

PRIME 9 7 8 8



TOPICS

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All performance targets and other information stated in this document are forecasts based on information currently available in the Group, and are subject to uncertain factors such as economic environment, competitive conditions, and the success or failure of new services.

Therefore, actual results may differ from the forecasts given in this material.

01 Third Quarter Results

1-1. Consolidated Income Statement

1-1a Financial Highlights (Year-on-Year)

Sales

Rental

Sales increased as a result of border support projects implemented by MHLW favorable in Earnest Co., Ltd and reopening of restaurants increasing the sales in With-branded-pest-control devices business

Consulting

Sales decreased due to rising construction prices, repaying of loans related to COVID-19, and decline in purchasing power of local construction companies, the client of Consulting division

Operating income

Consulting

Decreased due to decline in sales of the high profit margin, the Consulting division

Housing

Decreased due to higher prices and soaring land, and construction costs

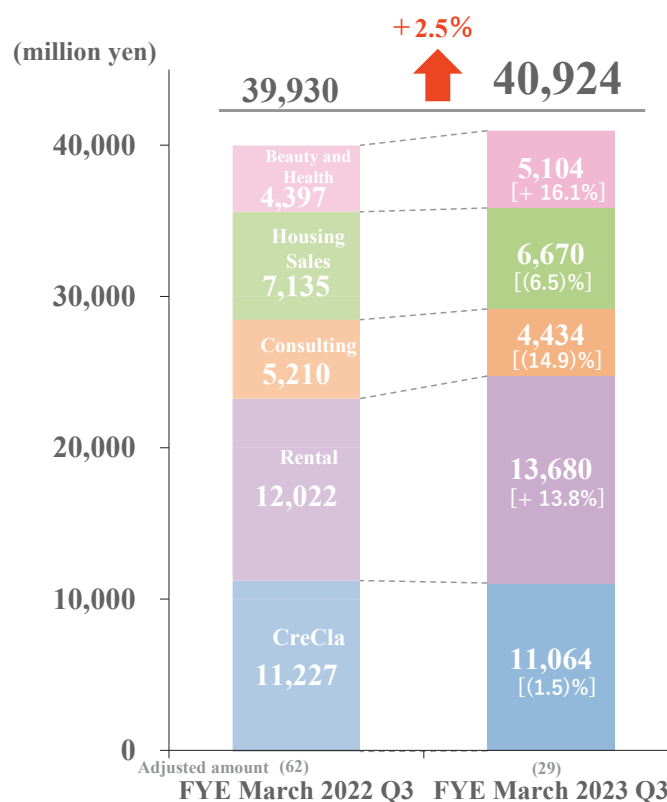
Current Net Income

Decreased due to an increase in SG&A expenses as a result of aggressive upfront advertising investments

MHLW: Ministry of Health, Labor and Welfare

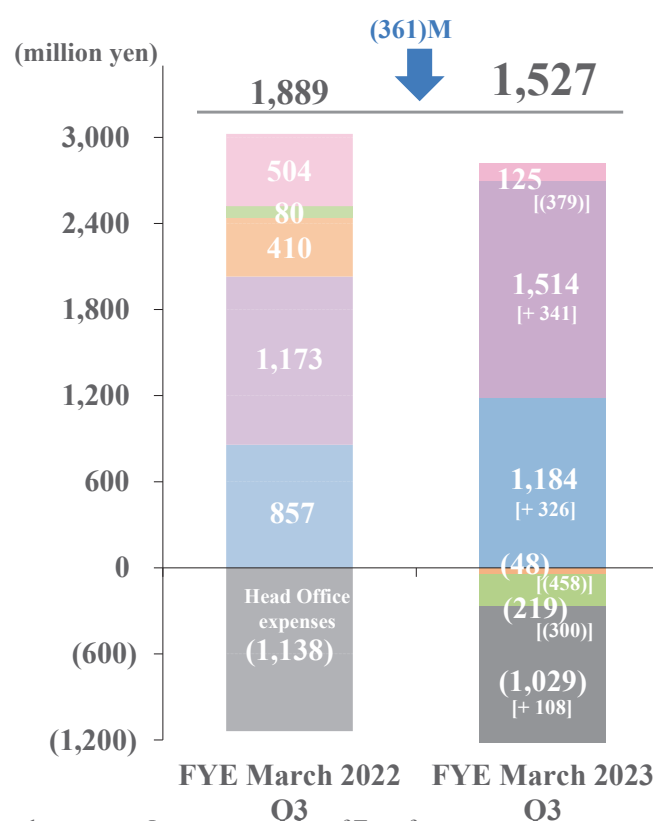
Sales

(percentage in parentheses are the changes)

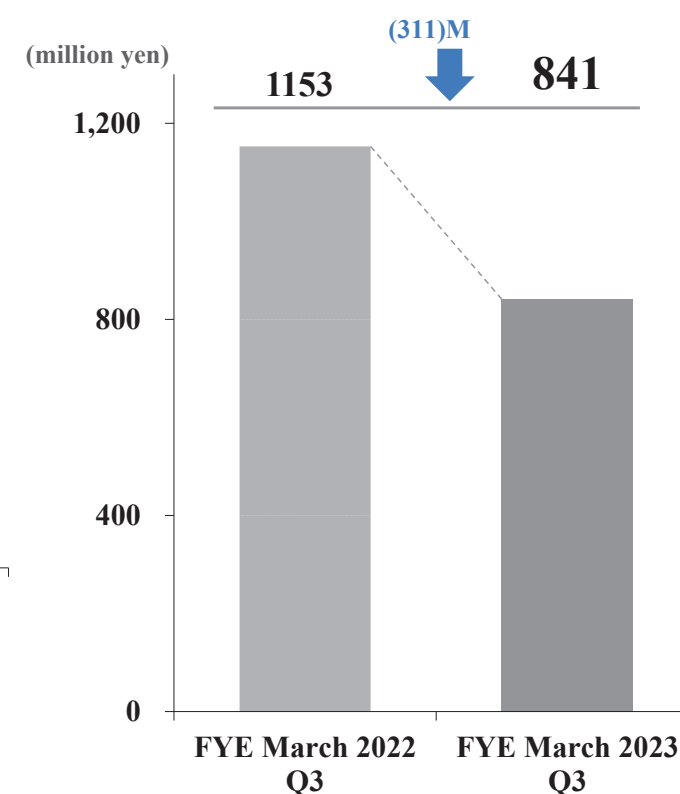


Operating Income

(figures in parentheses are the changes)



Current Net Income(※)



(※) Current net income: Attributable to owners of the parent, Adjusted amount: : Intersegment sales of Transfers

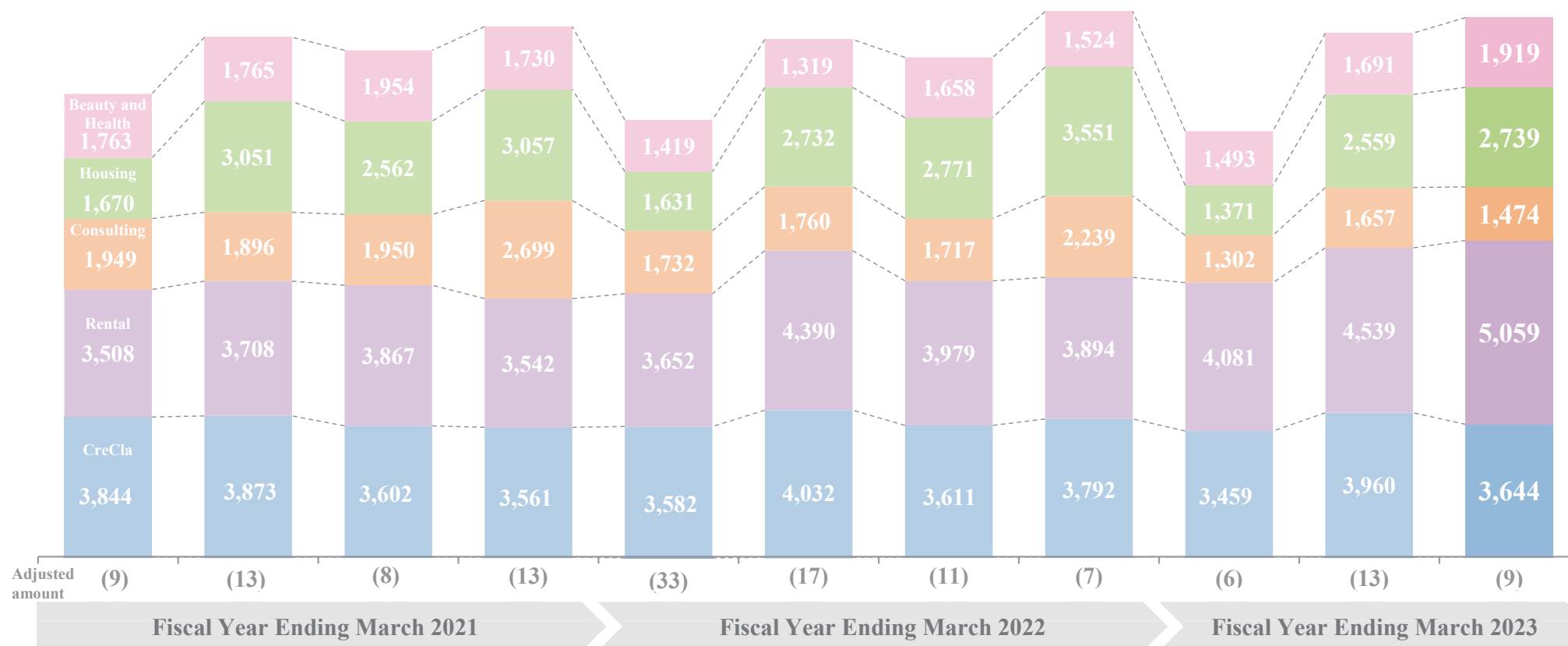
1-1b Sales and Operating Income Quarterly Trends

FYE March 2021				FYE March 2022				FYE March 2023		
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Sales										
12,727	14,281	13,927	14,577	11,984	14,218	13,727	14,993	11,702	14,394	14,827
Operating income										
211	614	871	1,084	185	848	856	871	▲243	795	975

(million yen)

Sales Quarterly Trend

※Sales in **Construction Consulting Business** and **Housing Sales Business** decreased in Q1 as a reaction to sales concentrating in Q4



(※) Adjusted amount : Inter-segment sales or transfers

1-1c Consolidated Income Statement

(million yen)

	FYE March 2023 Q3 Result	FYE March 2022 Q3 Result	YoY Comparison
Sales	40,924	39,930	+ 2.5%
Gross Profit	20,206	19,909	+ 1.5%
(Gross Margin)	49.4%	49.9%	(0.5)pt
SG&A	18,678	18,020	+ 3.7%
Operating income	1,527	1,889	(19.2)%
(Operating margin)	3.7%	4.7%	(1.0)pt
Non-operating income and loss	12	(6)	—
Ordinary income	1,539	1,882	(18.2)%
Extra-ordinary income	3	54	(93.7)%
Net income attributable to owners of parent company	841	1,153	(27.0)%

1-1d Sales by Segment

(million yen)			
	FYE March 2023 Q3 Result	FYE March 2022 Q3 Result	YoY Comparison
CreCla Business	11,064	11,227	(162)
Rental Business	13,680	12,022	+ 1,658
Construction Consulting Business	4,434	5,210	(776)
Housing Sales Business	6,670	7,135	(464)
Beauty and Health Business	5,104	4,397	+ 706
Elimination of intersegment	(29)	(62)	—
TOTAL	40,924	39,930	+ 994

1-1e Operating income by segment

(million yen)

	FYE March 2023 Q3 Result	FYE March 2022 Q3 Result	YoY Comparison
CreCla Business	1,184 [10.7%]	857 [7.6%]	+ 326 [+ 3.1pt]
Rental Business	1,514 [11.1%]	1,173 [9.8%]	+ 341 [+ 1.3pt]
Construction Consulting Business	(48) [(1.1)%]	410 [7.9%]	(458) [(9.0)pt]
Housing Sales Business	(219) [(3.3)%]	80 [1.1%]	(300) [(4.4)pt]
Beauty and Health Business	125 [2.5%]	504 [11.5%]	(379) [(9.0)pt]
Corporate expense, etc.	(1,029)	(1,138)	—
TOTAL	1,527 [3.7%]	1,889 [4.7%]	(361) [(1.0)pt]

※Percentage in parentheses are the operating income percentage of sales

1-1f Breakdown of Changes in Operating Income (Year-on-Year)

Gross Profit	Rental	Increased due to the strong performance in Rental Business
	Consulting	Decreased due to decline in sales of Construction Consulting Business
Advertising & Sales Promotion Expenses	Beauty and Health	Increased as a result of doing advertising investments ahead of schedule driven by strong new customer acquisition at JIMOS Co., Ltd

(million yen)		
		Year-on-Year change
FY2022 Q3	Operating income	1,889 —
	Change in gross profit	+ 296 + 1.5%
	Personnel expenses	+ 17 + 0.2%
	Advertising and sales promotional expenses	(445) (21.2)%
Increase (Decrease) of SG&A expenses	Land rent cost	(32) (2.8)%
	Depreciation and amortization of goodwill	(11) (1.8)%
	Other SG&A expenses	(186) (2.8)%
FY2023 Q3	Operating income	1,527 (19.2)%

01 Third Quarter Results

1-2. Consolidated Balance Sheet

1-2a Consolidated Sheets [Assets]

Current Assets

Increase

Real estate for sale + 865 million yen

Cost on uncompleted construction contracts + 448 million yen

Decrease

Cash and deposits - 2,472 million yen

Noncurrent Assets

No notable items

(million yen)

	FYE March 2023 Q3	Percentage of total	FYE March 2022	Percentage of total	Comparison
Current Assets	24,609	64.3%	25,091	63.2%	(481)
Property, plant and equipment	8,336	21.8%	8,720	22.0%	(383)
Intangible assets	1,561	4.1%	1,890	4.8%	(329)
Investments and other assets	3,783	9.9%	4,022	10.1%	(238)
Noncurrent assets	13,681	35.7%	14,633	36.8%	(951)
Total assets	38,290	100.0%	39,724	100.0%	(1,433)

1-2b Consolidated Balance Sheet Liabilities and Net Assets

Liabilities

Decrease

Income taxes payable - 583million yen

Provision for bonuses - 359 million yen

Net Assets

Decrease

Non-controlling interests - 74 million yen

Valuation difference on available-for-sale securities - 47 million yen

					(million yen)
	FYE March 2023 Q3	Percentage of total	FYE March 2022	Percentage of total	Comparison
Current liabilities	11,809	30.8%	12,576	31.7%	(766)
Noncurrent liabilities	4,476	11.7%	5,009	12.6%	(533)
Total liabilities	16,285	42.5%	17,585	44.3%	(1,300)
Shareholder's equity	22,615	59.1%	22,627	57.0%	(12)
Accumulated other comprehensive income	(610)	(1.6)%	(563)	(1.4)%	(46)
Non-controlling interests	—	—	74	0.2%	(74)
Total assets	22,005	57.5%	22,138	55.7%	(133)
Total liabilities and net assets	38,290	100.0%	39,724	100.0%	(1,433)

02 Business Segment Result

2-1. CreCla Business

2-1a CreCla Business Sales and Operating Income Trends

Sales

Directly
Managed
stores

Although the number of basic customers decreased, the sales slightly increased as a result of increase in water consumption per customer and price increase of CreCla bottle from October 2022

Affiliated
stores

Sales decreased as server price for affiliated stores increased in April 2022 that resulted a slowdown in sales of related products

Operating income

D

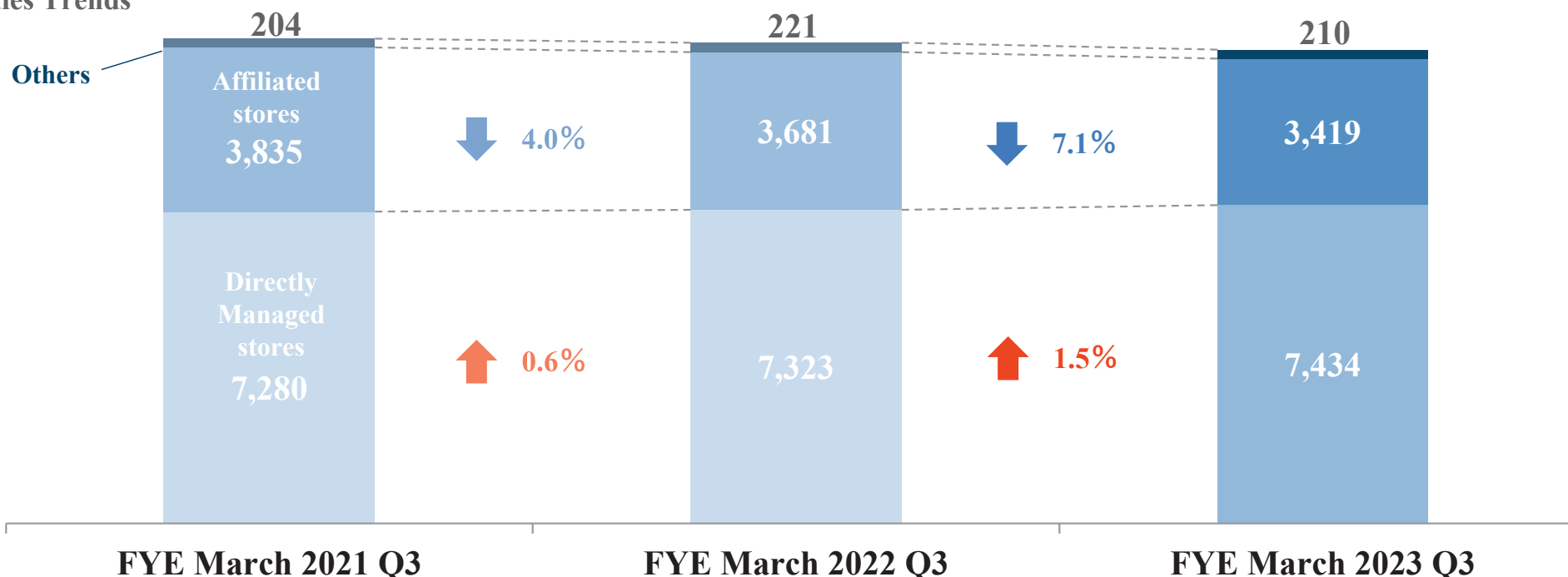
A

Operating income increased significantly as a result of price increase of servers and CreCla bottles for Affiliated stores, and review of sales promotion activities

Sales	11,320	11,227	11,064
Operating income	1,305	857	1,184

(million yen)

Sales Trends



2-1b CreCla Business Quarterly Trends of Sales and Operating Income

Sales

(million yen)

3,844	3,873	3,602	3,561	3,582	4,032	3,611	3,792	3,459	3,960	3,644
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Operating income

491	442	371	321	169	401	286	411	125	584	474
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Sales Quarterly Trends



2-1c CreCla Business Priority Measures for FY2022 onwards

■ Increase customers

- ⇒Implement an all customer acquisition measures strengthening various sales channels
- ⇒Develop and offer new products and new services
- ⇒Improve service quality, strengthen SNS activities and CRM
- ⇒Appeal safety with “CreCla Anshin” CM
- ⇒Verification of system infrastructure 「CrePF (CreCla Platform)」

■ Strengthen training system and secure personnel

■ Strengthen competitive measures and media strategies

クリクラ
feel free
※ Water Purifier server

ZiACO
横浜薬科大学
総合健康メディカルセンター
推奨

クリクラは、ここまでやる。

クリクラ
あんしん
宣言

CreCla Fit

Multi-server
CreCla Shuwa

02 Business Segment Results

2-2. Rental Business

2-2a Rental Business Sales and Operating Income Trends

Sales

Duskin

Sales increased due to price increase of some products in Dust control products division

Sales increased in Care Service Division due to business expansion (26 additional locations YOY)

With

Sales increased due to reopening of restaurants which resumed regular deliveries

Earnest

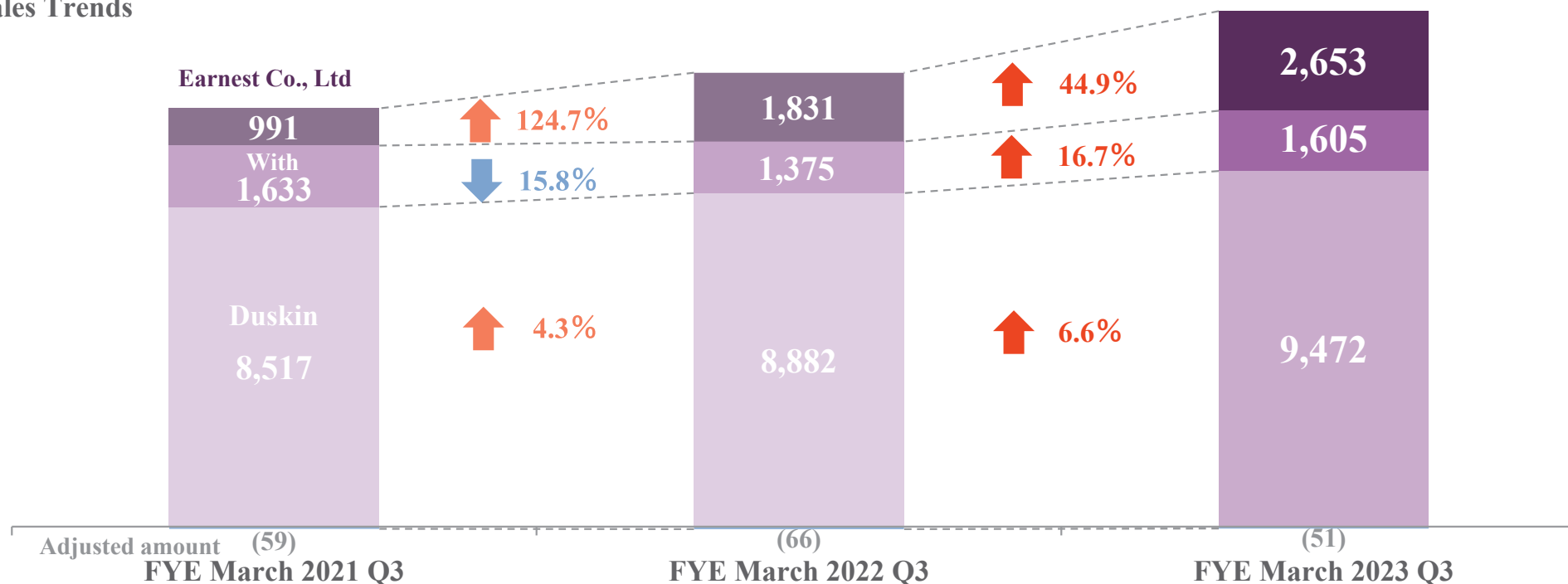
Sales significantly increased due to strong sales of infectious disease-related projects (border control support projects by MHLW)

Operating income

Operating income increased due to strong performance of Earnest Co., Ltd and the contribution of increase in sales in all divisions

Sales	11,084	12,022	13,680	(million yen)
Operating income	1,042	1,173	1,514	

Sales Trends



2-2b Rental Business Quarterly Trends of Sales and Operating Income

(million yen)

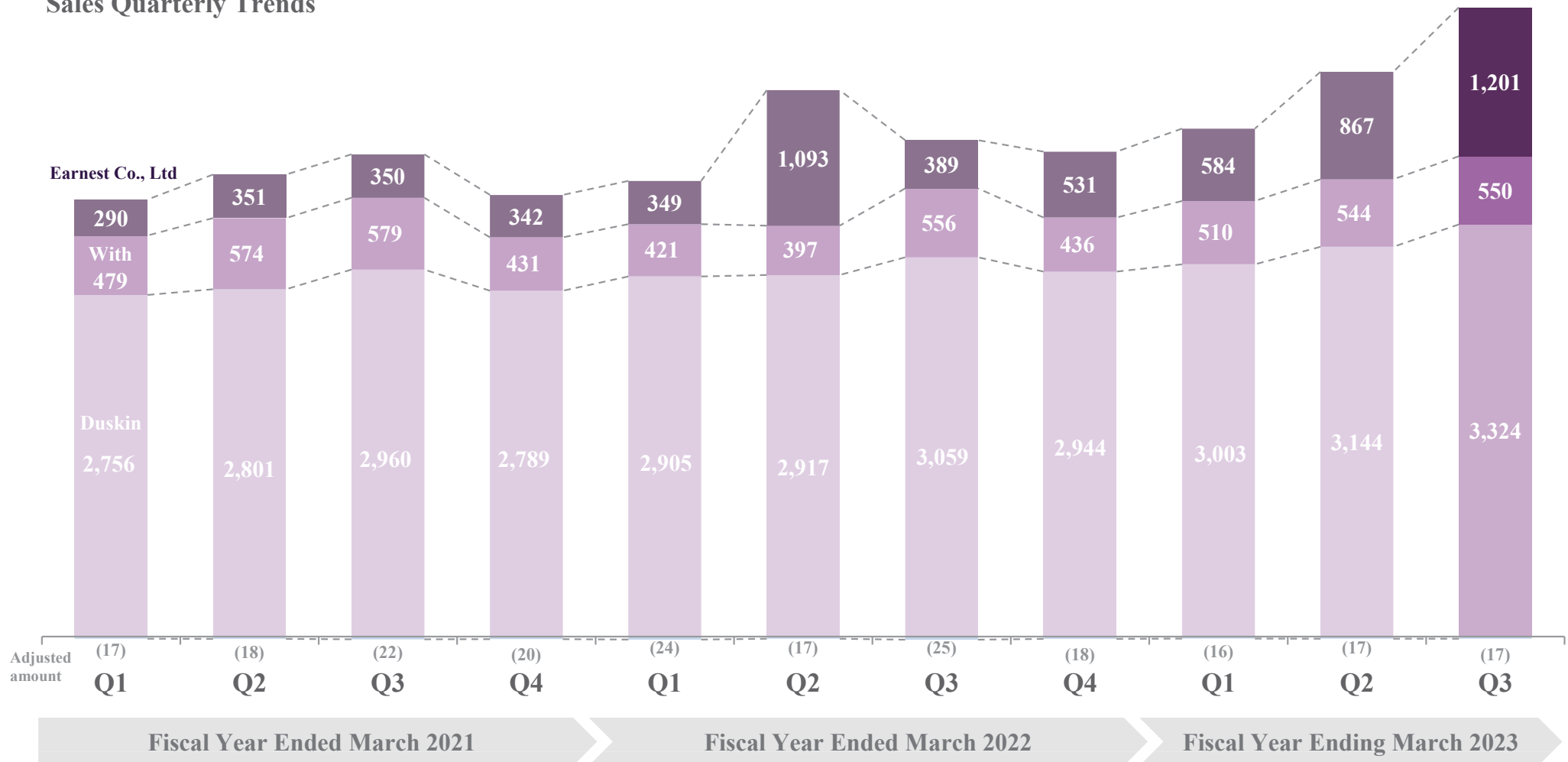
Sales

3,508 3,708 3,867 3,542 3,652 4,390 3,979 3,894 4,081 4,539 **5,059**

Operating income

267 328 446 290 290 424 458 448 414 469 **630**

Sales Quarterly Trends



(※) Adjusted amount : Sales mainly within the segment

2-2c Rental Business Priority Measures for FY2022 onwards

- Promote projects through capital and business agreement with Duskin Co., Ltd
 - ⇒ Care Service division : Open 28 more businesses in addition to the 82 businesses* after alliance
 - ⇒ Health Rent division : Open four more stores in addition to the six stores after alliance
- Duskin business (Dust Control Product Division) : Return to the basics of emphasizing Face to Face customer contact
- With-branded pest-control devices business: Strengthen organizational structure and existing distributors

(*) Businesses as of December 2022



衛生環境を整える
DUSKIN
Health Rent
ヘルスレント



with



EARNEST
総合ビル管理 株式会社アーネスト

～NEW OPEN～

■ April 2022

Duskin Nagoya Branch

■ December 2022

Health Rent Taito Station

02 Business Segment Results

2-3. Construction Consulting Business

2-3a Construction Consulting Business Sales and Operating Income Trends

Sales

Consulting

Sales decreased due to customer's loss of purchasing power caused by the rising prices of construction and repaying of loans related to COVID-19

N S E

Sales is at the same level due to delay in construction schedule caused by extended shortage of semiconductors

ACE HOME

Sales decreased due to decline in wholesale following the decrease of buildings in Affiliated stores and reactionary decline of jointly developed products

Operating income

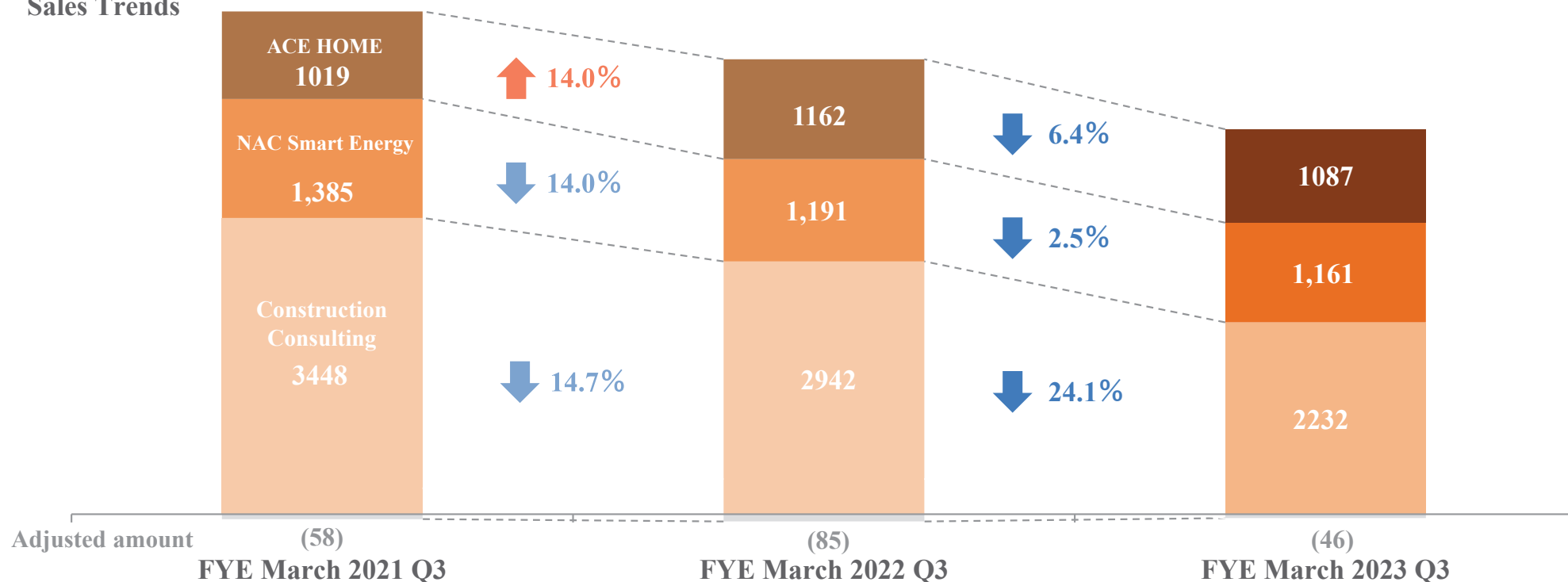
Consulting

Significantly decreased due to decline in sales of high profit margin, the Consulting division

(Note) NSE : NAC Smart Energy Co., Ltd

Sales	5795	5210	4434
			(million yen)
Operating income	300	410	(48)

Sales Trends



(※) Adjusted amount : Sales mainly within the segment

2-3b Construction Consulting Business Quarterly Trends of Sales and Operating Income

Sales

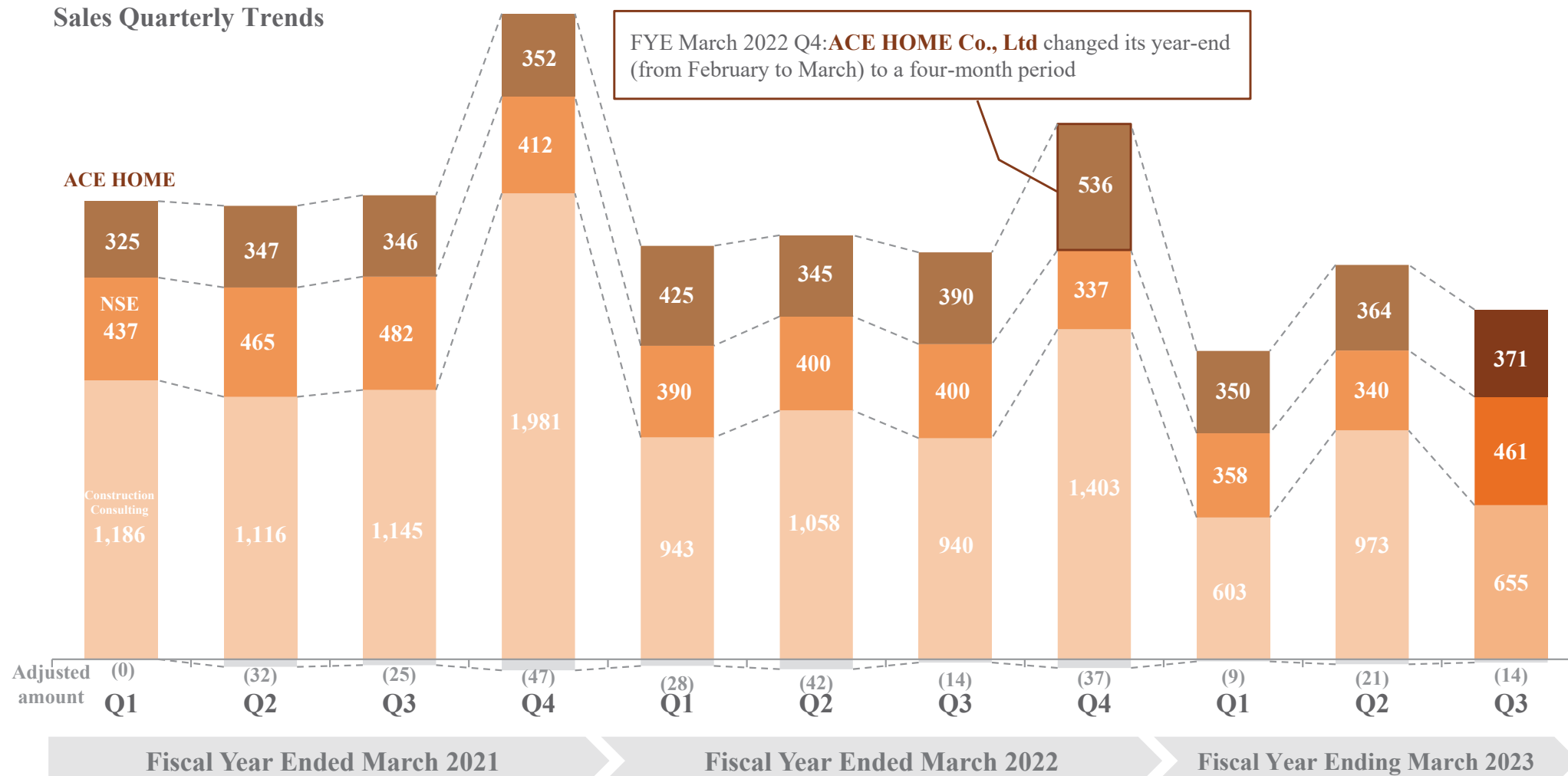
(million yen)

1,949 1,896 1,950 2,699 1,732 1,760 1,717 2,239 1,302 1,657 **1,474**

Operating income

(25) 138 188 506 84 212 113 461 (193) 134 **10**

Sales Quarterly Trends



(※) Adjusted amount : Mainly within the segment

2-3c Construction Consulting Business Priority Measures for FY2022 onwards

- Consulting Division : Develop products that support the introduction of DX, introduce a free membership system, and develop sales activities that utilize BPO and SDGs perspectives other than core business
- NAC Smart Energy Co., Ltd : As various measures taken by the national and local governments to realize a decarbonized society, we have expanded our business mainly to customers in the residential market
- ACE HOME Co., Ltd : Strengthen support for affiliated stores and expand support services in collaboration with NAC



An effective date of April 1, 2023, **ACE HOME Co., Ltd** (surviving company) and **Nac Smart Energy Co., Ltd** are scheduled to undergo an absorption-type merger. On the same date as the effective date, the surviving company, **ACE HOME Co., Ltd**, will be renamed to **NAC House Partner Co., Ltd**. And through this merger, we will continue to work toward management rationalization and efficiency.

02 Business Segment Results

2-4. Housing Sales Business

2-4a Housing Sales Business Sales and Operating Income Trends

Sales

K D I

Decreased due to the slowing of real estate market caused by the impact of soaring land prices and rising prices

J - w o o d

Although the unit price per building increased, sales decreased due to the decline of completed buildings

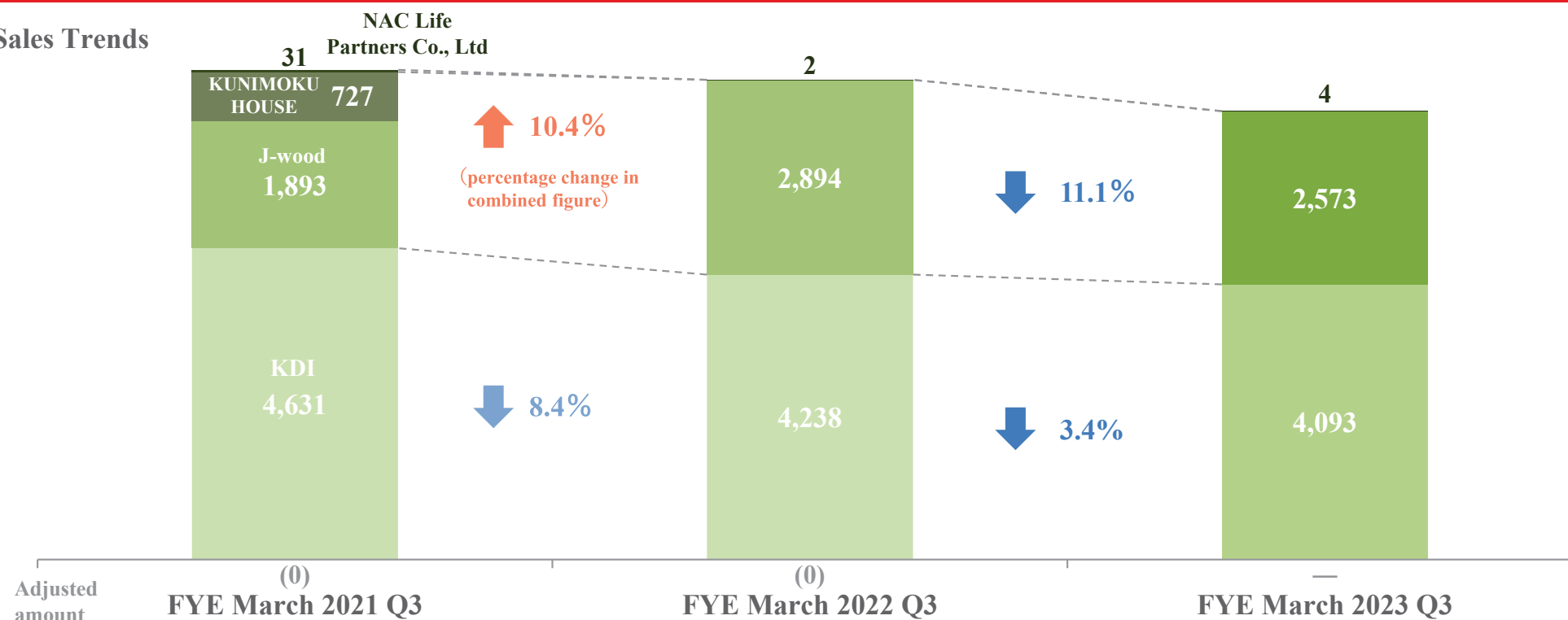
Operating income

In addition to decrease in sales, gross profit decreased significantly due to soaring prices of materials for Construction Department

Sales	7,283	7,135	6,670
Operating income	(88)	80	(219)

(million yen)

Sales Trends



2-4b Housing Sales Business Quarterly Trends and Operating Income

Sales	(million yen)										
	1,670	3,051	2,562	3,057	1,631	2,732	2,771	3,551	1,371	2,559	2,739
Operating income	(156)	72	(4)	163	(114)	53	142	152	(197)	(0)	(21)

Sales Quarterly Trend

FYE March 2022 J-wood Co., Ltd merged with KUNIMOKU HOUSE Co., Ltd
(Figures are combined and stated, and business continued as KUNIMOKU HOUSE branding)



Fiscal Year Ended March 2021

Fiscal Year Ended March 2022

Fiscal Year Ending March 2023

(※) Adjusted amount: Sales mainly within the segment

2-4c Housing Sales Priority Measures for FY2022 onwards

- **J-wood Co., Ltd** : Implementation of various measures for mobile model houses and web measures, and acquisition of referrals
Introduce low-priced housing and a three-story plan in narrow lots to capture layers (KUNIMOKU HOUSE business)
- **KDI Corporation** : Progress was made in expanding the business area to increase sales and enhance profitability
Development of custom-built housing business and remodeling and reselling of used condominiums



株式会社 ジェイウッド



KUNIMOKU
HOUSE



KDI-HOME

Kindness, Development, Integrity

～NEW OPEN～

■ August 2022 KDI Kichijoji store (Tokyo)

02 Business Segment Results

2-5. Beauty and Health Business

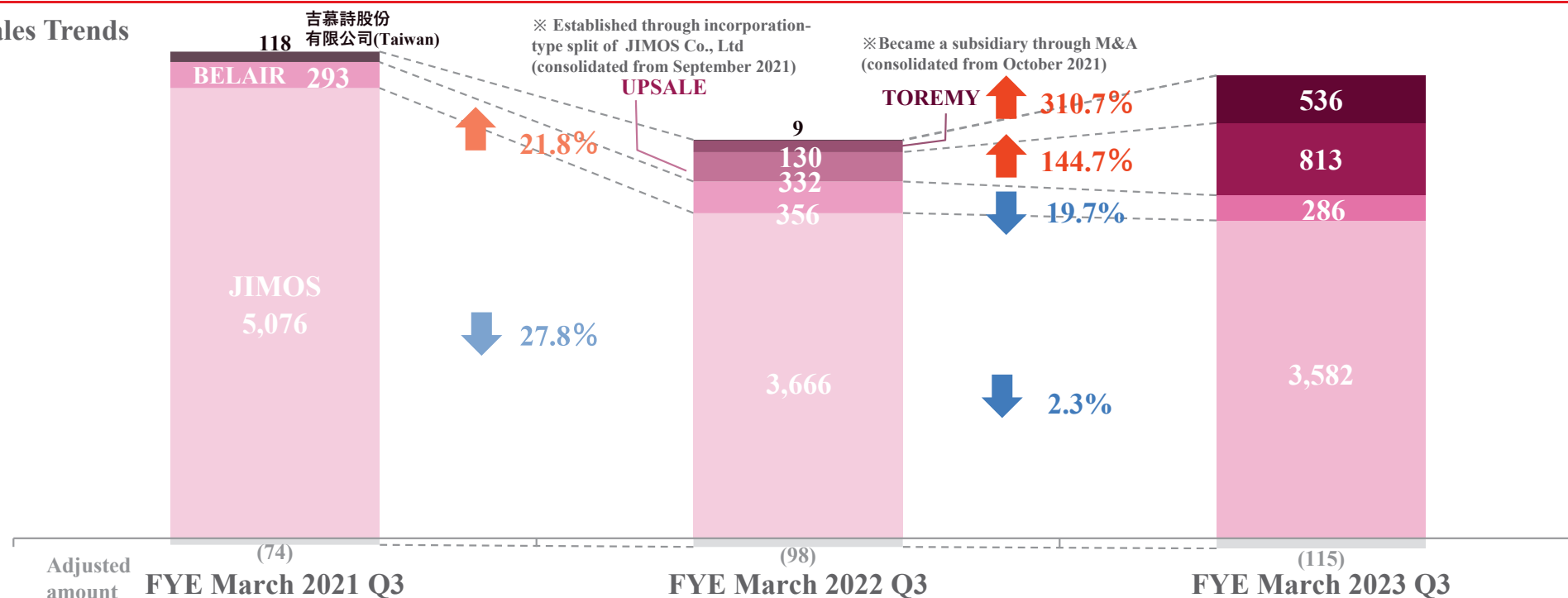
2-5a Beauty and Health Business Sales and Operating Income Trends

Sales	JIMOS	Increased following the acquisition of new customers and strong performance of “TOFU NO MORITAYA” brand, merged into the company (excluding the decrease due to establishment of UPSALE Co., Ltd)
	BELAIR	Decreased due to a decline in sales of its mainstay, nutritional supplements
	UPSAL	Despite the transfer of pharmaceutical mail-order business, sales decreased due to decreased distribution in Hair Care business and price competition with other companies
Operating income	JIMOS	Significant decrease due to aggressive upfront advertising investments due to strong acquisition of new customers

Sales 5,482 4,397 5,104 (million yen)

Operating income 10 504 125

Sales Trends



2-5b Beauty and Health Business Quarterly Trends for Sales and Operating Income

Sales

(million yen)

1,763 1,765 1,954 1,730 1,419 1,319 1,658 1,524 1,493 1,691 **1,919**

Operating
income

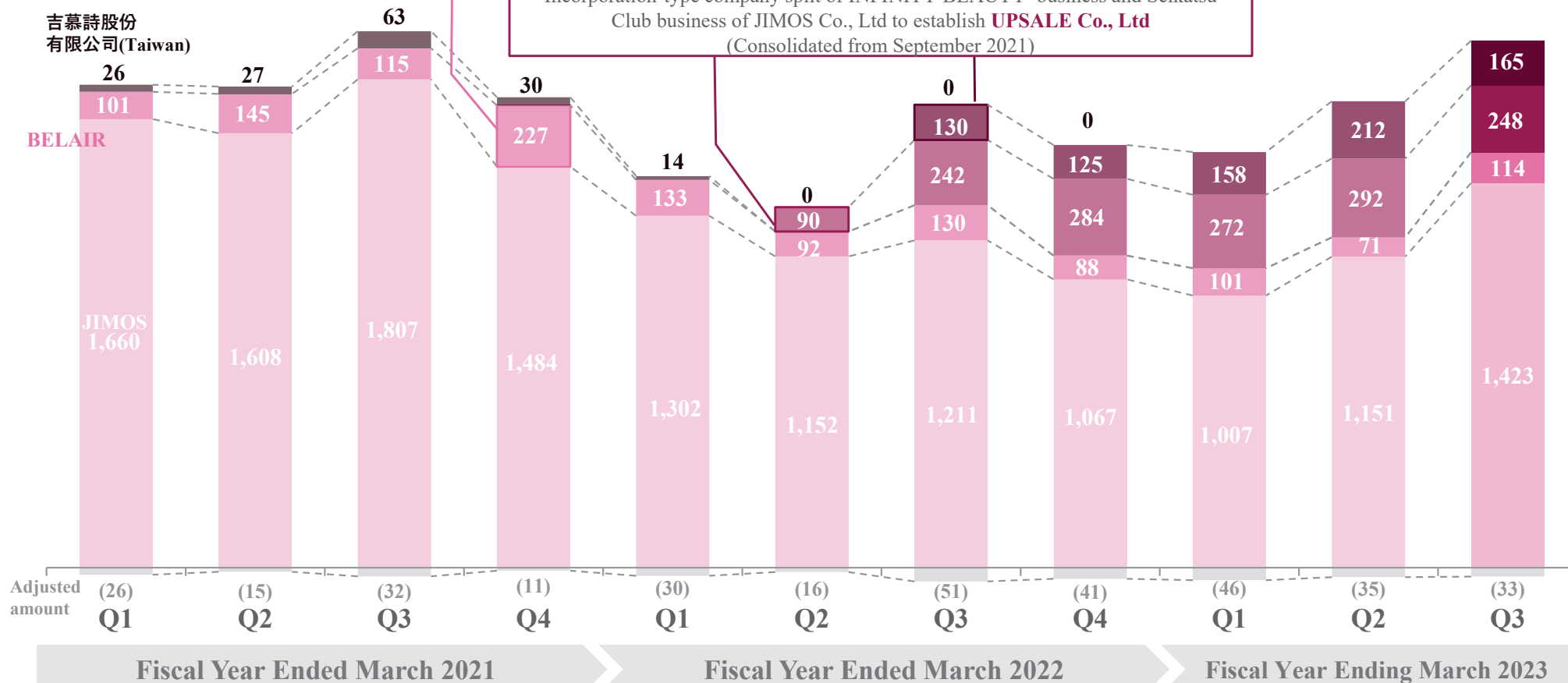
(67) (80) 158 112 183 128 193 (353) (41) (34) **200**

Sales Quarterly Trends

FYE March 2021 Q4 : BELAIR Co., Ltd changed its year-end (December ⇒ March) to a six-month period

Acquired ownership of **TOREMY Co., Ltd** by M&A
(Consolidated from October 2021)

Incorporation-type company split of INFINITY BEAUTY business and Seikatsu Club business of JIMOS Co., Ltd to establish **UPSAL Co., Ltd**
(Consolidated from September 2021)



(※) Adjusted amount : mainly within the segment

2-5c Beauty and Health Business Priority Measures for FY2022 onwards

- JIMOS Co., Ltd : Acquire new customers and develop products by making aggressive investments
Further market penetration and sales expansion of “SINN PURETÉ” brand,
which was launched in the previous fiscal year
Strengthen sales of “Tofu no Moritaya” brand, merged this fiscal year
- BELAIR Co., Ltd : Diversify sales formats and shift to an agency system for the purpose of expanding sales channels
- UPSALE Co., Ltd : Optimization of sales in e-commerce, our core business
Acquisition of new customers and improvement of LTV using third-class drug Ayumin-S
- TOREMY Co., Ltd : Actively develop ODM proposals in addition to OEM business and
maximize benefits through vertical cooperation

MACCHIA LABEL
マキアレイベル



coyori



SINN PURETÉ
natural & organics



豆腐の盛田屋



“jimos one to only one



ベリエー



UP SALE



★ TOREMY

03 Result Forecast for FYE March 2023

3-1 Consolidated Result Forecast

- Sales and income are expected to increase compared to the fiscal year ended March 31, 2022
- Continuing from the fiscal year ending March 31, 2022, we plan to make aggressive upfront investments to acquire customers, including new store openings, human capital, new products and services, and sales promotion activities

(million yen)			
	FYE March 2023 Forecast	FYE March 2022 Result	Comparison
Sales	60,000	54,924	+ 5,075
Operating income	3,000	2,760	+ 239
Ordinary income	3,000	2,792	+ 207
Profit attributable to owners of parent company	2,000	1,708	+ 291
EPS	89.12 yen	76.17 yen	+ 12.95 yen

3-2 Consolidated Result Forecast Sales by Segment

(million yen)

	FYE March 2023 Forecast	FYE March 2022 Result	Comparison
Crecla Business	15,000	15,019	(19)
Rental Business	16,200	15,916	+ 283
Construction Consulting Business	8,500	7,449	+ 1,050
Housing Sales Business	12,000	10,686	+ 1,313
Beauty and Health Business	8,300	5,921	+ 2,378
Elimination adjustments (including new • M&A)	—	(69)	—
TOTAL	60,000	54,924	+ 5,075

3-3 Consolidated Results Forecast

Operating Income by Segment

(million yen)

	FYE March 2023 Forecast	FYE March 2022 Result	Comparison
CreCla Business	1,500 [10.0%]	1,269 [8.5%]	+ 230 [+ 1.5 pt]
Rental Business	1,600 [9.9%]	1,621 [10.2%]	(21) [(0.3) pt]
Construction Consulting Business	1,000 [11.8%]	872 [11.7%]	+ 127 [+ 0.1 pt]
Housing Sales Business	230 [1.9%]	233 [2.2%]	(3) [(0.3) pt]
Beauty and Health Business	350 [4.2%]	151 [2.6%]	+ 198 [+ 1.7 pt]
Corporate expenses (including new • M&A)	(1,680)	(1,387)	(292)
TOTAL	3,000 [5.0%]	2,760 [5.0%]	+ 239 [(0.0) pt]

※Figures in parentheses are the operating margin to net sales

04 Dividend

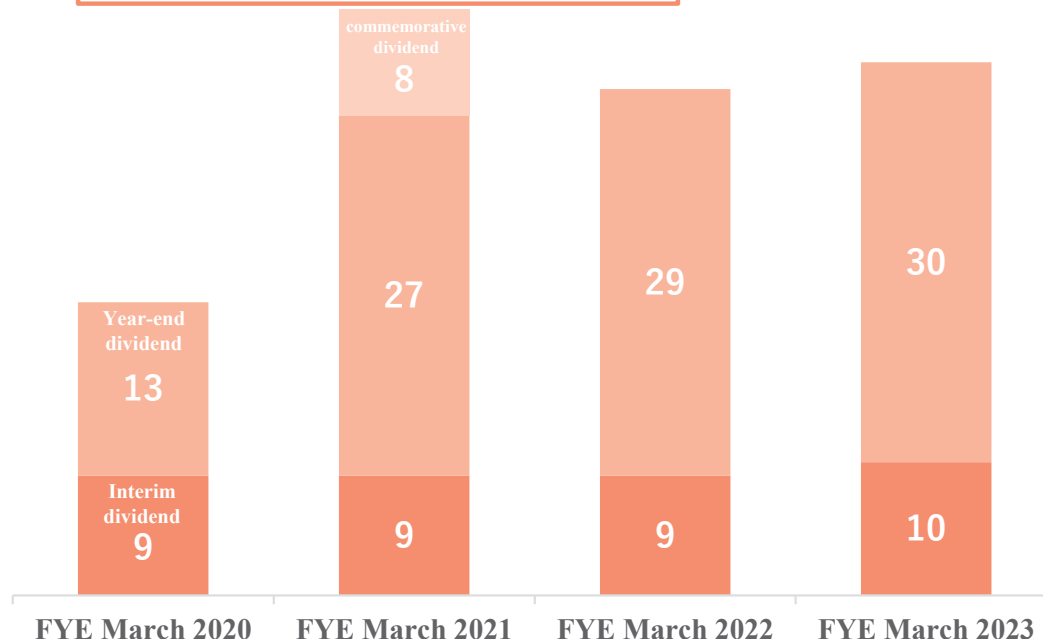
4-1 Dividend Policy, Dividend Results and Dividend Forecast

■ Dividend policy : Dividend on equity (DOE) 4 %
and dividend payout ratio within 100%

■ Shareholder Benefit : in-house product
(once a year)

Annual dividend	22	44	38	40
Dividend on equity (DOE)	2.5%	4.8%	3.9%	—
Dividend payout ratio	95.9%	53.6%	49.9%	44.9%

※ Ratio of dividend on equity (DOE) exceeds 4% due to commemorative dividend of 8yen



【Gifts in FYE March 2023】

- Receiver : Shareholders who are listed on the shareholders registry as of March 31, 2023 and own more than 100 shares
- Date : early July 2023
- Gift : Three in-house products



① Soy milk soap Natural living
(100 g) × 1 pc

② Soy noodle by Moritaya
(40 g × 2) × 1 pc



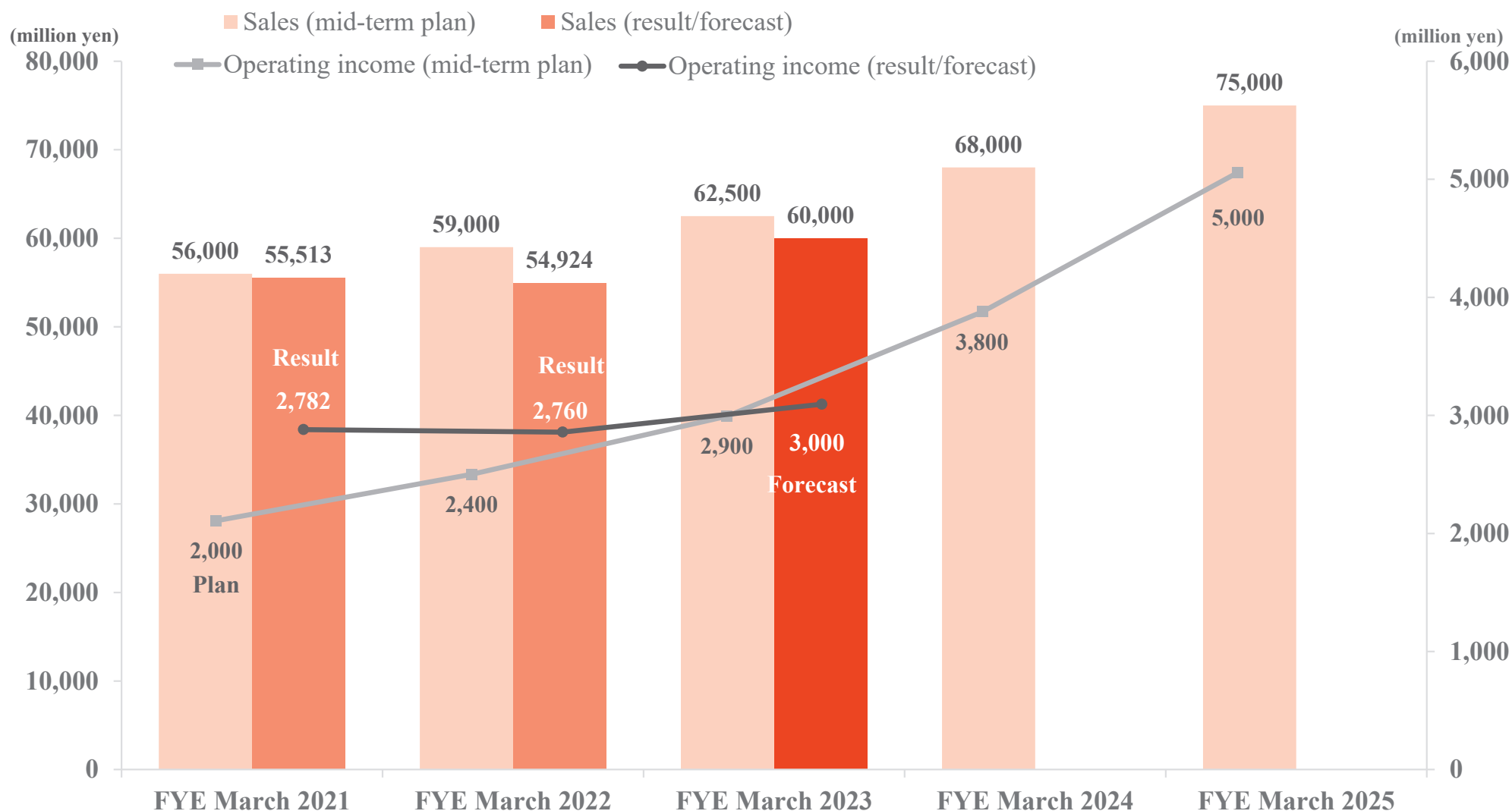
③ Soy milk yogurt pack Tamanokoshi
(150 g) × 1 pc



05 Mid-term Management Plan

5-1 Progress of Medium-Term Business Plan

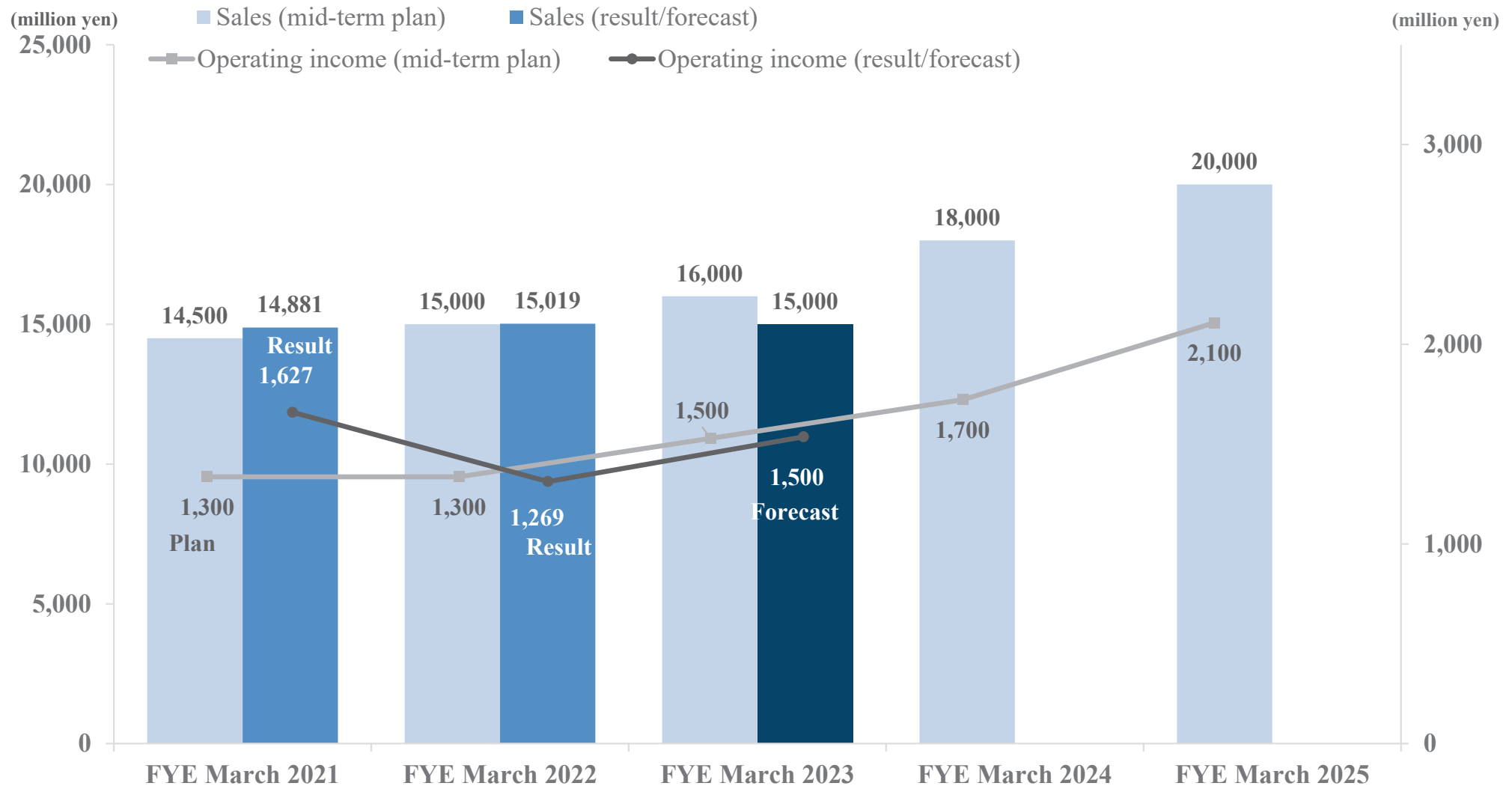
- In the fiscal year ending March 31, 2023, we plan to continue to make aggressive upfront investments mainly in CreCla Business and Rental Business
- Although the plan is to increase revenue and profit of the previous fiscal year, decrease in sales and increase in income are expected relative to mid-term plan



5-1 Progress of Medium-Term Business Plan (CreCla Business)

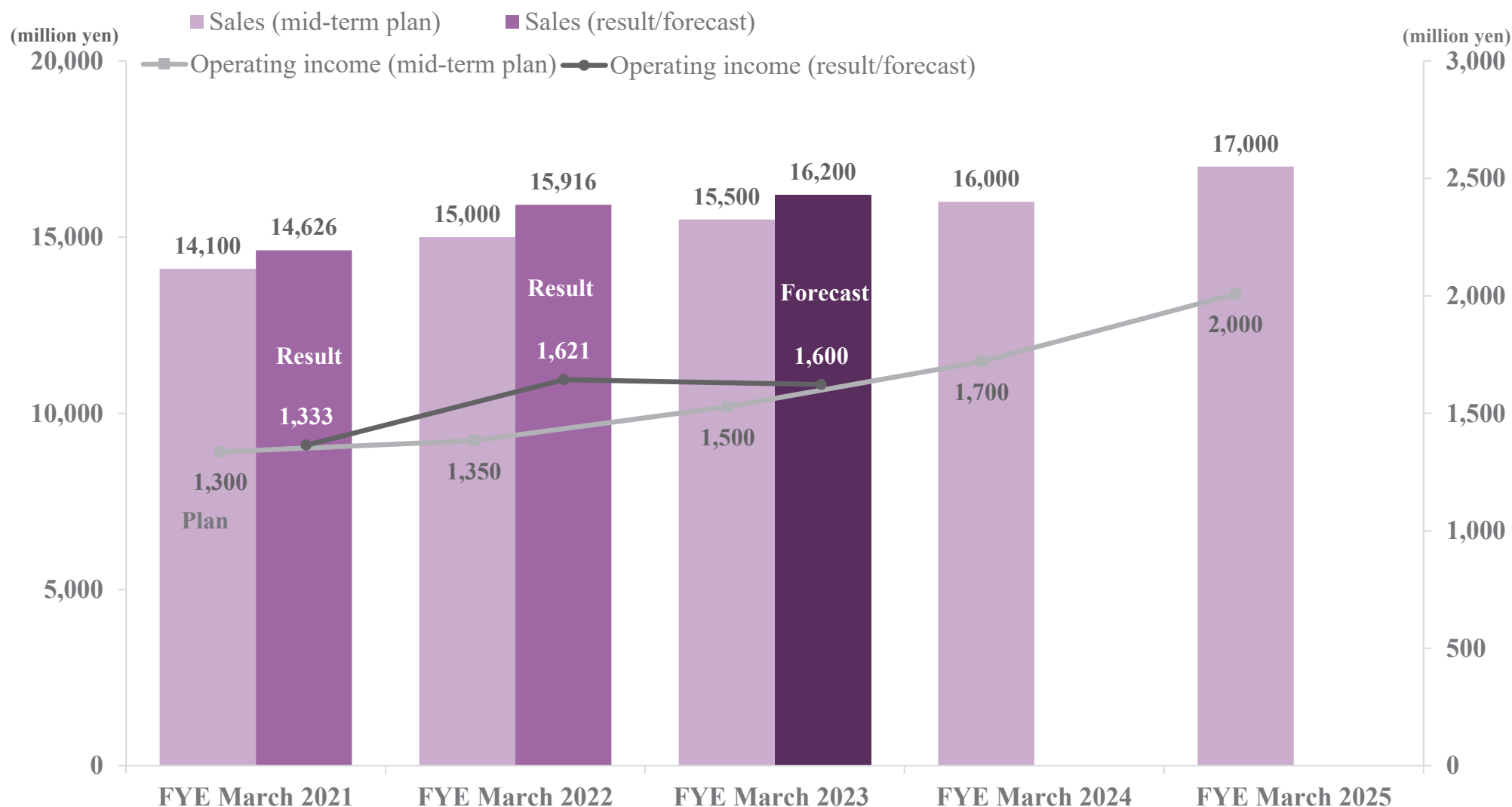
■ Plan an increase in profit compared with the previous quarter

■ Decrease in sales is expected relative to mid-term plan



5-1 Progress of Medium-Term Business Plan (Rental Business)

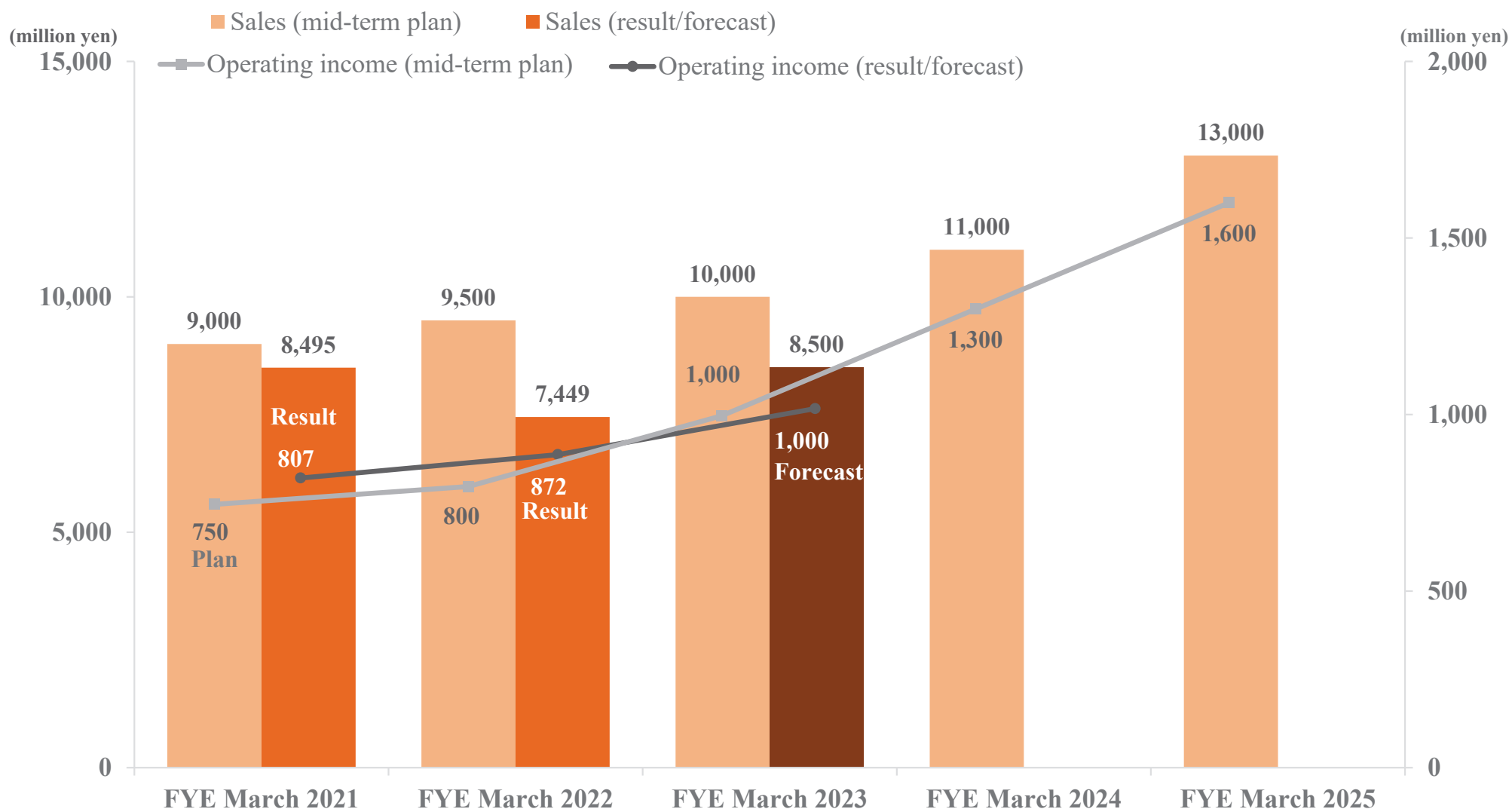
- Plan an increase in revenue and a decrease in profit compared with the previous quarter
- Increase in sales and income are expected relative to mid-term plan



5-1 Progress of Medium-Term Business Plan (Consulting Construction Business)

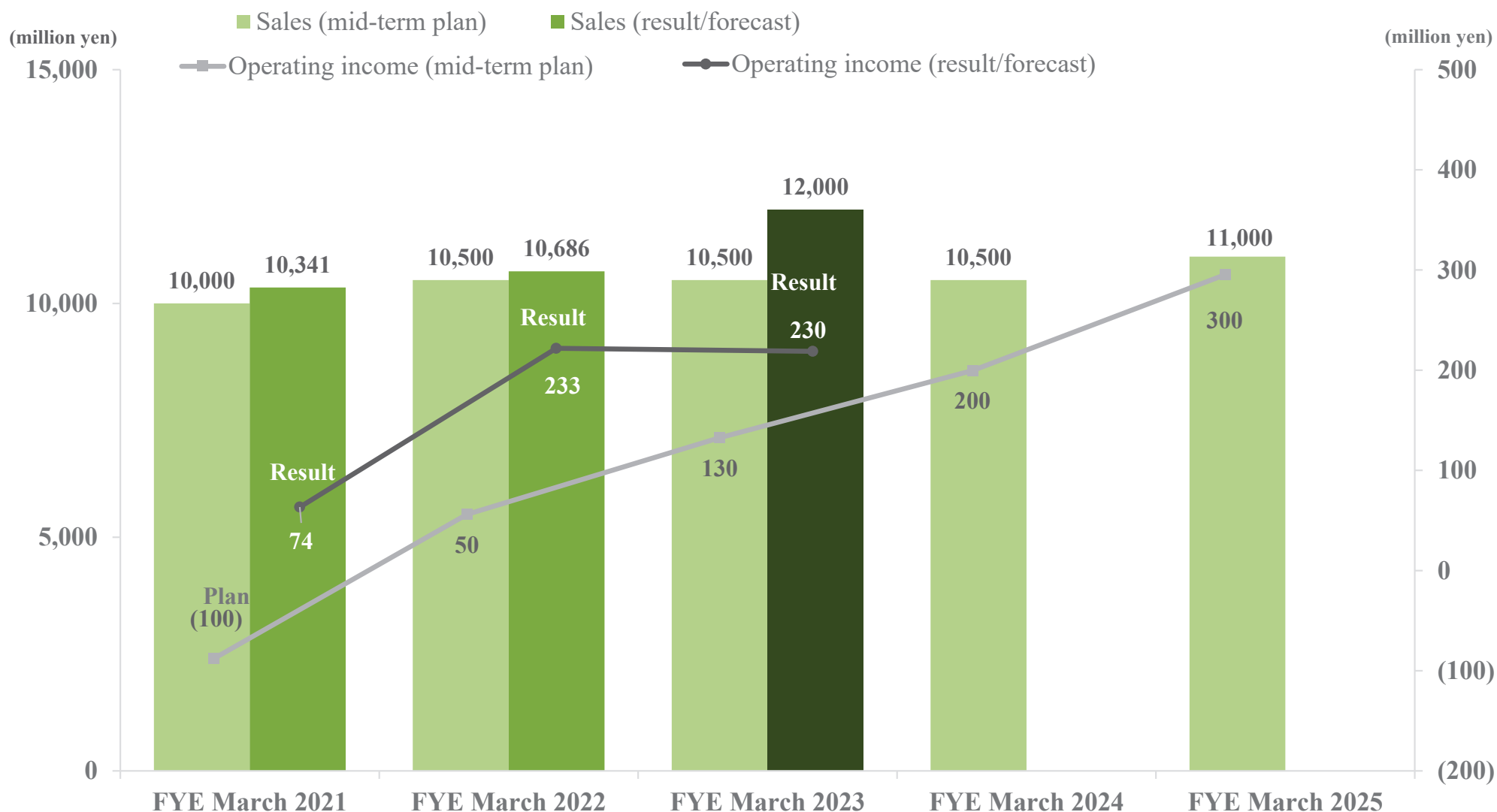
■ Plan an increase in revenue and profit compared with the previous quarter

■ Decrease in revenue is expected relative to mid-term plan



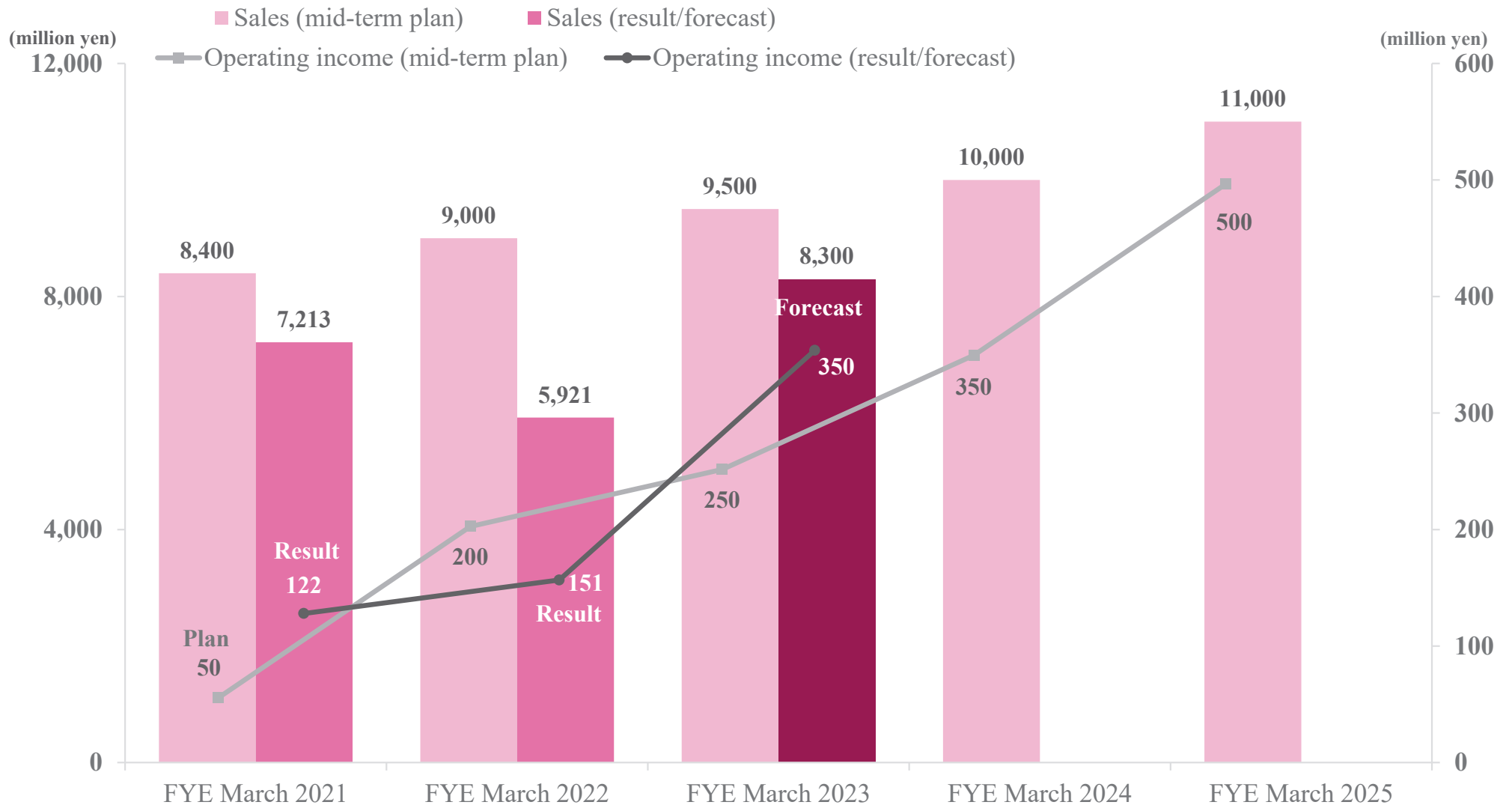
5-1 Progress of Medium-Term Business Plan (Housing Sales Business)

- Plan an in increase revenue and decrease the profit compared with the previous quarter
- Increase in revenue and profit are expected relative to mid-term plan



5-1 Progress of Medium-Term Business Plan (Beauty and Health Business)

- Plan an increase in revenue and profit compared with the previous quarter
- Decline in revenue and increase in profit are expected relative to the mid-term plan



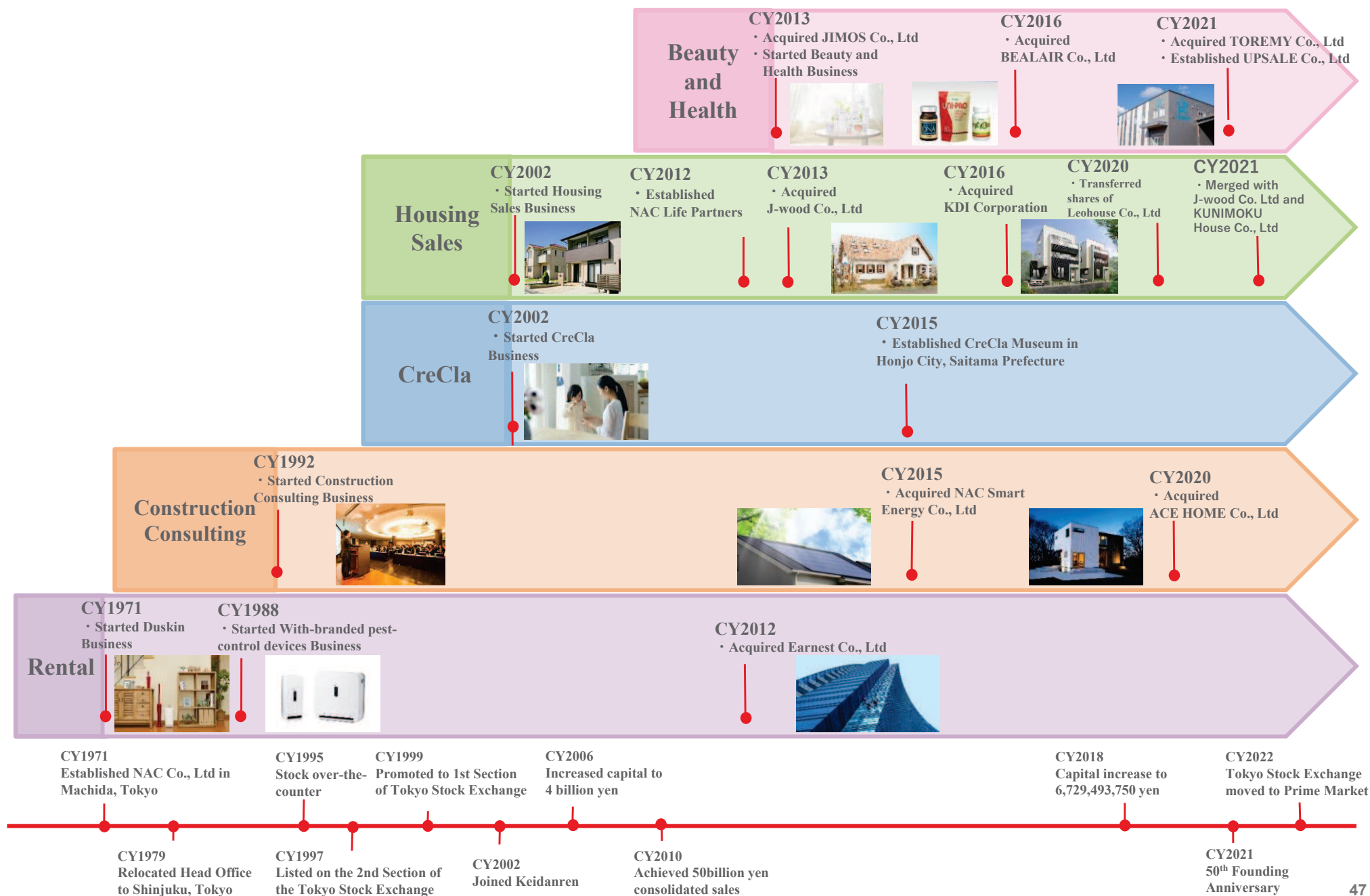
06 Company Profile

6-1 Company Outline

(As of September 2022)

Company name	NAC CO., LTD								
Address	Tokyo, Shinjuku-ku, Nishi-Shinjuku 1-25-1 Shinjuku Center Building 42F								
Date established	May 20, 1971								
Representative	Yoshimura Kan, President								
Consolidated Subsidiaries	<table> <tr> <td>Rental</td><td>Earnest Co., Ltd (Building Maintenance Business)</td></tr> <tr> <td>Consulting</td><td>Nac Smart Energy Co., Ltd (Sales and Construction energy-savings products) ACE HOME Co., Ltd (Residential Franchise Business)</td></tr> <tr> <td>Housing</td><td>J-wood Corporation (Custom-built houses Contractor) KDI CORPORATION (Ready-built and Order-made Houses) NAC Life Partners Co., Ltd (Finance and Benefits)</td></tr> <tr> <td>Beauty and Health</td><td>JIMOS Co., Ltd (Beauty and Health Business) BELAIR Co., Ltd (Beauty and Health Business) 吉慕詩股份有限公司(Taiwan) (Beauty and Health Business) TOREMY Co., Ltd (Contract Manufacturing) UPSALE Co., Ltd (Cosmetics, Health foods and Medicines eCommerce sales)</td></tr> </table>	Rental	Earnest Co., Ltd (Building Maintenance Business)	Consulting	Nac Smart Energy Co., Ltd (Sales and Construction energy-savings products) ACE HOME Co., Ltd (Residential Franchise Business)	Housing	J-wood Corporation (Custom-built houses Contractor) KDI CORPORATION (Ready-built and Order-made Houses) NAC Life Partners Co., Ltd (Finance and Benefits)	Beauty and Health	JIMOS Co., Ltd (Beauty and Health Business) BELAIR Co., Ltd (Beauty and Health Business) 吉慕詩股份有限公司(Taiwan) (Beauty and Health Business) TOREMY Co., Ltd (Contract Manufacturing) UPSALE Co., Ltd (Cosmetics, Health foods and Medicines eCommerce sales)
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No. of employees (Regular employees)	Consolidated 1,652 (excluding part-time employees)								
Capital	6,729,493,750 yen								
Shares Outstanding	24,306,750 shares (1 unit : 100 shares)								
No. of shareholders	13,263 (total number of shareholders excluding treasury stock)								

6-2 NAC Group History



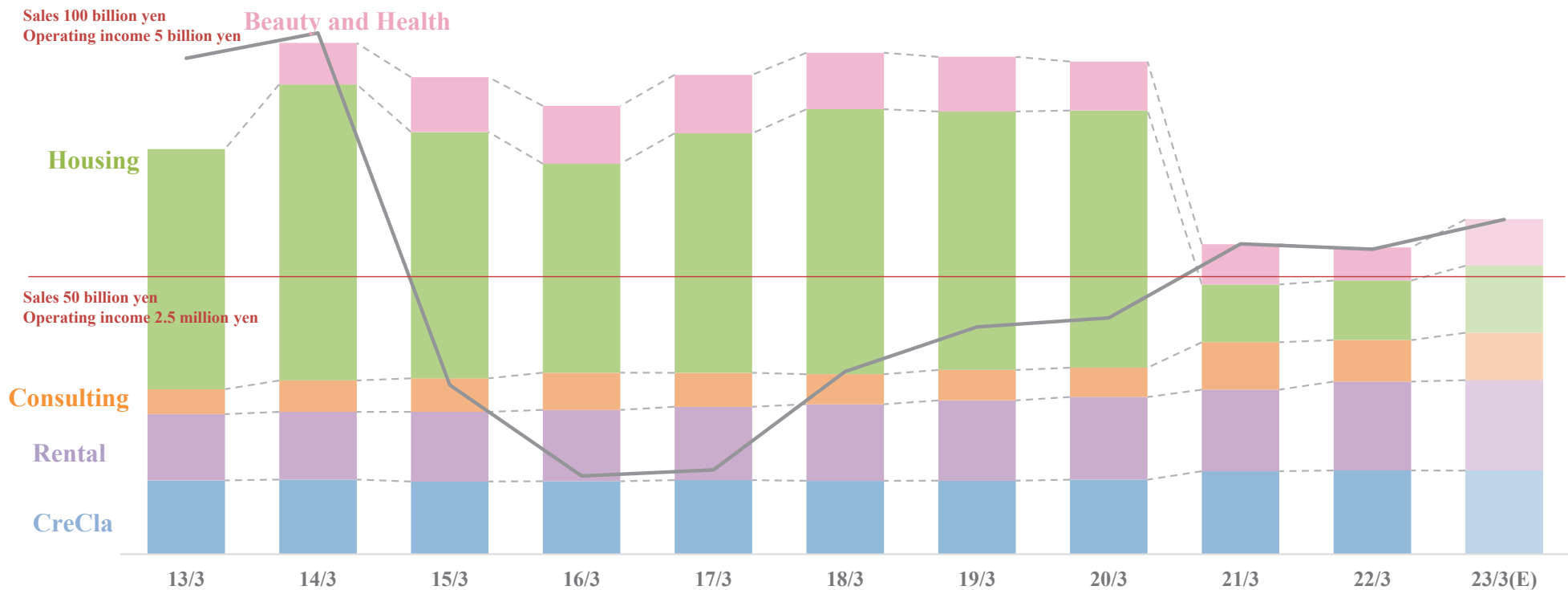
6-3 NAC Business Result (Previous 10 Fiscal Years + Forecasts)

	FYE 2013	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023(E)
Sales	72,621	91,630	85,443	80,302	85,901	89,818	89,111	88,222	55,513	54,924	60,000
Operating income	4,444	4,672	1,517	701	756	1,637	2,037	2,118	2,782	2,760	3,000

Significant decrease in Housing Sales
Business due to reactionary decline against
consumption tax hike

Profit structure has changed due to
transfer of Leohouse shares

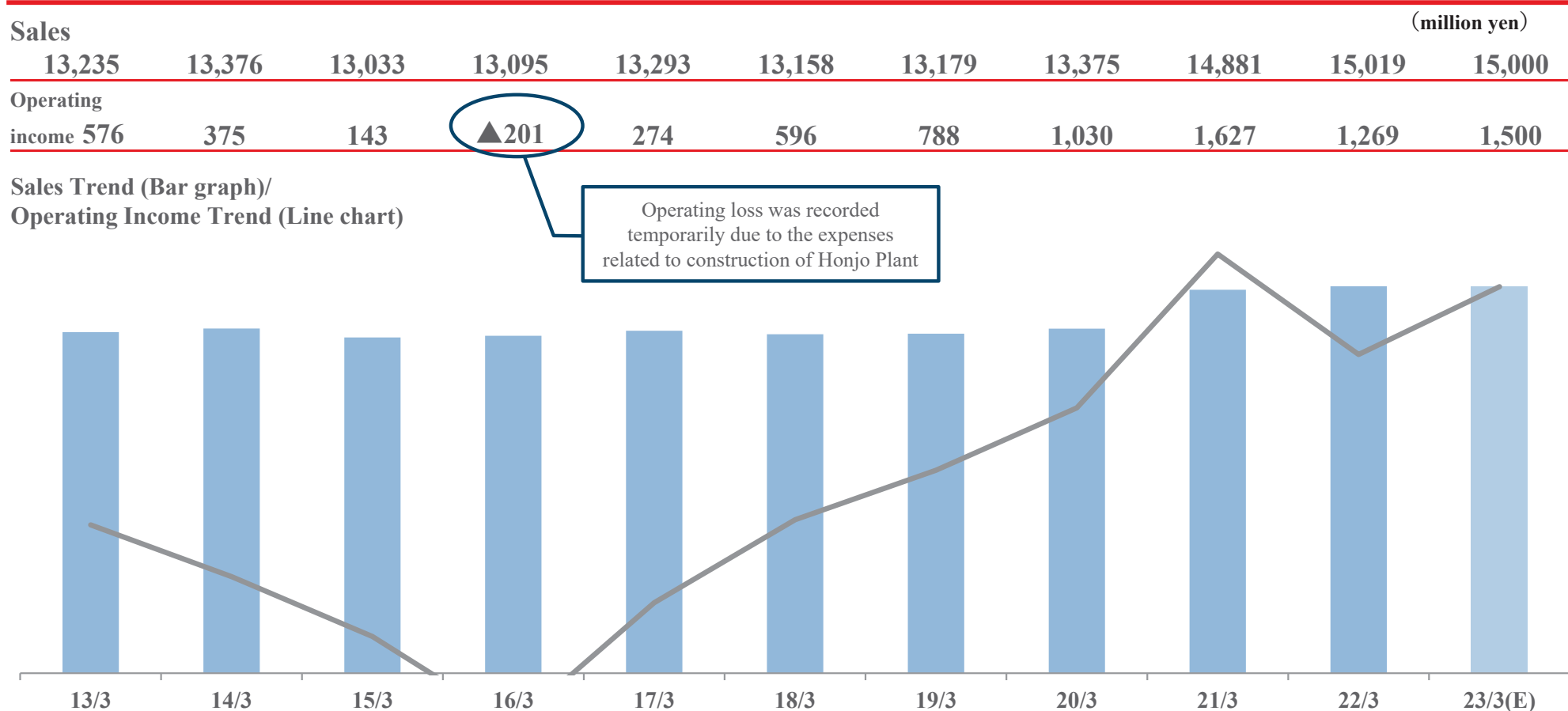
【Sales Trend : Bar graph / Operating Income Trends : Line chart】



6-4 Business Introduction CreCla Business

Major composition : NAC Co., Ltd CreCla Business

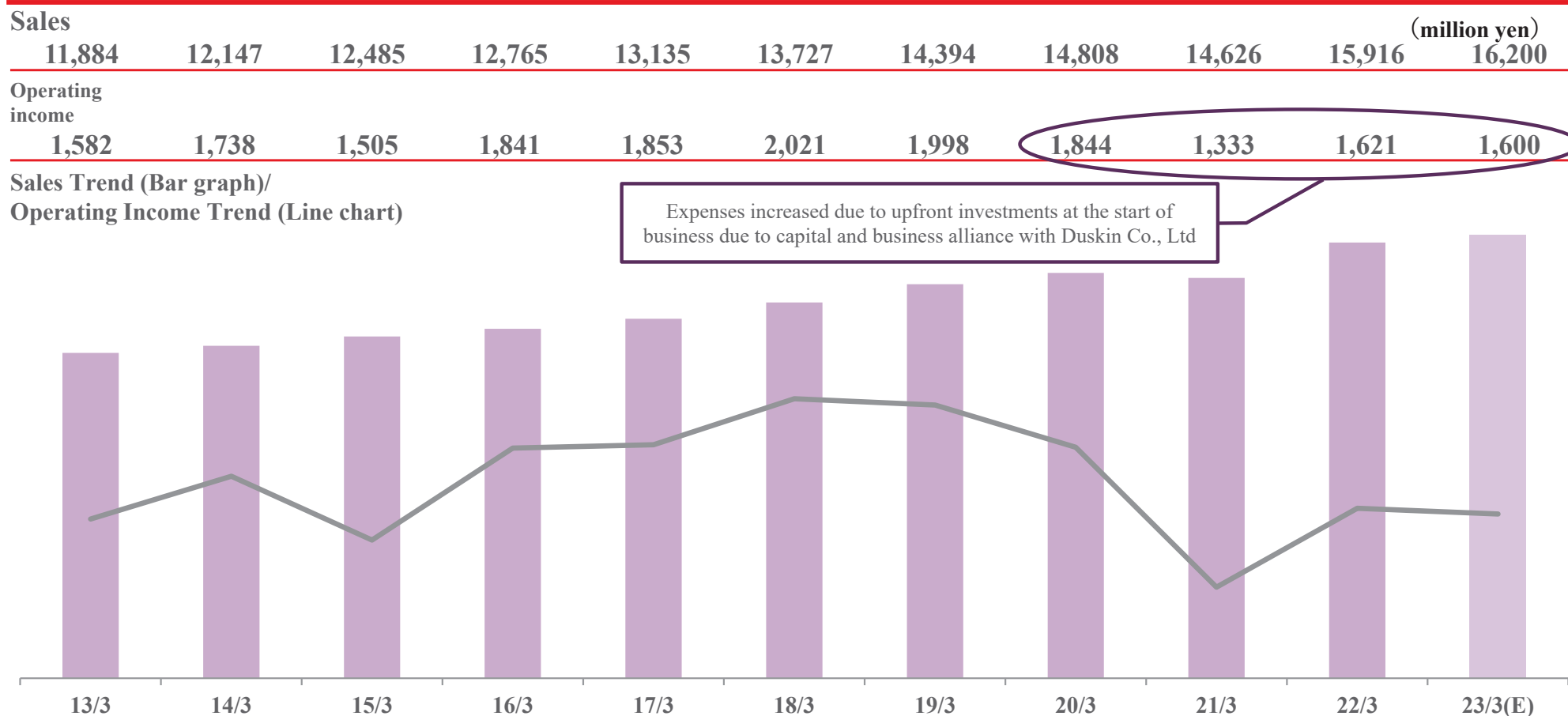
- ☐ Production and sales of CreCla (delivery of bottled water) and ZiACO (hypochlorous acid aqueous solution)
- ☐ Operates the Head Office of CreCla Chain Business (Affiliated stores of approx. 500 stores)
- **No. 1** in customer satisfaction for **12 consecutive years** (Dec 2022 survey by NIFTY Corporation on “water delivery”)
- Acquired the **industry’s first** HACCP Certification and eco-mark, and established the **industry’s first** R&D center
- In April 2015, manufacturing plant and CreCla Museum were established in Honjo City, Saitama Prefecture



6-5 Business Introduction Rental Business

Major composition : NAC Co., Ltd Rental Business, Earnest Co., Ltd

- Rental and sales of dust control products and pest control items, and operates regular cleaning etc
- **No. 1 sales** of all Duskin Franchise dealers (approximately 1,900 companies)
- Pest control device “With” for restaurants, a **Japan’s first** approved by Minister of Health, Labor and Welfare
- March 2012 Acquired ownership of Earnest Co., Ltd (Building Maintenance Business)
- August 2018 Concluded a capital and business alliance with Duskin Co., Ltd

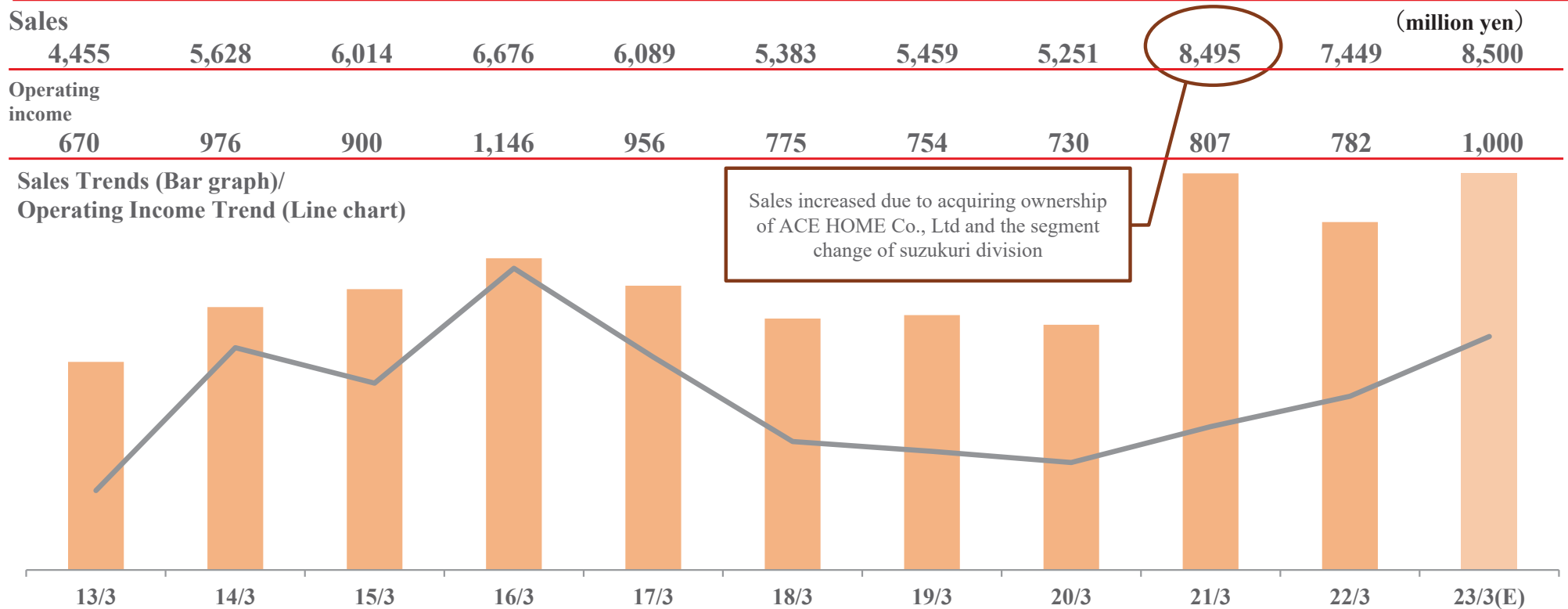


6-6 Business Introduction Construction Consulting Business

Major composition : NAC Co., Ltd Construction Consulting Business

Nac Smart Energy Co., Ltd and ACE HOME Co., Ltd

- Sales and construction know-how system products and construction materials to local contractor, and housing franchise business
- NAC member contractor **approximately 7,000 companies**
- September 2015 Acquired ownership of NAC Smart Energy Co., Ltd (sales and installation of energy-saving products)
- April 2017 Acquired ownership of SUZUKURI (Housing Development Business in partnership with other industries) (continued as suzukuri division after segment change from Housing Sales Business in April 2020)
- February 2020 Acquired ownership of ACE HOME Co., Ltd (Housing Franchise Business)



6-7 Business Introduction Housing Sales Business

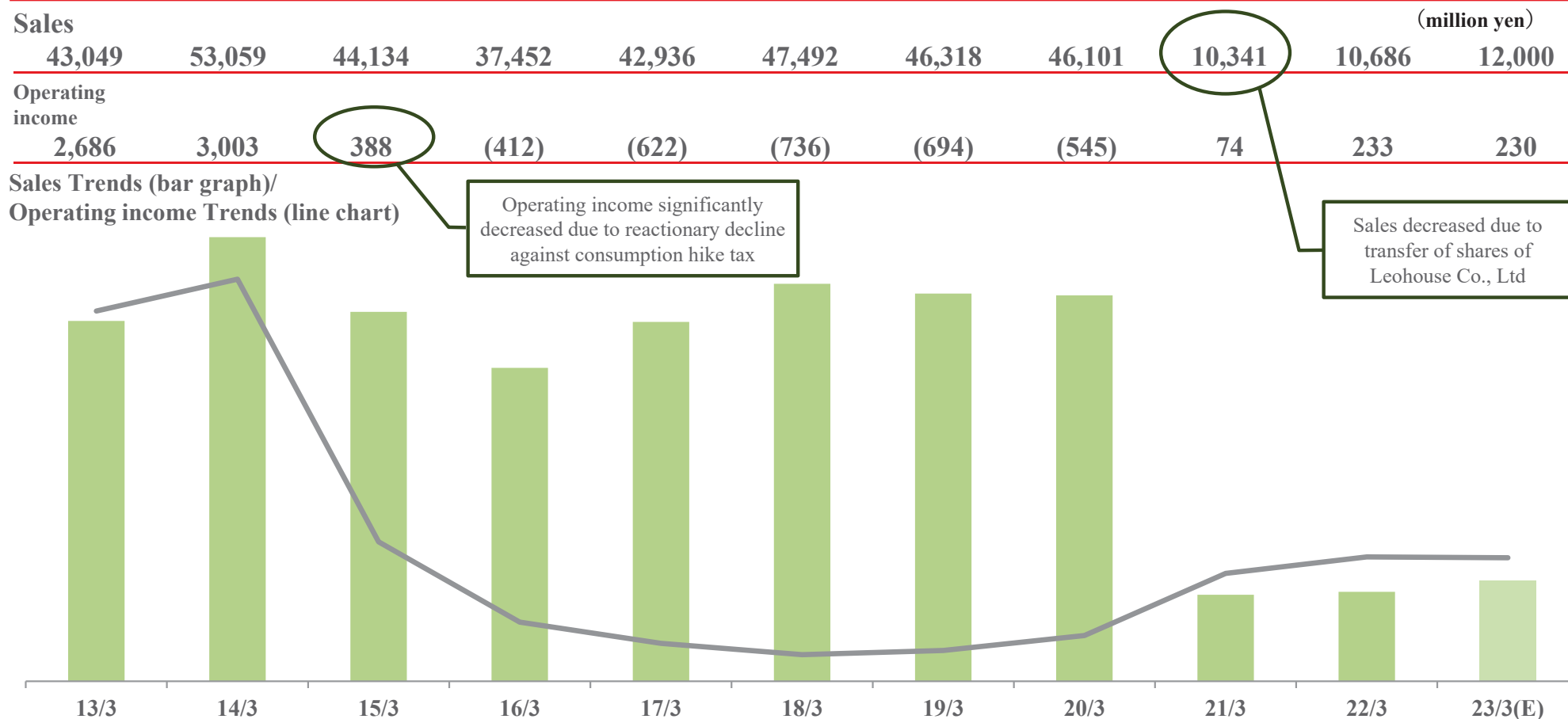
Major composition : KDI CORPORATION, J-wood Co., Ltd and NAC Life Partners Co., Ltd

□ Contractor of custom-built detached houses, sales of ready-built houses, and its related financial and insurance services

■ July 2013 Acquired ownership of J-wood Co., Ltd (custom-built houses made of natural minerals)

■ May 2016 Acquired ownership of KDI Co., Ltd (ready-built and order-made houses in Tokyo Metropolitan Area)

■ June 2017 Acquired ownership of KUNIMOKU House Co., Ltd (develop a housing business in Hokkaido)
(merged with J-wood Co., Ltd in April 2021)



6-8 Business Introduction Beauty and Health Business

Major composition : JIMOS Co., Ltd, BELAIR Co., Ltd, TOREMY Co., Ltd, UPSALE Co., Ltd

□ Online shopping services of cosmetics, health-food products and beauty care items

■ July 2013 Started beauty and health business by acquiring JIMOS Co., Ltd

Basic cosmetics mainly for women in their 40s to 60s

■ December 2016 Acquired ownership of BELAIR Co., Ltd (sales of supplement)

■ July 2021 Acquired ownership of TOREMY Co., Ltd (contract manufacturer of cosmetics)

■ September 2020 Established UPSALE Co., Ltd

Recorded as expenses due to accounting adjustments when JIMOS Co., Ltd was acquired

