec 31, 2023)	FY23/3 Q3 (Dec 31, 2022)	(Y/Y)	FY24/3 Q2 (Sept 30, 2023)	(Q/Q)
<b>Current Assets</b>	<b>3,043</b>	<b>2,985</b>	1.9%	<b>2,827</b>	7.6%
Cash and Deposits	2,175	1,861	16.9%	2,196	-1.0%
<b>Non-Current Assets</b>	<b>318</b>	<b>148</b>	114.9%	<b>325</b>	-2.2%
<b>Total Assets</b>	<b>3,361</b>	<b>3,133</b>	7.3%	<b>3,152</b>	6.6%
<b>Current Liabilities</b>	<b>898</b>	<b>692</b>	29.8%	<b>774</b>	16.0%
Short-term Debt	0	100	-100.0%	0	-
Current portion of Long-term Debt	285	38	650.0%	287	-0.7%
<b>Non-Current Liabilities</b>	<b>347</b>	<b>525</b>	-33.9%	<b>354</b>	-2.0%
<b>Total Liabilities</b>	<b>1,245</b>	<b>1,218</b>	2.2%	<b>1,129</b>	10.3%
<b>Total Stockholders' Equity</b>	<b>2,115</b>	<b>1,915</b>	10.4%	<b>2,022</b>	4.6%
<b>Total Liabilities and Stockholders' Equity</b>	<b>3,361</b>	<b>3,133</b>	7.3%	<b>3,152</b>	6.6%
<b>Capital Adequacy Ratio</b>	<b>62.9%</b>	<b>61.1%</b>	+1.8pts	<b>64.2%</b>	-1.2pts

Assets	Liabilities / Stockholders' Equity (MM JPY)
<b>Cash and Deposits</b> 2,175	<b>Current Liabilities</b> 898
<b>Other Current Assets</b> 868	<b>Non-current Liabilities</b> 347
<b>Non-current Assets</b> 318	<b>Stockholders' Equity</b> 2,115

# Shareholder composition



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