

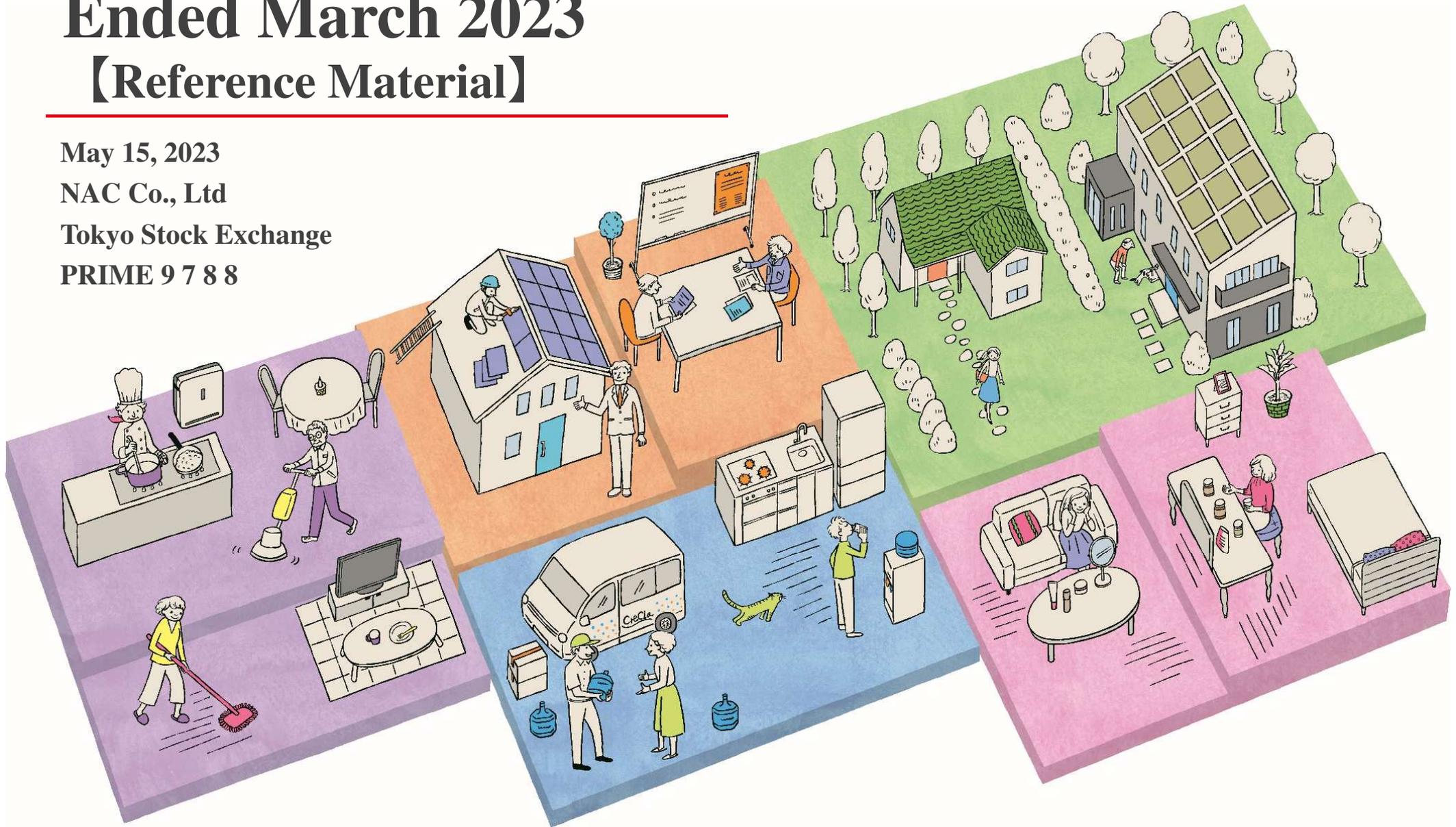
Results for Fiscal Year Ended March 2023 【Reference Material】

May 15, 2023

NAC Co., Ltd

Tokyo Stock Exchange

PRIME 9 7 8 8



Financial Results Meeting is scheduled in June 12, 2023 (Monday) through online.

This material was prepared in order to understand better the financial results for fiscal year ended March 2023.

— T O P I C —

01	Fiscal Year 2022 Results	...	P. 2
02	Business Segment Results	...	P. 14
03	Results Forecast	...	P. 34
04	Dividends	...	P. 38
05	Mid-Term Management Plan	...	P. 40
06	Corporate Profile	...	P. 47

NOTE :

All performance target and other information stated in this document are forecasts based on information currently available in the Group, and are the 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 Fiscal Year 2022 Results

1-1. Consolidated Income Statement

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

Sales	Rental	Increased year-on-year as a result of the success of Infectious disease related business in Earnest Co., Ltd, and price increase in some products from Duskin business and With-branded pest-control devices business.
	Beauty and Health	Increased year-on-year as a result of increase in order quantity in TOREMY Co., Ltd and a new brand started in JIMOS Co., Ltd
	Consulting	Decreased year-on-year due to cost increase in construction materials and repaying of COVID-19 related loans which reduced the purchasing intent of local building contractors, the major customers in consulting division
Operating income	Rental	Sales increase in all departments has contributed to year-on-year increase
	CreCla	Increased year-on-year as a result of review of sales promotion activities and price increase of CreCla bottles
Current Net income		Increased year-on-year as a result of increase in operating income

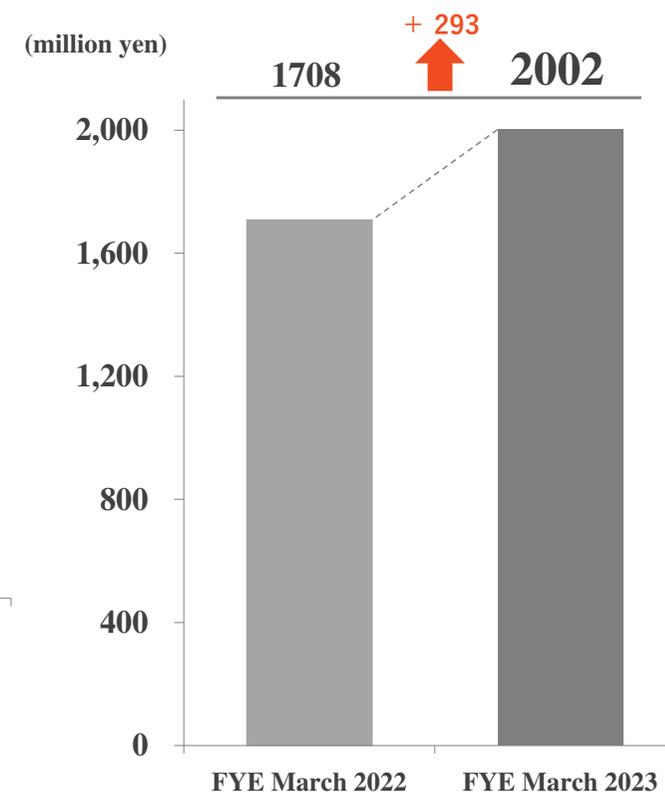
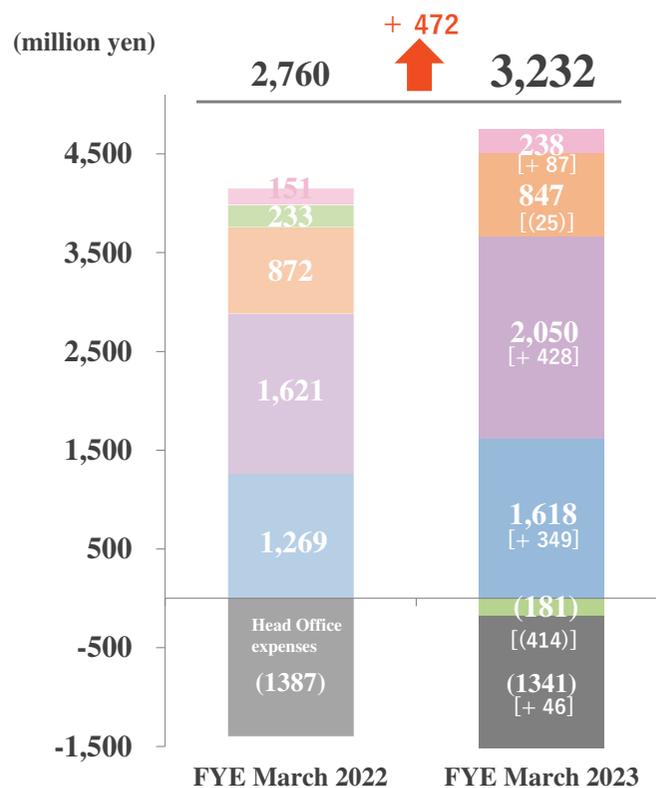
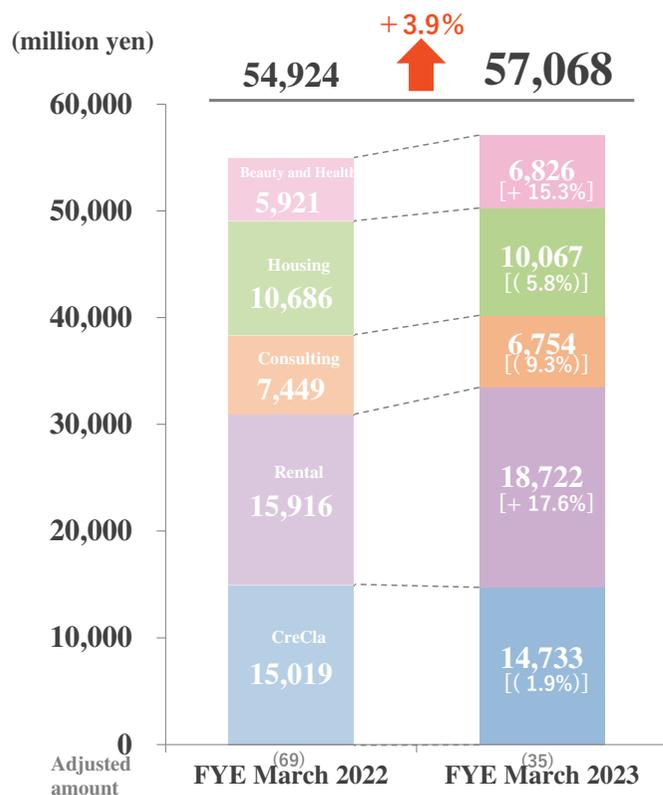
Sales

(percentage in the parentheses are the changes)

Operating income

(figures in the parentheses are the changes)

Current Net income (※)



(※) Current Net Income : Attributable to owners of the parent, Adjustments: Intersegment sales of Transfer

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	Q4
Sales											
12,727	14,281	13,927	14,577	11,984	14,218	13,727	14,993	11,702	14,394	14,827	16,149
Operating income											
211	614	871	1,084	185	848	856	871	(243)	795	975	1,705

Sales Quarterly Trend

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

(million yen)



◆Adjusted amount : Inter-segment sales or transfers

1-1c Consolidated Income Statement

(million yen)

	FYE March 2023 Result	Plan comparison		YoY comparison	
		FYE 2022 Plan	Percentage of total	FYE 2021 Result	Percentage
Sales	57,068	60,000	95.1%	54,924	+ 3.9%
Gross profit	27,737	—	—	26,952	+ 2.9%
(Gross margin)	48.6%	—	—	49.1%	(0.5pt)
SG&A	24,505	—	—	24,191	+ 1.3%
Operating income	3,232	3,000	107.8%	2,760	+ 17.1%
(Operating margin)	5.7%	—	—	5.0%	+ 0.7pt
Non-operating income and loss	10	—	—	32	(67.1%)
Ordinary income	3,243	3,000	108.1%	2,792	+ 16.1%
Extra-ordinary income	(38)	—	—	(56)	—
Net income attributable to owners of parent company	2,002	2,000	100.1%	1,708	+ 17.2%

1-1d Sales by Segment

(million yen)

	FYE March 2023 Result	Plan comparison		YoY comparison	
		Plan	Percentage of total	Result	Percentage
CreCla Business	14,733	15,000	98.2%	15,019	(1.9%)
Rental Business	18,722	16,200	115.6%	15,916	+ 17.6%
Construction Consulting Business	6,754	8,500	79.5%	7,449	(9.3%)
Housing Sales Business	10,067	12,000	83.9%	10,686	(5.8%)
Beauty and Health Business	6,826	8,300	82.2%	5,921	+ 15.3%
Elimination of intersegment	(35)	—	—	(69)	—
TOTAL	57,068	60,000	95.1%	54,924	+ 3.9%

1-1e Operating Income by Segment

(million yen)

	FYE March 2023 Result	Plan		YoY Comparison	
		Plan	Percentage of total	Result	Percentage
CreCla Business	1,618 [11.0%]	1,500 [10.0%]	107.9% [+ 1.0pt]	1,269 [8.5%]	+ 27.5% [+ 2.5pt]
Rental Business	2,050 [11.0%]	1,600 [9.9%]	128.1% [+ 1.1pt]	1,621 [10.2%]	+ 26.4% [+ 0.8pt]
Construction Consulting Business	847 [12.5%]	1,000 [11.8%]	84.7% [+ 0.7pt]	872 [11.7%]	(2.9%) [+ 0.8pt]
Housing Sales Business	(181) [(1.8%)]	230 [1.9%]	— [(3.7pt)]	233 [2.2%]	— [(4.0pt)]
Beauty and Health Business	238 [3.5%]	350 [4.2%]	68.3% [(0.7pt)]	151 [2.6%]	+ 58.2% [+ 0.9pt]
Corporate expenses, others	(1,341)	(1,680)	—	(1,387)	—
TOTAL	3,232 [5.7%]	3,000 [5.0%]	107.8% [+ 0.7pt]	2,760 [5.0%]	+ 17.1% [+ 0.7pt]

※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 year-on-year as a result of sales increased in all departments ▶ Main factor is the success of infectious disease project in Earnest Co., Ltd
	Beauty and Health	Sales went up with the start of new brand in JIMOS Co., Ltd and increase of orders in TOREMY Co., Ltd
Advertising & Sales Promotion Expenses	Housing	In J-wood Co., Ltd, advertising investments to attract customers are implemented in advance
	Beauty and Health	In JIMOS Co., Ltd, advertising investments to acquire new customers are implemented aggressively

		(million yen)	
			Year-on-Year change
FYE March 2022	Operating income	2,760	—
	Change in gross profit	+ 785	+ 2.9%
	Personnel expenses	(0)	(0.0%)
	Advertising and sales promotional expenses	(125)	(4.1%)
Increase (Decrease) of SG&A expenses	Land rent cost	(35)	(2.3%)
	Depreciation and amortization of goodwill	(9)	(1.1%)
	Other SG&A expenses	(142)	(1.6%)
FYE March 2023	Operating income	3,232	—

01 Fiscal Year 2022 Results

1-2. Consolidated Balance Sheet

1-2a Consolidated Sheet Assets

Current assets

Increase

Real estate for sale + 534 million yen

Decrease

Cash and deposits (1,257) million yen

Noncurrent assets

No notable items

	(million yen)				
	FYE March 2023	Percentage of total	FYE March 2022	Percentage of total	Comparison
Current assets	24,875	64.2%	25,091	63.2%	(215)
Property, plant and equipment	8,225	21.2%	8,720	22.0%	(494)
Intangible assets	1,477	3.8%	1,890	4.8%	(413)
Investments and other assets	4,157	10.7%	4,022	10.1%	+ 135
Noncurrent assets	13,860	35.8%	14,633	36.8%	(772)
Total assets	38,735	100.0%	39,724	100.0%	(988)

1-2b Consolidated Balance Sheet Liabilities and Net Assets

Liabilities Decrease Long-term debt (647) million yen / Short-term debt (400) million yen

Net assets Increase Retained earnings + 1,117 million yen

	(million yen)				
	FYE March 2023	Percentage of total	FYE March 2022	Percentage of total	Comparison
Current liabilities	11,470	29.6%	12,576	31.7%	(1,105)
Noncurrent liabilities	4,060	10.5%	5,009	12.6%	(948)
Total liabilities	15,531	40.1%	17,585	44.3%	(2,054)
Shareholder's equity	23,775	61.4%	22,627	57.0%	+ 1,148
Accumulated other comprehensive income	(571)	(1.5%)	(563)	(1.4%)	(7)
Non-controlling interests	—	—	74	0.2%	(74)
Total assets	23,204	59.9%	22,138	55.7%	+ 1,065
Total liabilities and net assets	38,735	100.0%	39,724	100.0%	(988)

01 Fiscal Year 2022 Results

1-3. Consolidated Cash Flow

1-3 Consolidated Cash Flow

Operating CF	Increase	Income before income taxes + 3,204 million yen
	Decrease	Payment of Corporation tax (1,112) million yen / Depreciation (1,021) million yen / Increase in trade receivables (796) million yen
Investing CF	Decrease	Payments for acquisition of tangible fixed assets (194) million yen / Payments for acquisition of investments securities (178) million yen
Financing CF	Decrease	Payments for repayment of long-term debt (1,917) million yen / Dividends paid (880) million yen

	(million yen)		
	FYE March 2023	FYE March 2022	Comparison
1.Cash flow from operating activities	1,709	2,847	(1,137)
2.Cash flow from investing activities	(361)	(1,107)	+ 746
3.Cash flow from financing activities	(2,555)	(3,743)	+ 1,188
Net increase (decrease) in cash and cash equivalents	(1,206)	(2,001)	+ 795
Beginning balances of cash and cash equivalents	12,187	14,188	(2,001)
Increase in cash and cash equivalents from newly consolidated subsidiary	48	—	+ 48
Ending balances of cash and cash equivalents	11,029	12,187	(1,157)
Depreciation and amortization	1,021	1,020	+ 0

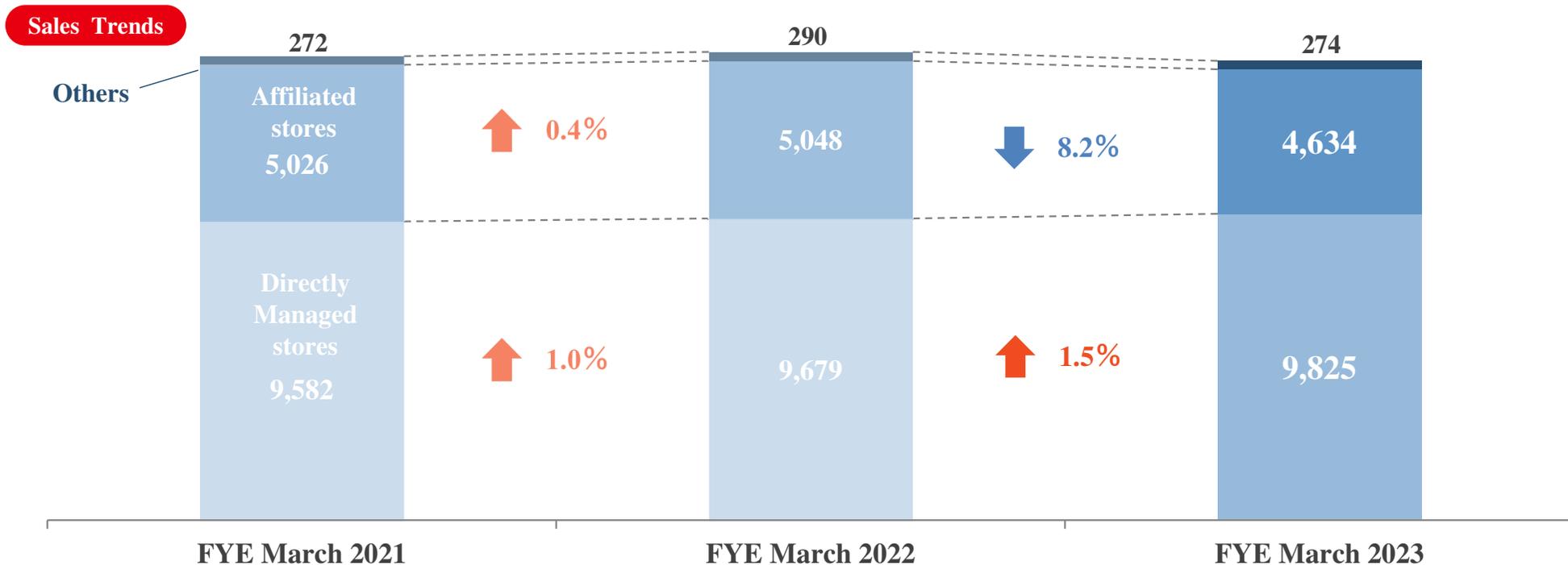
02 Business Segment Result

2-1. CreCla Business

2-1a CreCla Business Sales and Operating Income Trends

Sales	Directly Managed stores	<ul style="list-style-type: none"> Although there was a slight decline in the number of customers in CreCla [bottled water delivery service], sales increased year-on-year as a result of the bottle's price increase (October 2022) Decreased year-on-year due to drop in unit price per customer in hypochlorous acid aqueous solution 「ZiACO」 even though there was an increase in the number of customers.
	Affiliated stores	Decreased year-on-year due to the price increase of servers for Affiliated stores (April 2022) that slowed the number of sales including related materials and decrease in plant-related sales.
Operating income	Significantly increased year-on-year as a result of review in the sales promotion activities due to price increase of bottles and reduced salesforce	

Sales	14,881	15,019	14,733	(million yen)
Operating income	1,627	1,269	1,618	

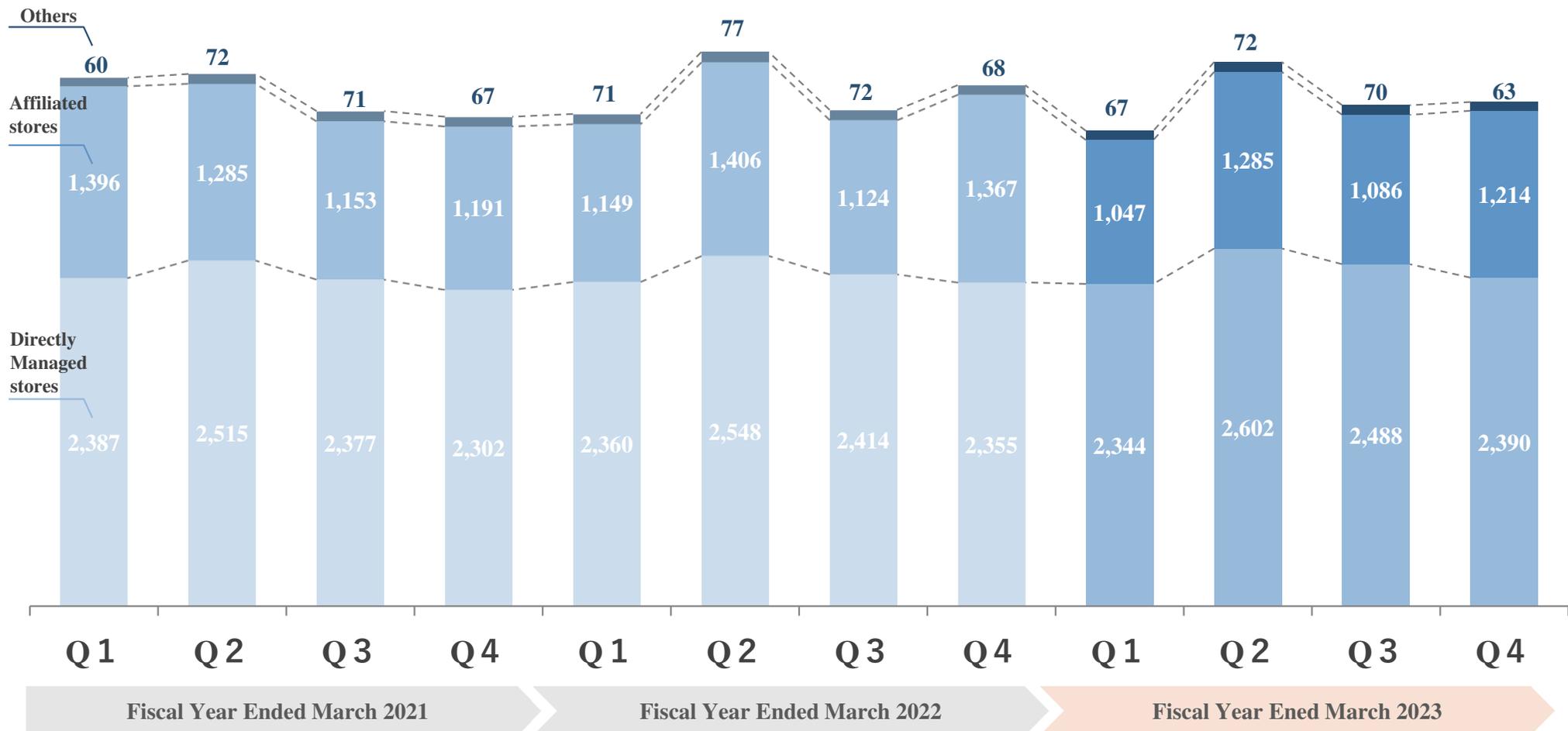


2-1b CreCla Business Quarterly Trends of Sales and Operating Income

FYE March 2021				FYE March 2022				FYE March 2023			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Sales											
3,844	3,873	3,602	3,561	3,582	4,032	3,611	3,792	3,459	3,960	3,644	3,669
Operating income											
491	442	371	321	169	401	286	411	125	584	474	434

Sales Quarterly Trends

(million yen)



2-1c CreCla Business Priority Measures for FY2023 onwards

- Customer expansion
 - ▶ Strengthen sales promotional activities focusing on sales events mainly in shopping malls
 - ▶ Develop and deliver new server and services including water purifier server (feel free) as the first.
 - ▶ Utilization of system infrastructure 「CrePF (CreCla Platform)」
- Secure personnel and strengthen training system
- Cross-media strategies utilizing various media
- CreCla Nagasaki Co., Ltd became a consolidated subsidiary on April 1, 2023

クリクラは、ここまでやる。

クリクラ あんしん 宣言

12年連続
お客様満足度
No.1
宅配水
市場

BEST AWARD OF THE YEAR 2023
赤ちゃんグッズ大賞
2023
RO水ウォーターサーバー部門
入賞

feel free ZiACO

横浜薬科大学
総合健康メディカルセンター
推奨

CreCla Fit

Multi-server
CreCla Shuwa

Water Purifier server

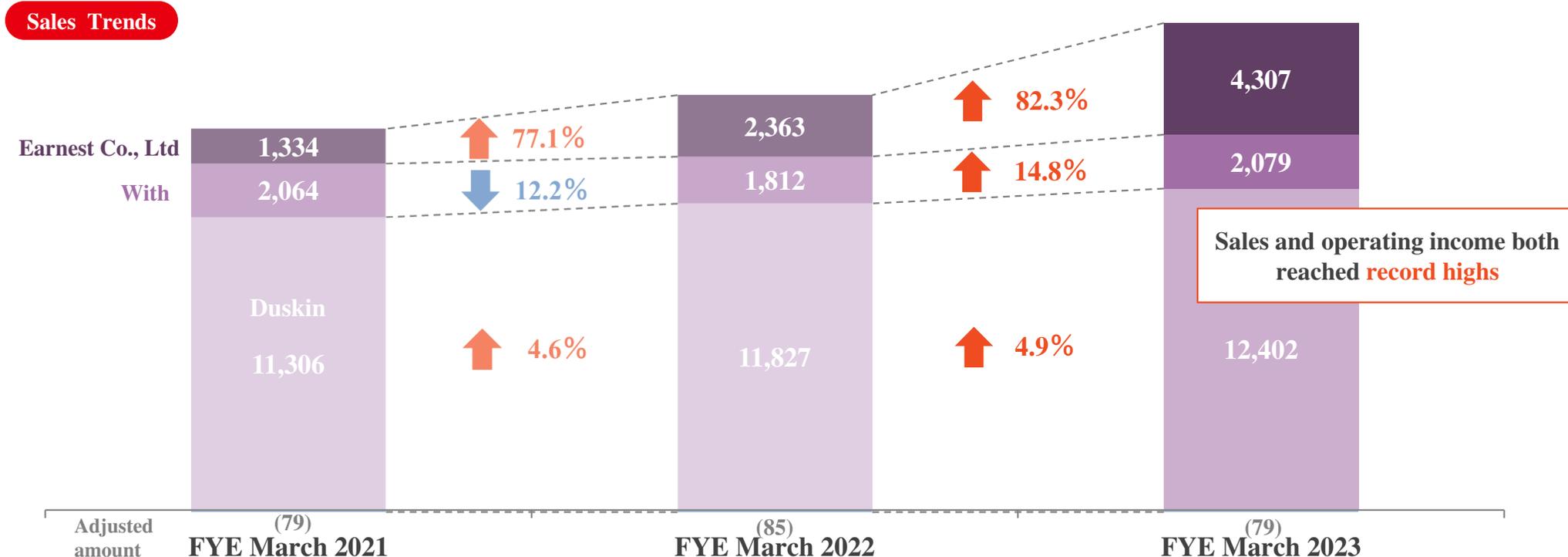
02 Business Segment Results

2-2. Rental Business

2-2a Rental Business Sales and Operating Income Trends

Sales	Duskin	Increased year-on-year as a result in the price increase of some products of Dust control products division (July 2022) and business expansions in Care services division
	With	Increased year-on-year as a result of price increase of some products (July 2022) and resumed regular delivery services with the reopening of restaurants
	Earnest	Increased significantly year-on-year with the success of infectious disease-related project (border control support projects by MHLW)
Operating income	Increased year-on-year as growth in sales from all division covered the increase in expenses of business expansion mainly in care service division.	

Sales	14,626	15,916	18,722	(million yen)
Operating income	1,333	1,621	2,050	

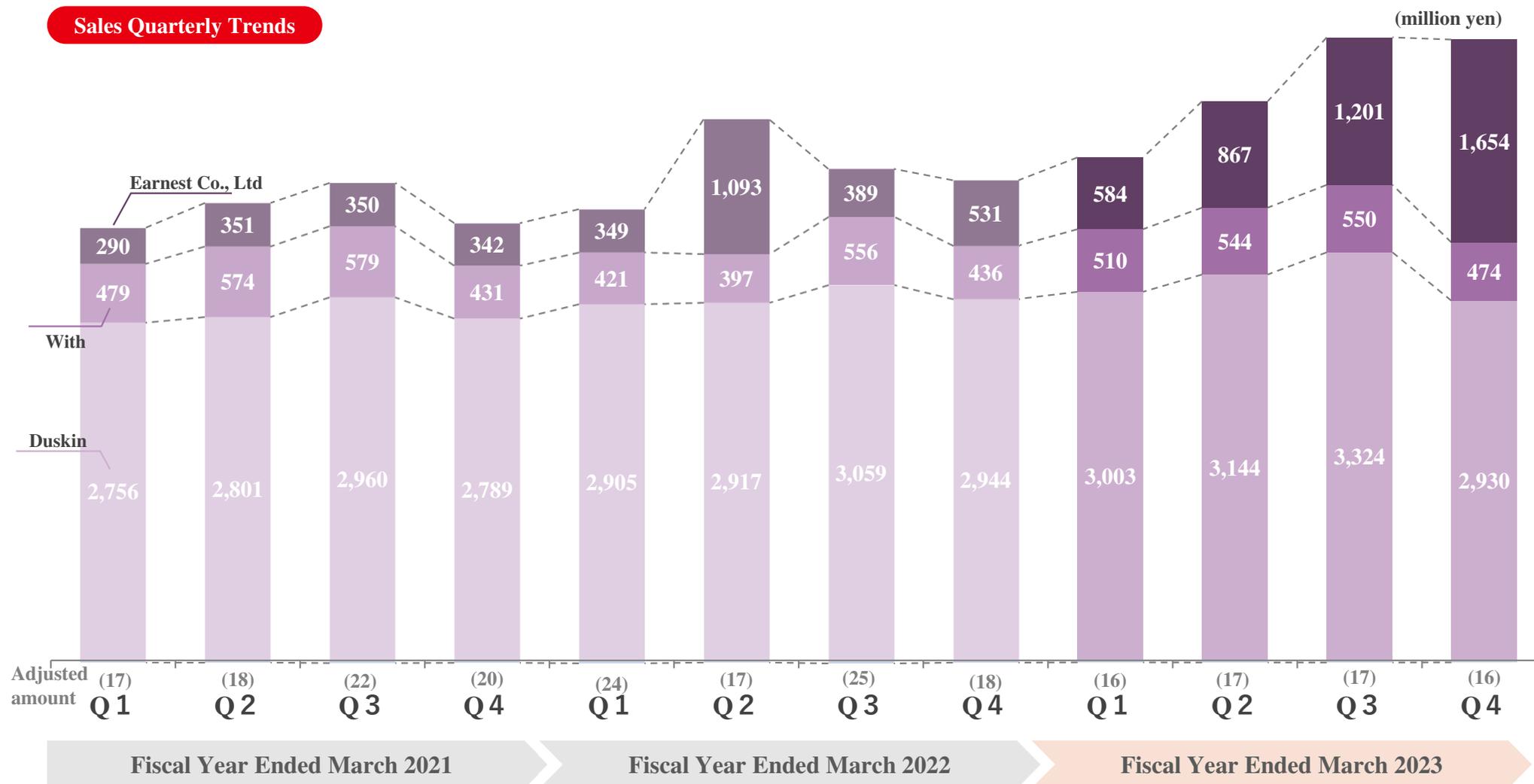


◆ Adjusted amount : Sales mainly within the segment

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

FYE March 2021				FYE March 2022				FYE March 2023			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Sales											
3,508	3,708	3,867	3,542	3,652	4,390	3,979	3,894	4,081	4,539	5,059	5,041
Operating income											
267	328	446	290	290	424	458	448	414	469	630	535

Sales Quarterly Trends



◆ Adjusted amount : Sales mainly within the segment

2-2c Rental Business Priority Measures for FY2023 onwards

Duskin

- Promote projects according to the capital and business agreement with Duskin Co., Ltd
 - ▶ Care Service division : Add 28 more businesses in addition to the 82 businesses[※] after alliance
 - ▶ Health Rent division : Add three more stores in addition to the seven stores[※] after alliance
- Provide new products and new services in response to the change of lifestyle caused by the infectious disease

With

Strengthen and streamline sales activities tailored in resuming operation of restaurants, our major customer

Earnest

Continue the infectious disease-related business and strengthen cooperation with government offices in other fields

※Businesses as of March 2023



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

■ February 2023

Health Rent Koto Station

02 Business Segment Results

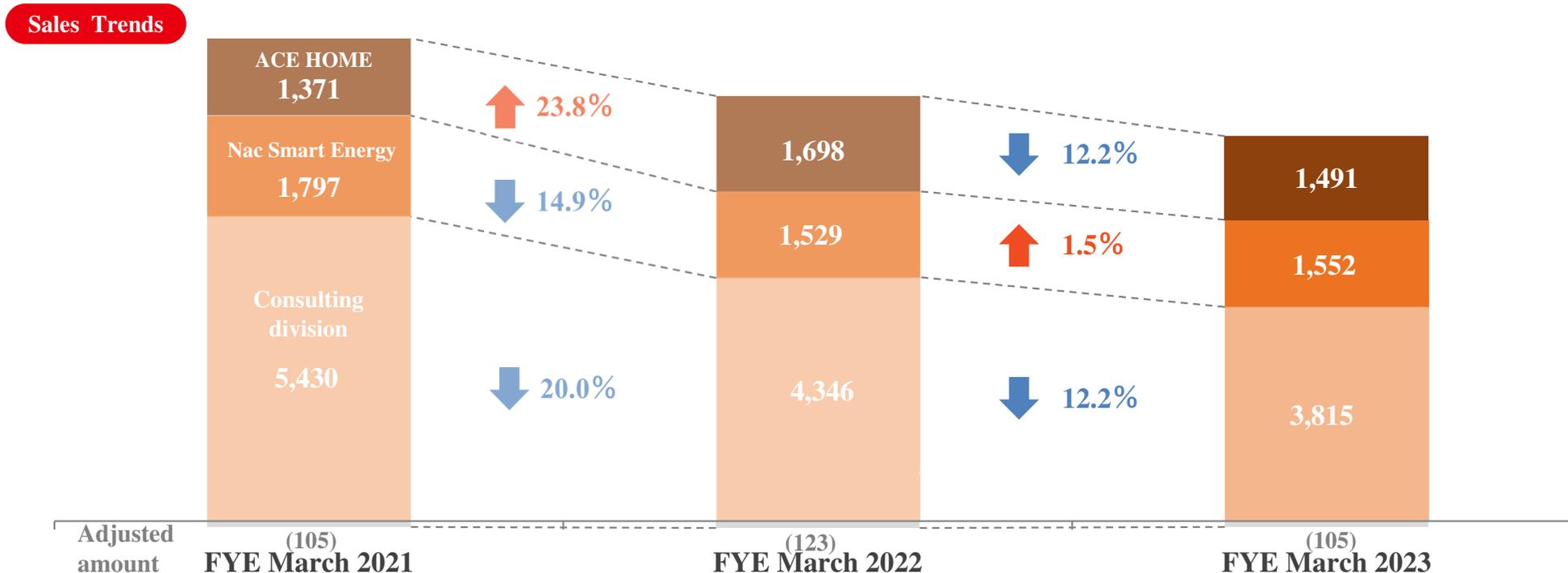
2-3. Construction Consulting Business

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

Sales	Consulting	Decreased year-on-year due to cost increase in construction materials and start of repaying COVID-19 related loans which reduced the purchasing intent of local building contractors, the major customers in the consulting division.
	NSE	At the same level year-on-year as stagnant delivery pace is recovering (slightly increased)
	ACE HOME	Decreased year-on-year due to drop of wholesale caused by decline in number of houses in Affiliated stores
Operating income	At the same level year-on-year due to decrease in sales of the high profit margin Consulting division (slightly decreased)	

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

Sales	8,495	7,449	6,754	(million yen)
Operating income	807	872	847	



◆ Adjusted amount : Sales mainly within the segment

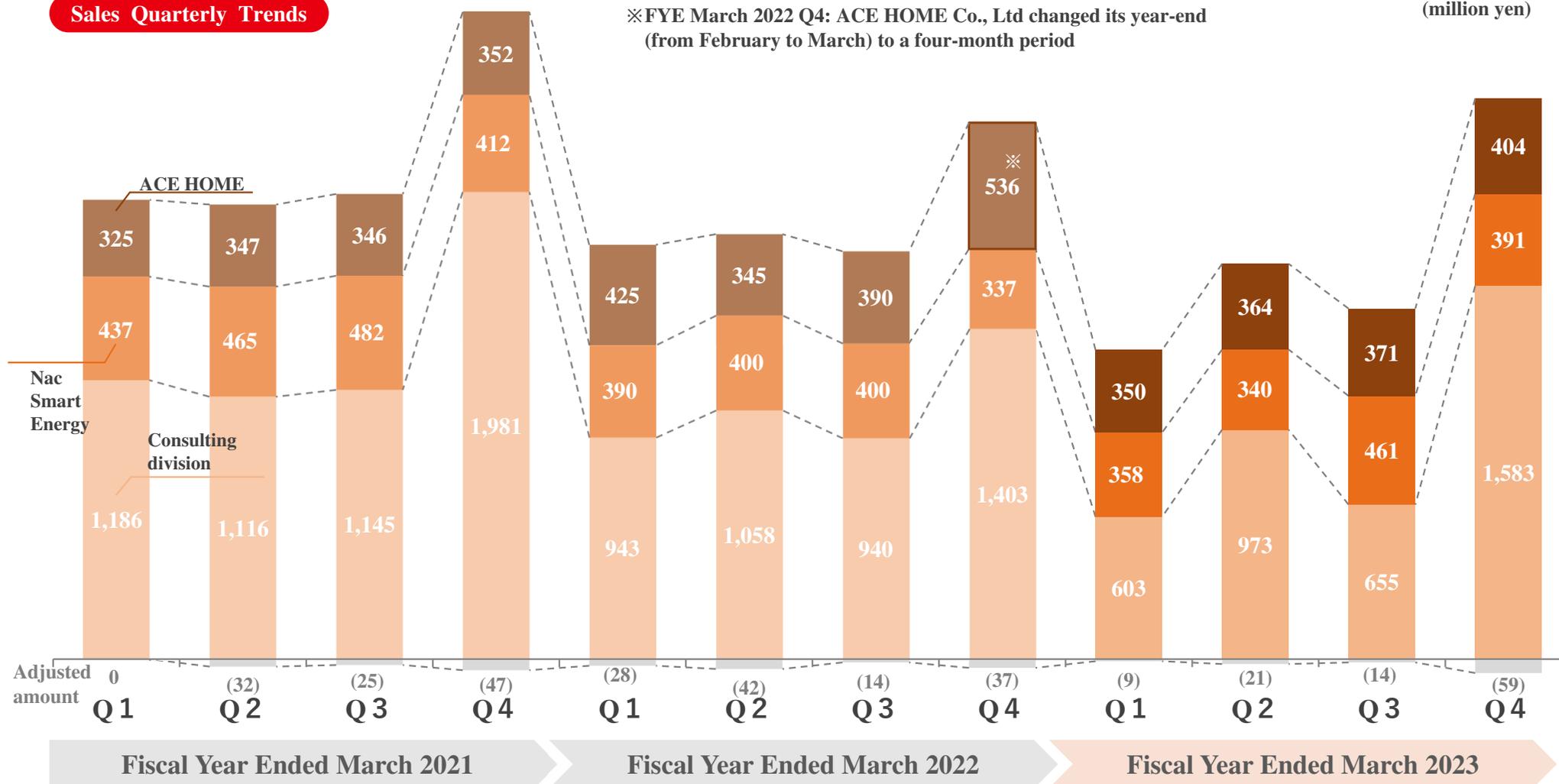
2-3b Construction Consulting Business Quarterly Trends of Sales and Operating Income

FYE March 2021				FYE March 2022				FYE March 2023			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Sales											
1,949	1,896	1,950	2,699	1,732	1,760	1,717	2,239	1,302	1,657	1,474	2,319
Operating income											
(25)	138	188	506	84	212	113	461	(193)	134	10	895

Sales Quarterly Trends

※FYE March 2022 Q4: ACE HOME Co., Ltd changed its year-end (from February to March) to a four-month period

(million yen)



◆ Adjusted amount : Sales mainly within the segment

2-3c Construction Consulting Business Priority Measures for FY2023 onwards

Consulting
division

- Sales of new products that promotes DX and SDGs
- Expand sales by strengthening sales methods using subsidized products
- Expand services for free membership system and strengthen the after-sales service for members

NAC
HAUS
Partner

- On April 1, 2023 ACE HOME Co., Ltd merged with Nac Smart Energy Co., Ltd
 - ▶ At the same time, company name was changed to “NAC HAUS Partner Co., Ltd”
- Develop and provide new services for the realization of a decarbonized society by exerting the synergy effect of both businesses



Think Tank For Construction

NAC

Consulting division

April 1 2023 ACE HOME Co., Ltd
merged with Nac Smart Energy Co., Ltd



×



ナックスマートエネルギー株式会社



Changed to
NAC HAUS Partner Co., Ltd



NAC HAUS Partner



▶ Housing Network business
(Former : ACE HOME Co., Ltd)



▶ Smart Energy business
(Former : Nac Smart Energy Co., Ltd)

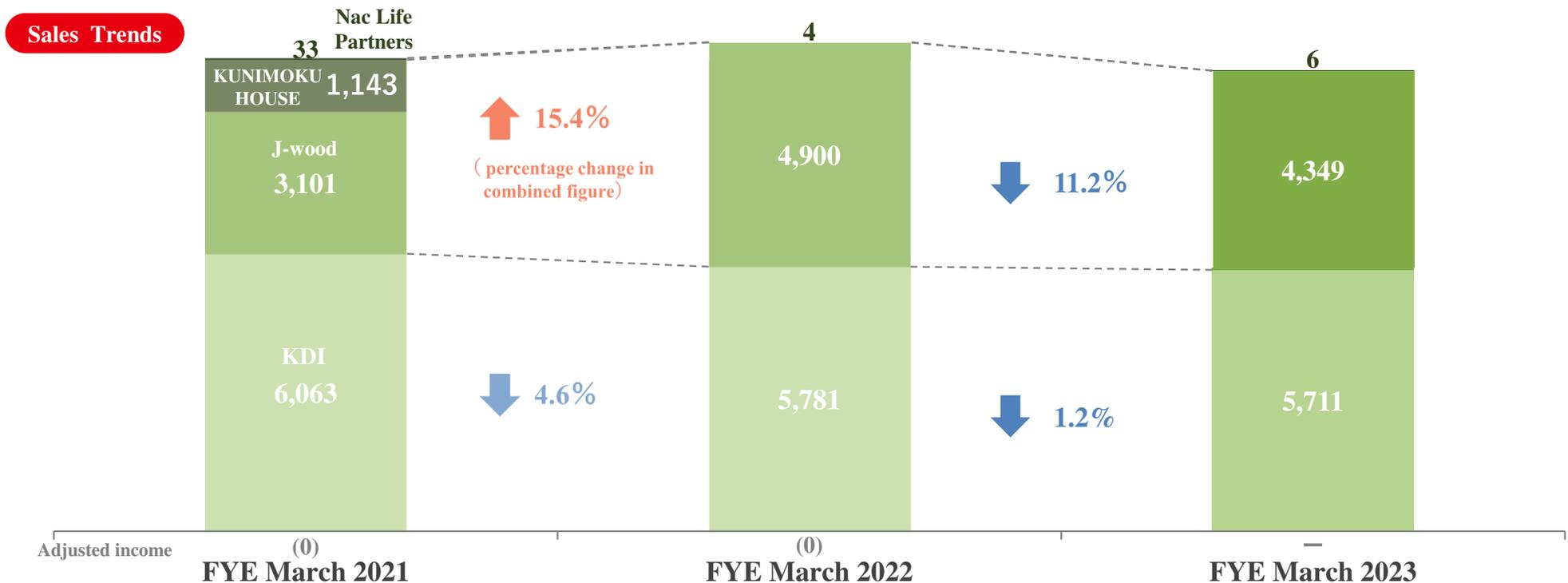
02 Business Segment Results

2-4. Housing Sales Business

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

Sales	KDI	At the same level year-on-year due to sluggish sales of houses with the struggle for land caused by increasing land costs and soaring prices of construction materials, as well as slowdown in entire real estate market despite expansion of sales scope.
	J-wood	Decreased year-on-year due to the decline of completed buildings despite increase of unit price per building and sales of large properties
Operating income	KDI	Decreased year-on-year due to the increase in costs related with the new stores
	J-wood	Operating loss expanded due to soaring prices of construction materials and upfront investments to promote customer attraction

Sales	10,341	10,686	10,067	(million yen)
Operating income	74	233	(181)	



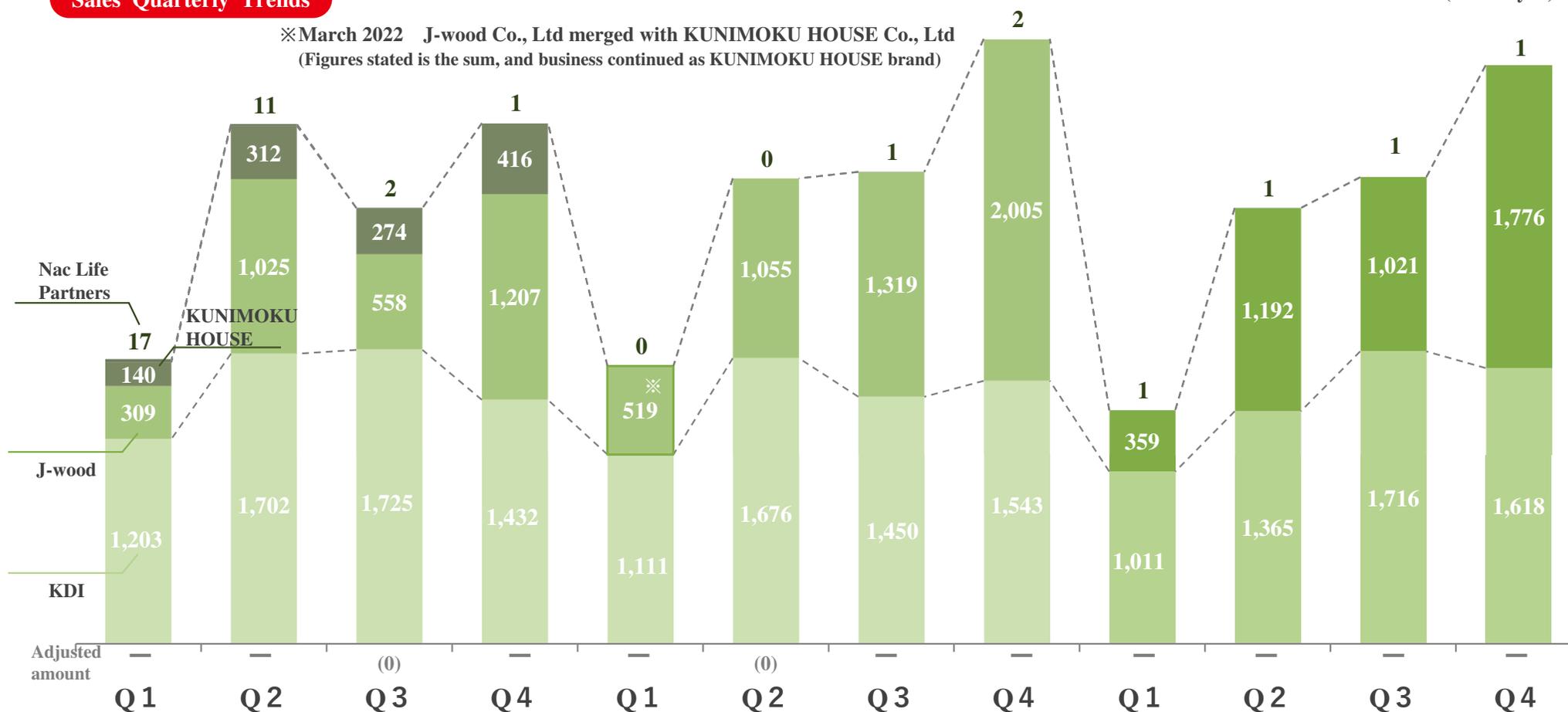
2-4b Housing Sales Business Quarterly Trend of Sales and Operating Income

FYE March 2021				FYE March 2022				FYE March 2023			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Sales											
1,670	3,051	2,562	3,057	1,631	2,732	2,771	3,551	1,371	2,559	2,739	3,396
Operating income											
(156)	72	(4)	163	(114)	53	142	152	(197)	(0)	(21)	38

Sales Quarterly Trends

(million yen)

※March 2022 J-wood Co., Ltd merged with KUNIMOKU HOUSE Co., Ltd
(Figures stated is the sum, and business continued as KUNIMOKU HOUSE brand)



Fiscal Year Ended March 2021

Fiscal Year Ended March 2022

Fiscal Year Ended March 2022

◆ Adjusted amount : Sales mainly within the segment

2-4c Housing Sales Business Priority Measures for FY2023 onwards

K D I

- Strengthening of real estate solutions
- Focus on land purchase mainly in the 23 special wards of Tokyo

J - w o o d

- Hold various campaign for the 20th year anniversary of JWOOD business
 - ▶ Promote the creation of 「new fans」
- Full product line-up in KUNIMOKU HOUSE business such as energy-savings houses



KDI-HOME

Kindness, Development, Integrity



株式会社 **ジェイウッド**

**KUNIMOKU
HOUSE**

～NEW OPEN～

■ August 2022 **KDI Kichijoji store (Tokyo)**

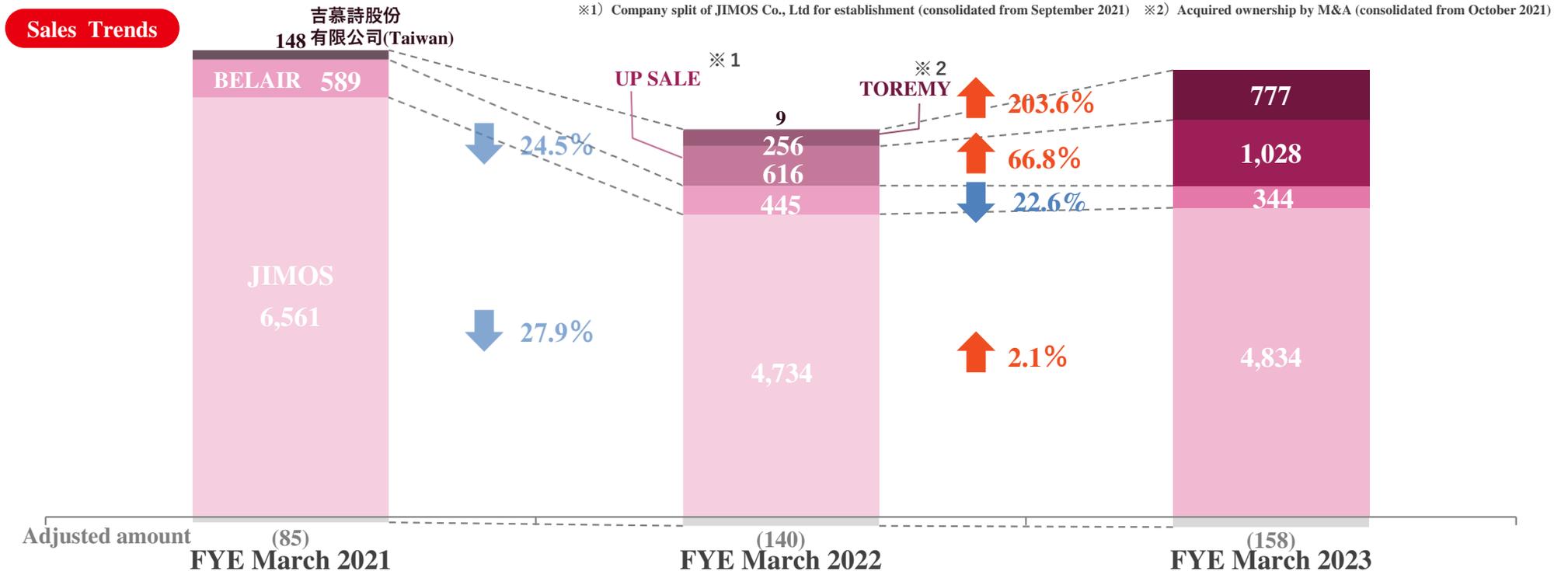
02 Business Segment Results

2-5. Beauty and Health Business

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

Sales	JIMOS	Increased year-on-year as a result of growth in sales quantity of "SINN PURETÉ" brand and the addition of "TOFU NO MORITAYA" brand since July 2022, excluding the reduction from the incorporation-type company split of UP SALE Co., Ltd
	BELAIR	Decreased year-on-year due to decrease in sales following the decline of customers in nutritional supplement
	UP SALE	Decreased year-on-year compared to business unit before the incorporation-type company split following the reduction of sales quantity in Hair Care business due to price competition with other companies, although acquisition of Pharmaceutical mail-order business
Operating income	TOREMY	Increased compared to the same period after consolidation due to an increase in orders after a recovery in demand Increased significantly year-on-year following the return to profitability of UP SALE Co., Ltd and TOREMY Co., Ltd

Sales	7,213	5,921	6,826	(million yen)
Operating income	122	151	238	

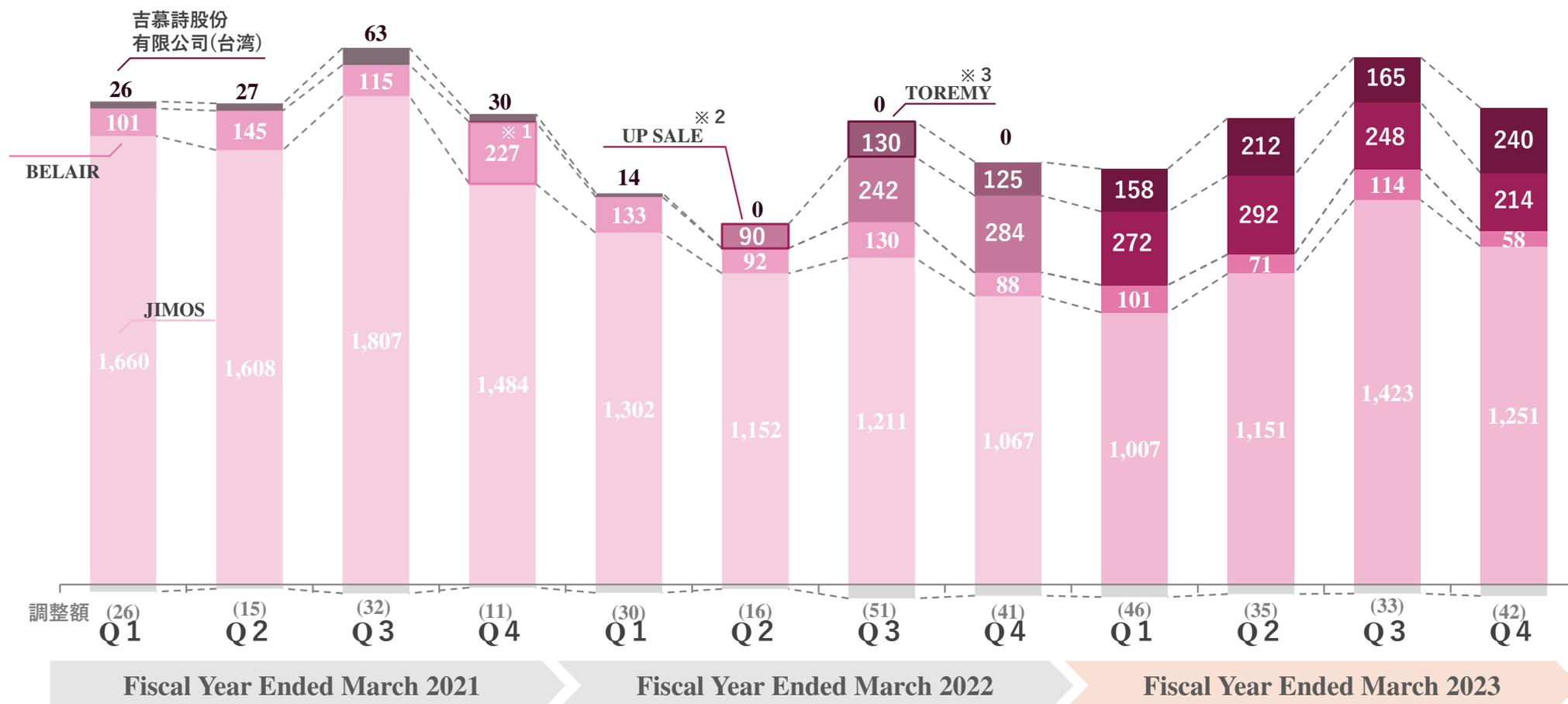


2-5b Beauty and Health Business Sales and Operating Income Trends

FYE March 2021				FYE March 2022				FYE March 2023			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Sales											
1,763	1,765	1,954	1,730	1,419	1,319	1,658	1,524	1,493	1,691	1,919	1,722
Operating income											
(67)	(80)	158	112	183	128	193	(353)	(41)	(34)	200	113

Sales Quarterly Trends

- (million yen)
- ※ 1) FYE March 2021 Q4 : BELAIR Co., Ltd changed its year-end (December to March) to a six-month period
 - ※ 2) Company split of INFINITY BEAUTY business and Seikatsu Club business of JIMOS Co., Ltd for establishment (Consolidated from September 2021)
 - ※ 3) Acquired ownership by M&A (Consolidated from October 2021)



◆ Adjusted amount : Sales mainly within the segment

2-5c Beauty and Health Business Priority Measures for FY2023 onwards

JIMOS

- New organization for improving efficiency of advertising investment across brands
- Raise prices for existing products, and enhancement of product lineup by developing new products and categories

BELAIR

Sales channel expansion that looks forward to the era of the 100-year lifespan with return to starting point, sales of supplement

UP SALE

Further expansion of products handled in mail-order business, active product development and profitability improvement through purchasing

TOREMY

- ODM proposals of quasi-drugs aggressively, equipment and personnel investments for productivity improvement
- Continue to strengthen the vertical integrations with each business from the group

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



ベリアー



UP SALE



TOREMY

03 Result Forecast for FYE March 2024

3-1 Consolidated Result Forecast

- Sales and income are expected to increase compared to the fiscal year ended March 2023.
- Continuing from fiscal year ended March 2023, we plan to take aggressive upfront investments to acquire customers, including new store openings, human capital, new products and services, and sales promotion activities

(million yen)

	FYE March 2024 Forecast	FYE March 2023 Result	Comparison
Sales	60,000	57,068	+ 2,931
Operating income	3,500	3,232	+ 267
Ordinary income	3,500	3,243	+ 256
Profit attributable to owners of parent company	2,200	2,002	+ 197
EPS	97.95yen	89.14yen	+ 8.81yen

3-2 Consolidated Result Forecast : Sales by Segment

(million yen)

	FYE March 2024 Forecast	FYE March 2023 Result	Comparison
CreCla Business	15,000	14,733	+ 266
Rental Business	16,500	18,722	(2,222)
Construction Consulting Business	9,000	6,754	+ 2,245
Housing Sales Business	11,500	10,067	+ 1,432
Beauty and Health Business	8,000	6,826	+ 1,173
Elimination of adjustments (including new • M&A)	—	(35)	—
TOTAL	60,000	57,068	+ 2,931

3-3 Consolidated Result Forecast : Operating Income by Segment

(million yen)

	FYE March 2024 Forecast	FYE March 2023 Result	Comparison
CreCla Business	1,350 [9.0%]	1,618 [11.0%]	(268) [(2.0pt)]
Rental Business	1,600 [9.7%]	2,050 [11.0%]	(450) [(1.3pt)]
Construction Consulting Business	1,350 [15.0%]	847 [12.5%]	+ 502 [+ 2.5pt]
Housing Sales Business	250 [2.2%]	(181) [(1.8%)]	+ 431 [+ 4.0pt]
Beauty and Health Business	400 [5.0%]	238 [3.5%]	+ 161 [+ 1.5pt]
Corporate expenses (including new • M&A)	(1,450)	(1,341)	(108)
TOTAL	3,500 [5.8%]	3,232 [5.7%]	+ 267 [+ 0.1pt]

※Figures in parentheses are the operating margin to net sales

04 Dividend

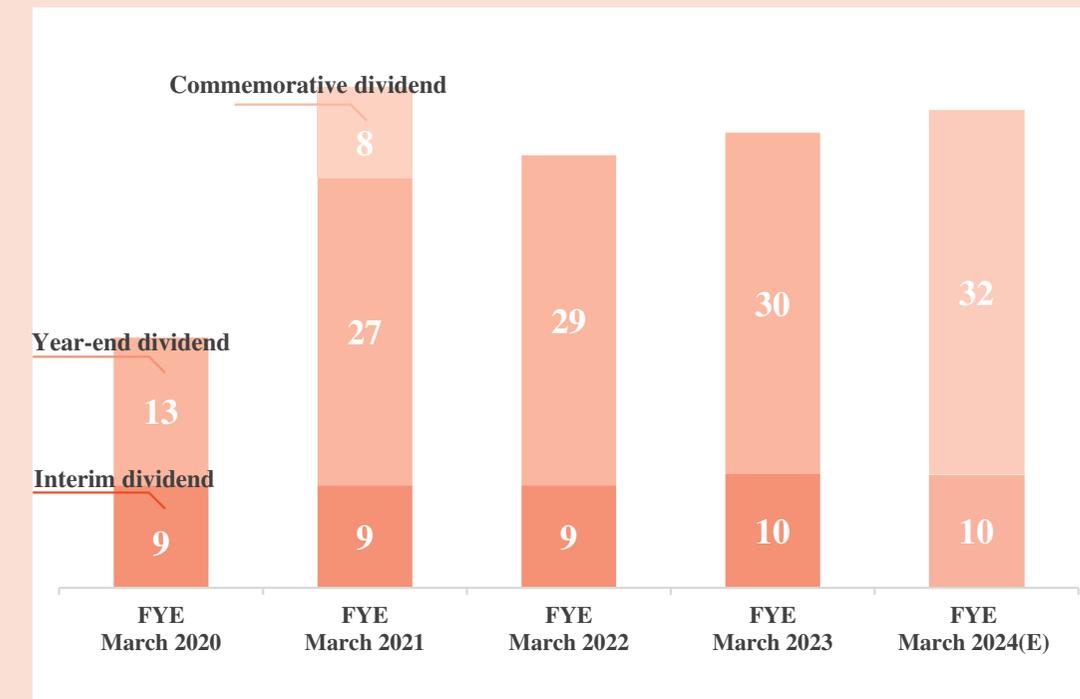
4-1 Dividend Policy · Dividend Results · Dividend Forecast

Dividend Policy

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

Annual dividend	22	44	38	40	42
Dividend on equity (DOE)	2.5%	4.8%*	3.9%	3.9%	—
Dividend payout ratio	95.9%	53.6%	49.9%	44.9%	42.9%

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



Shareholder Benefit

In-house product (once a year)

Gifts in FYE March 2023

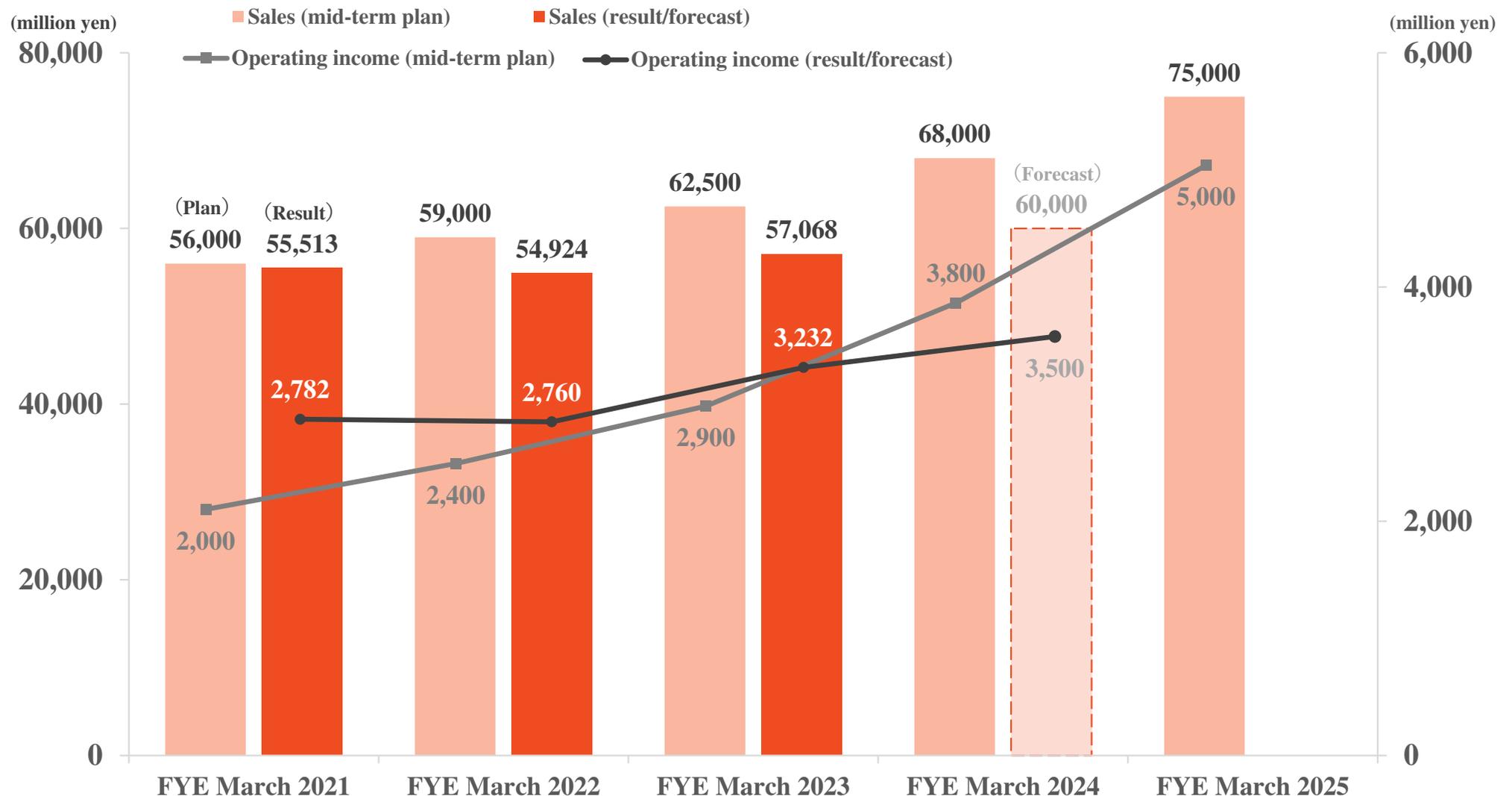
- Recipient : Shareholders who are listed on the shareholders registry as of March 31, 2023 and own more than 100 shares
- Date : early July 2023
- Gift : JIMOS Co., Ltd Natural brand 3 products of 「TOFU NO MORITAYA」



05 Mid-term Management Plan

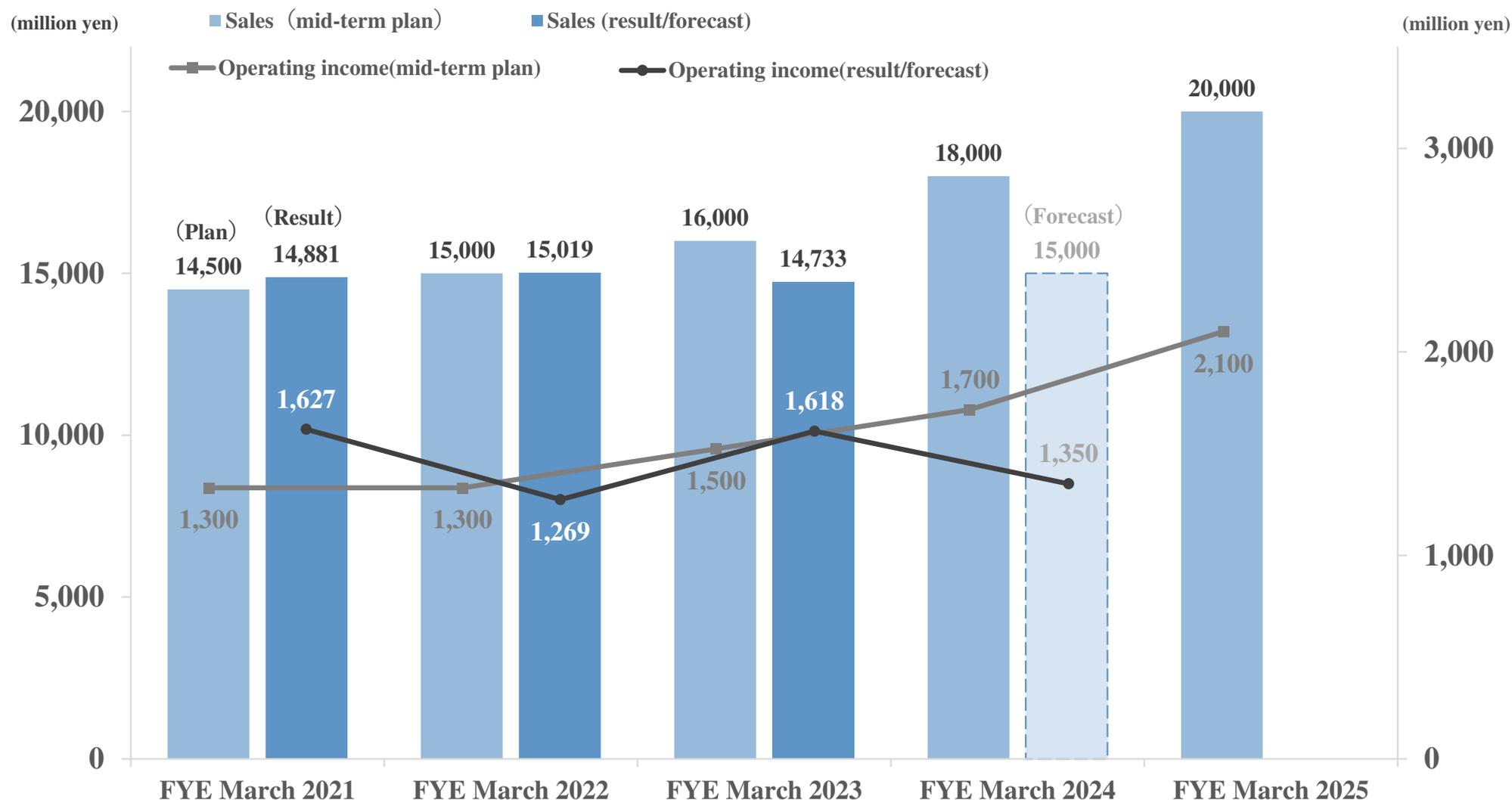
5-1 Progress of Mid-Term Business Plan

- In fiscal year ending March 2024, we will continue with aggressive upfront investment mainly in CreCla Business and Rental Business
- The plan is an increase in revenue and profit compared with the previous fiscal year, but a decline in revenue and profit are expected relative to the mid-term plan



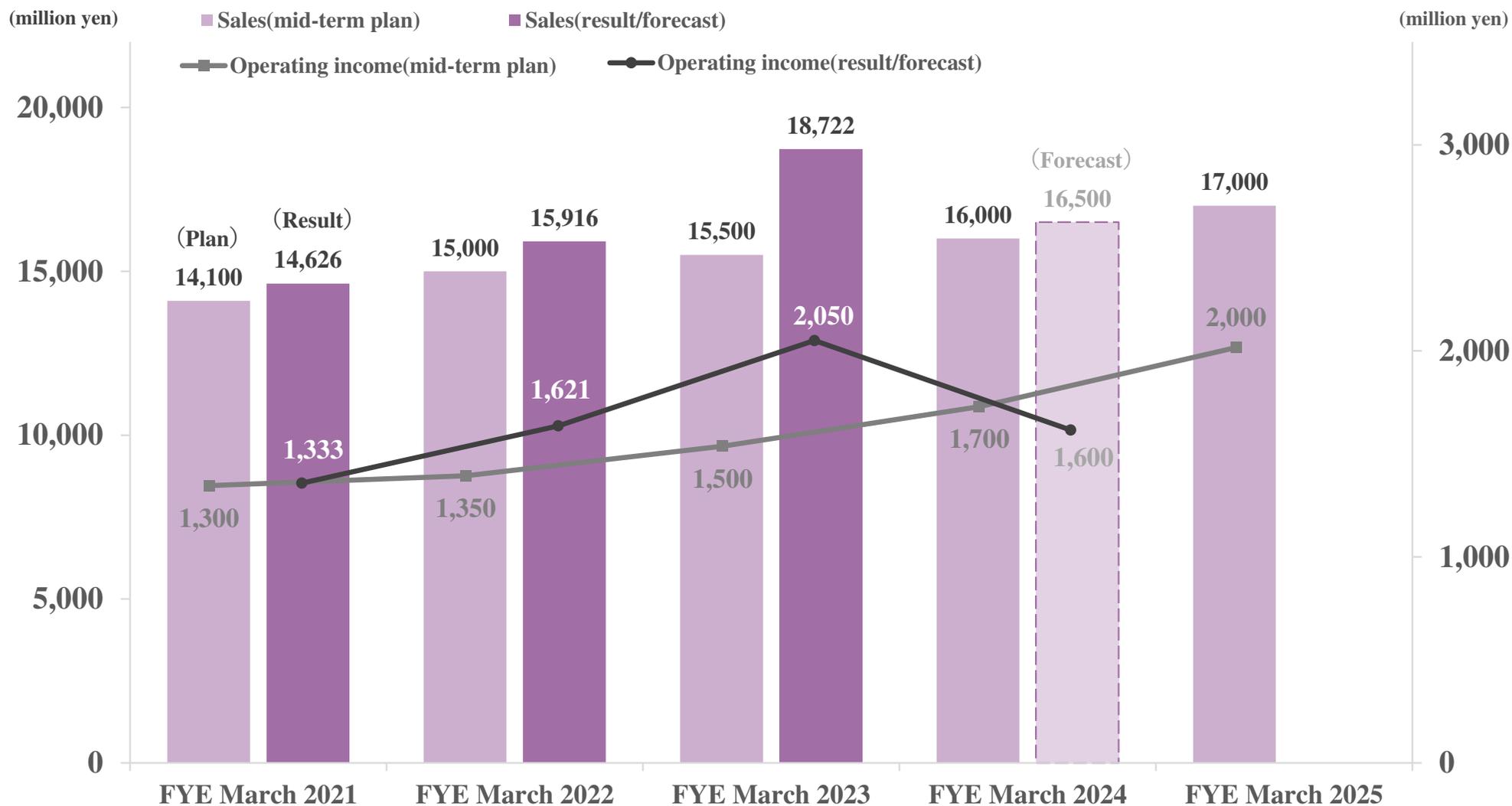
5-1 Progress of Mid-Term Business Plan (CreCla Business)

- Plan an increase in revenue and decrease in profit compared with the previous fiscal year because of expected aggressive sales promotion activities
- Decrease in revenue and profit are expected relative to mid-term plan



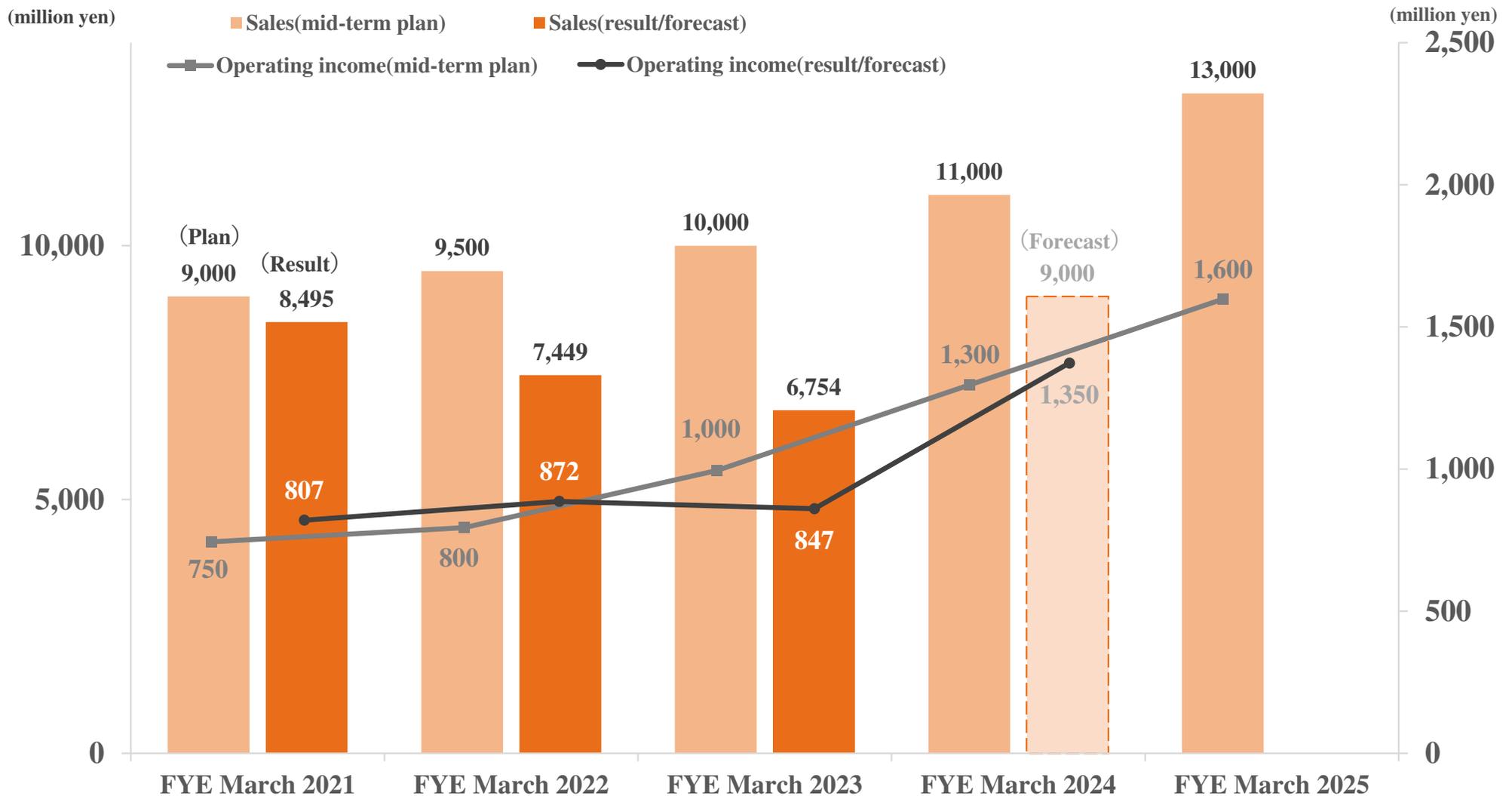
5-1 Progress of Mid-Term Business Plan (Rental Business)

- Plan a decrease in revenue and profit compared with the previous fiscal year
- Increase in revenue and decrease in profit are expected relative to mid-term plan



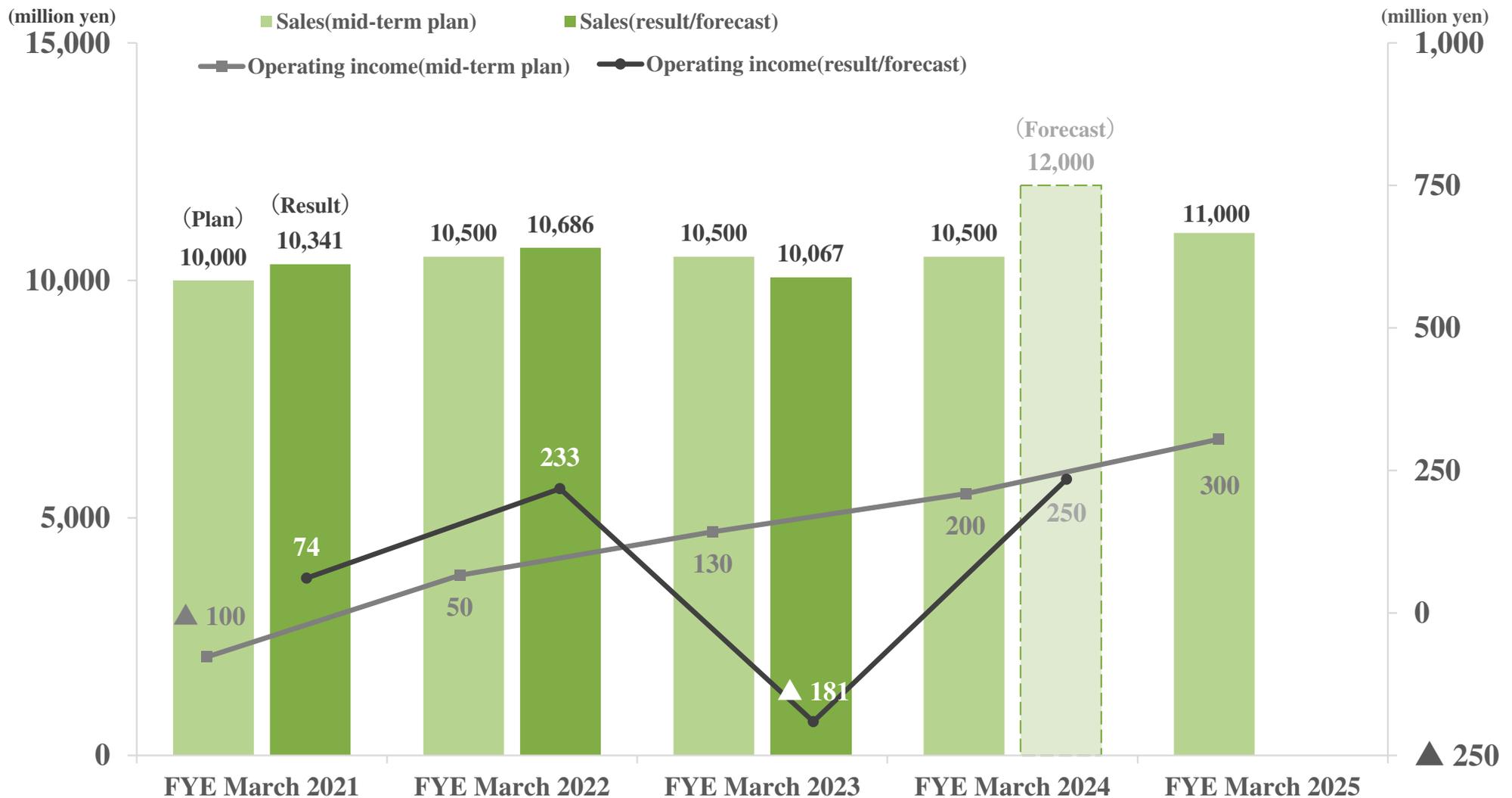
5-1 Progress of Mid-Term Business Plan (Consulting Construction Business)

- Plan an increase in revenue and profit compared with the previous fiscal year
- Decrease in revenue and increase in profit are expected relative to mid-term plan



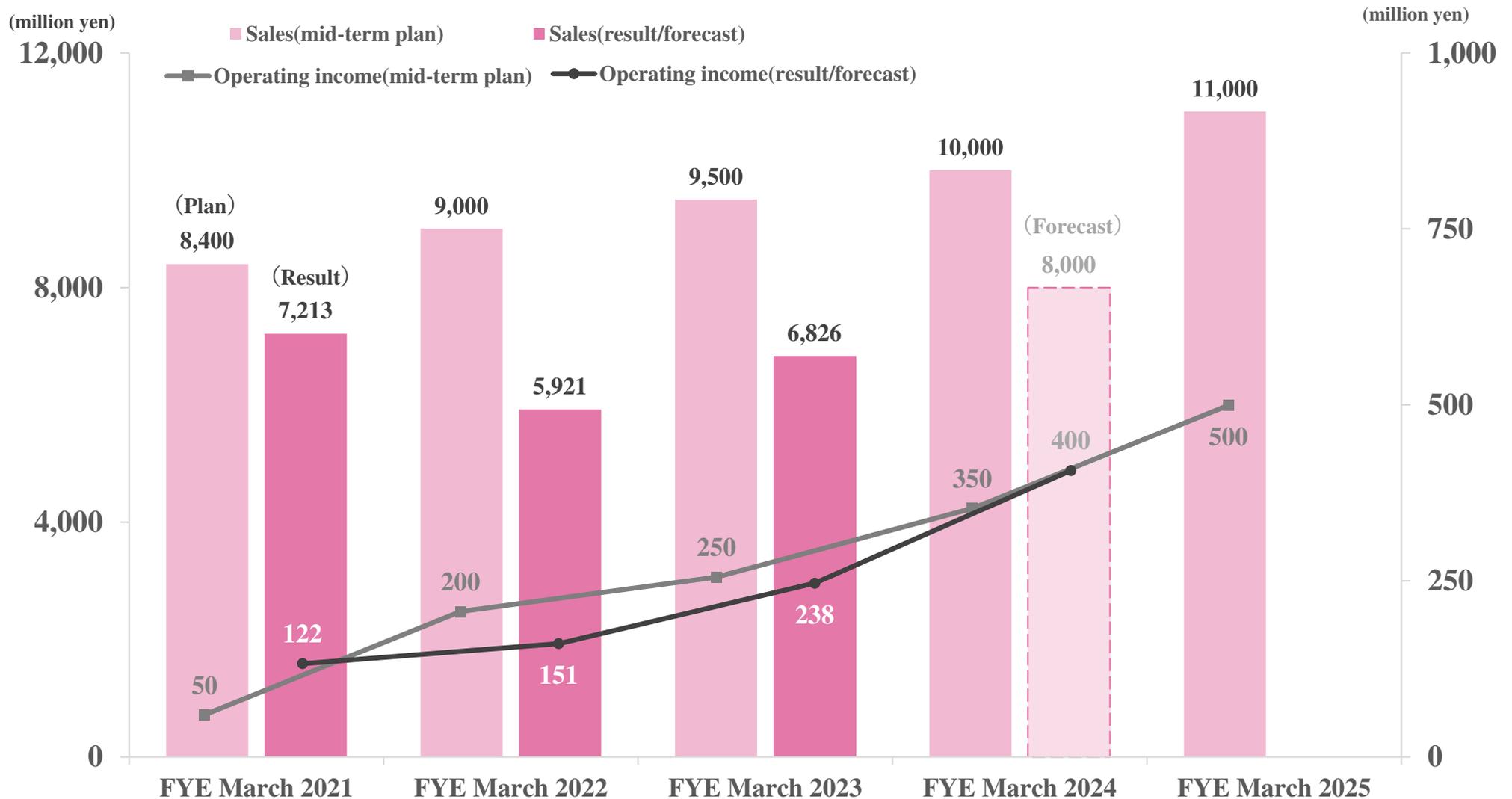
5-1 Progress of Mid-Term Business Plan (Housing Sales Business)

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



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

- Plan an increase in revenue and profit compared with the previous fiscal year
- Decrease in revenue and increase in profit are expected relative to mid-term plan



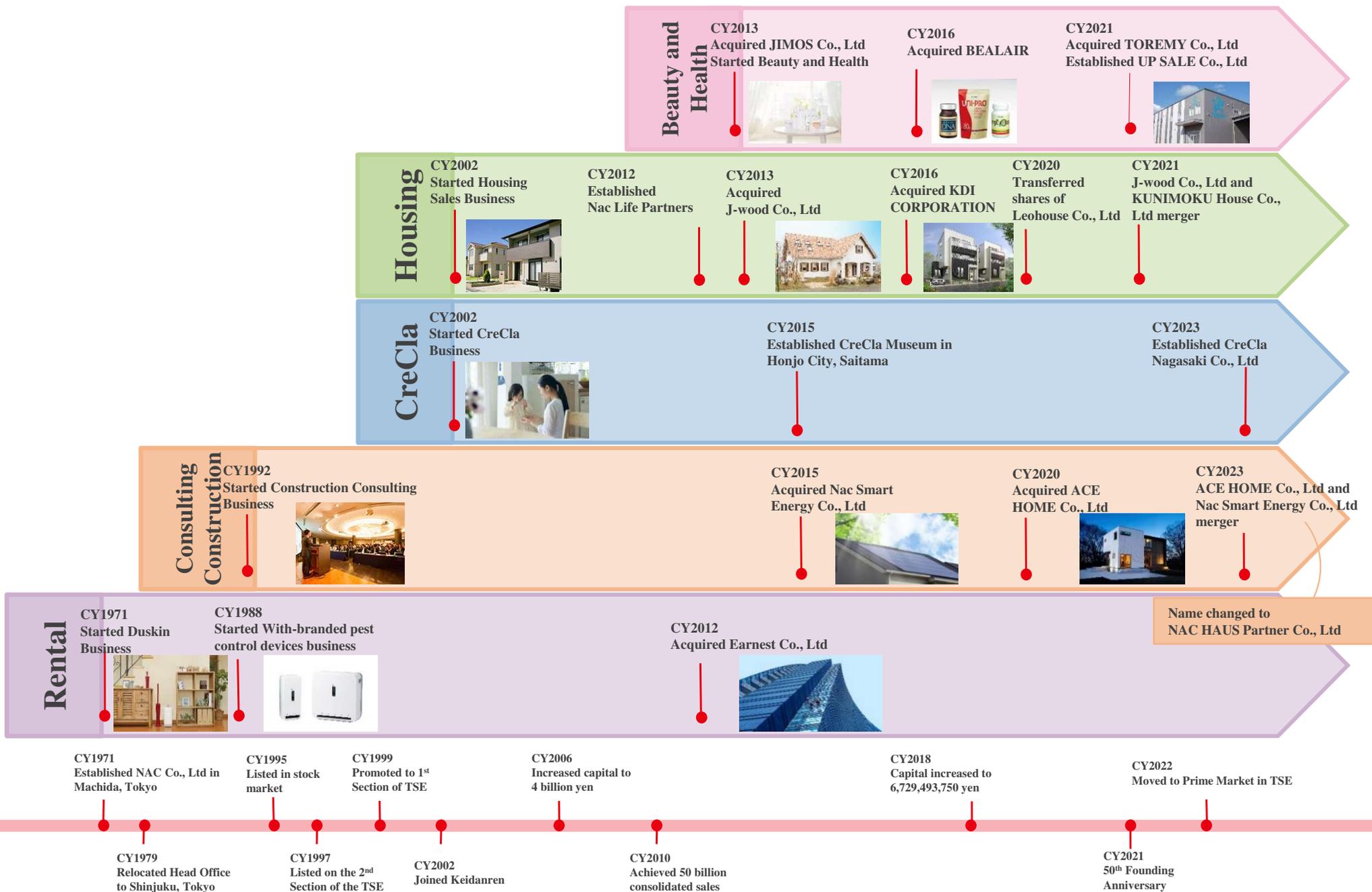
06 Company Profile

6-1 Company Outline

(As of March 2023)

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 border="0"> <tr> <td style="background-color: #4F81BD; color: white; padding: 5px;">CreCla</td> <td>CreCla Nagasaki Co., Ltd (Water Delivery Business)[※]became a subsidiary in April 1, 2023</td> </tr> <tr> <td style="background-color: #8E7CC3; color: white; padding: 5px;">Rental</td> <td>Earnest Co., Ltd (Building Maintenance Business)</td> </tr> <tr> <td style="background-color: #E69A00; color: white; padding: 5px;">Consulting</td> <td>NAC HAUS Partner Co., Ltd (Sales and Construction Energy-savings products) <small>※ Company named changed from ACE HOME Co., Ltd in April 1, 2023 and Nac Smart Energy Co., Ltd merger</small></td> </tr> <tr> <td style="background-color: #70AD47; color: white; padding: 5px;">Housing Sales</td> <td>J-wood Corporation (Custom-built Houses Contractor) KDI CORPORATION (Ready-built/Order-made Houses) Nac Life Partners Co., Ltd (Finance and Benefits)</td> </tr> <tr> <td style="background-color: #E092B7; color: white; padding: 5px;">Beauty and Health</td> <td>JIMOS Co., Ltd (Cosmetics and Health Food Mail-order) BELAIR Co., Ltd (Manufacture/Sales of Nutritional supplements and Cosmetics) 吉慕詩股份有限公司(Taiwan) (Beauty and Health Business) TOREMY Co., Ltd (Cosmetics Development and Manufacture) UP SALE Co., Ltd (Cosmetics, Health Food and Medicine Mail-order)</td> </tr> </table>	CreCla	CreCla Nagasaki Co., Ltd (Water Delivery Business) [※] became a subsidiary in April 1, 2023	Rental	Earnest Co., Ltd (Building Maintenance Business)	Consulting	NAC HAUS Partner Co., Ltd (Sales and Construction Energy-savings products) <small>※ Company named changed from ACE HOME Co., Ltd in April 1, 2023 and Nac Smart Energy Co., Ltd merger</small>	Housing Sales	J-wood Corporation (Custom-built Houses Contractor) KDI CORPORATION (Ready-built/Order-made Houses) Nac Life Partners Co., Ltd (Finance and Benefits)	Beauty and Health	JIMOS Co., Ltd (Cosmetics and Health Food Mail-order) BELAIR Co., Ltd (Manufacture/Sales of Nutritional supplements and Cosmetics) 吉慕詩股份有限公司(Taiwan) (Beauty and Health Business) TOREMY Co., Ltd (Cosmetics Development and Manufacture) UP SALE Co., Ltd (Cosmetics, Health Food and Medicine Mail-order)
CreCla	CreCla Nagasaki Co., Ltd (Water Delivery Business) [※] became a subsidiary in April 1, 2023										
Rental	Earnest Co., Ltd (Building Maintenance Business)										
Consulting	NAC HAUS Partner Co., Ltd (Sales and Construction Energy-savings products) <small>※ Company named changed from ACE HOME Co., Ltd in April 1, 2023 and Nac Smart Energy Co., Ltd merger</small>										
Housing Sales	J-wood Corporation (Custom-built Houses Contractor) KDI CORPORATION (Ready-built/Order-made Houses) Nac Life Partners Co., Ltd (Finance and Benefits)										
Beauty and Health	JIMOS Co., Ltd (Cosmetics and Health Food Mail-order) BELAIR Co., Ltd (Manufacture/Sales of Nutritional supplements and Cosmetics) 吉慕詩股份有限公司(Taiwan) (Beauty and Health Business) TOREMY Co., Ltd (Cosmetics Development and Manufacture) UP SALE Co., Ltd (Cosmetics, Health Food and Medicine Mail-order)										
No. of employees (Regular employees)	Consolidated 1,591 (excluding part-time employees)										
Capital	6,729,493,750 yen										
Shares Outstanding	24,306,750 shares (1 unit : 100shares)										
No. of shareholders	17,971 (total number of shareholders excluding treasury stock)										

6-2 NAC Group History



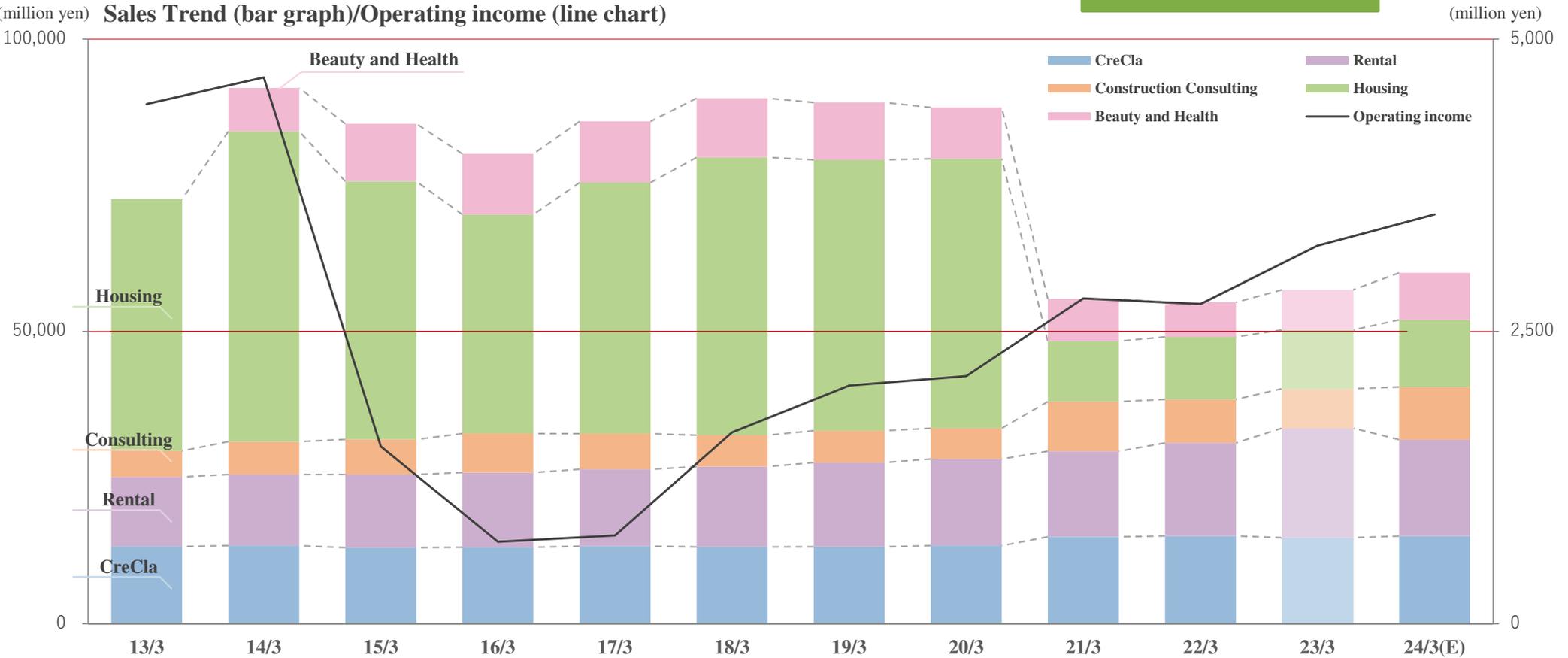
6-3 NAC Business Result (Previous 10 Fiscal Years + Forecasts)

FYE 03/2014	FYE 03/2015	FYE 03/2016	FYE 03/2017	FYE 03/2018	FYE 03/2019	FYE 03/2020	FYE 03/2021	FYE 03/2022	FYE 03/2023	FYE 03/2024(E)
Sales										
91,630	85,443	80,302	85,901	89,818	89,111	88,222	55,513	54,924	57,068	60,000
Operating income										
4,672	1,517	701	756	1,637	2,037	2,118	2,782	2,760	3,232	3,500

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

Profit structure has changed due to transfer of Leohouse shares

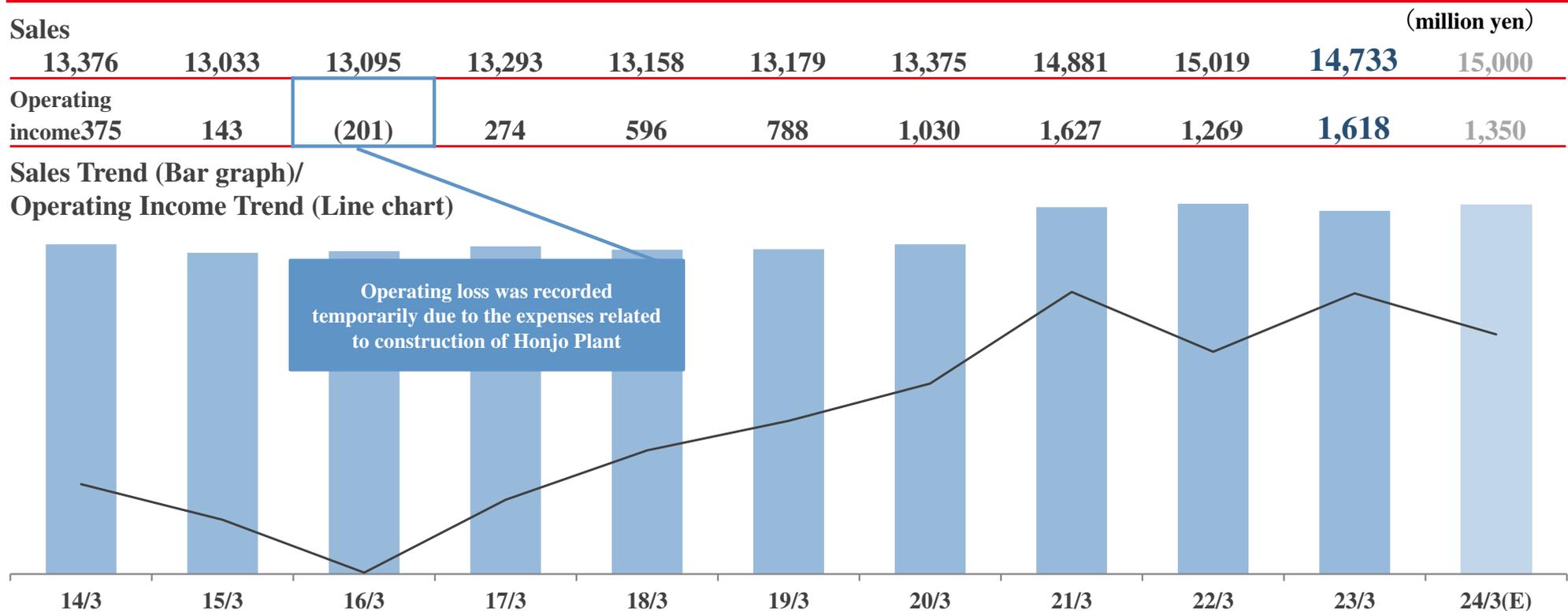
(million yen) Sales Trend (bar graph)/Operating income (line chart)



6-4 Business Introduction CreCla Business

Major composition : NAC Co., Ltd CreCla Business, CreCla Nagasaki Co., Ltd

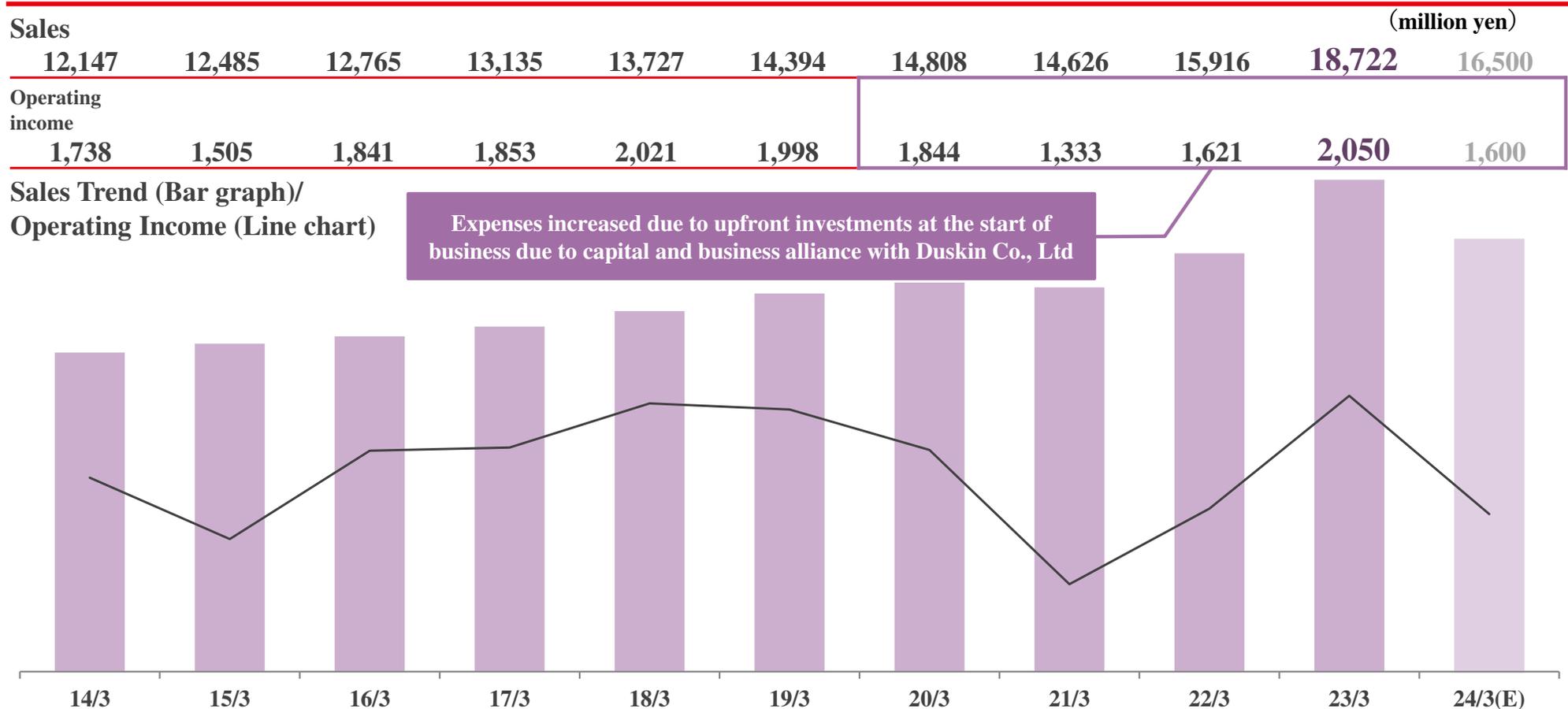
- Manufacture and sales of CreCla (delivery of bottled water), Water Purifier Server (feel free) and ZiACO (hypochlorous acid aqueous solution)
- Operates the Head Office of CreCla Business (Affiliated stores of approx. 500 stores)
- **No. 1** in customer satisfaction for **12 consecutive years** (Dec 2022 survey by NIFTY Corporation on “water delivery”)
- Acquired the **industry’s first** eco-mark, and established the **industry’s first** R&D center
- April 2015 Manufacturing plant and CreCla Museum were established in Honjo City, Saitama Prefecture
- April 2023 CreCla Nagasaki Co., Ltd became a subsidiary (Trade Name 「CreCla Tsukumo」)



6-5 Business Introduction Rental Business

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

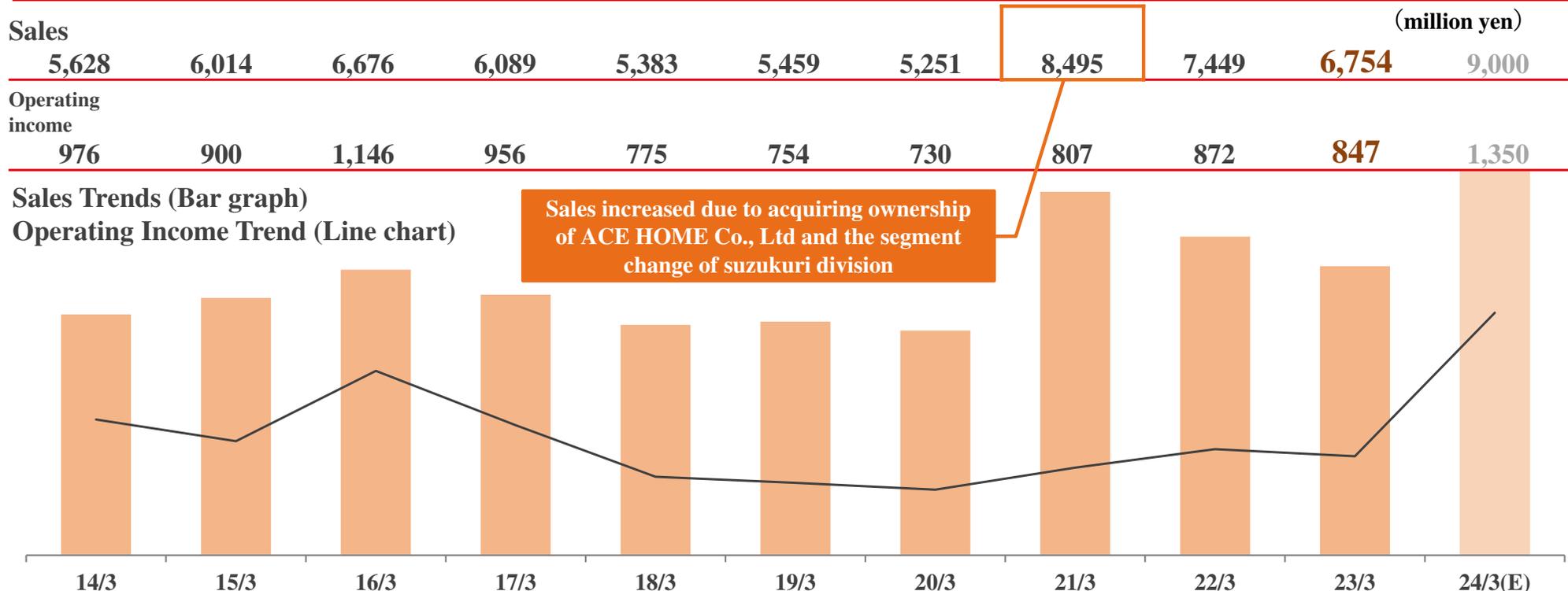
- Rental and sales of dust control products, pest control items, and operates regular cleaning business
- Duskin franchise dealer **No. 1 sales** (approx. 1,900 companies)
- Pest control device “With” for restaurants, a **Japan’s first** approved by Minister of Health, Labor and Welfare
- March 2012 Earnest Co., Ltd became a subsidiary (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 HAUS Partner Co., Ltd

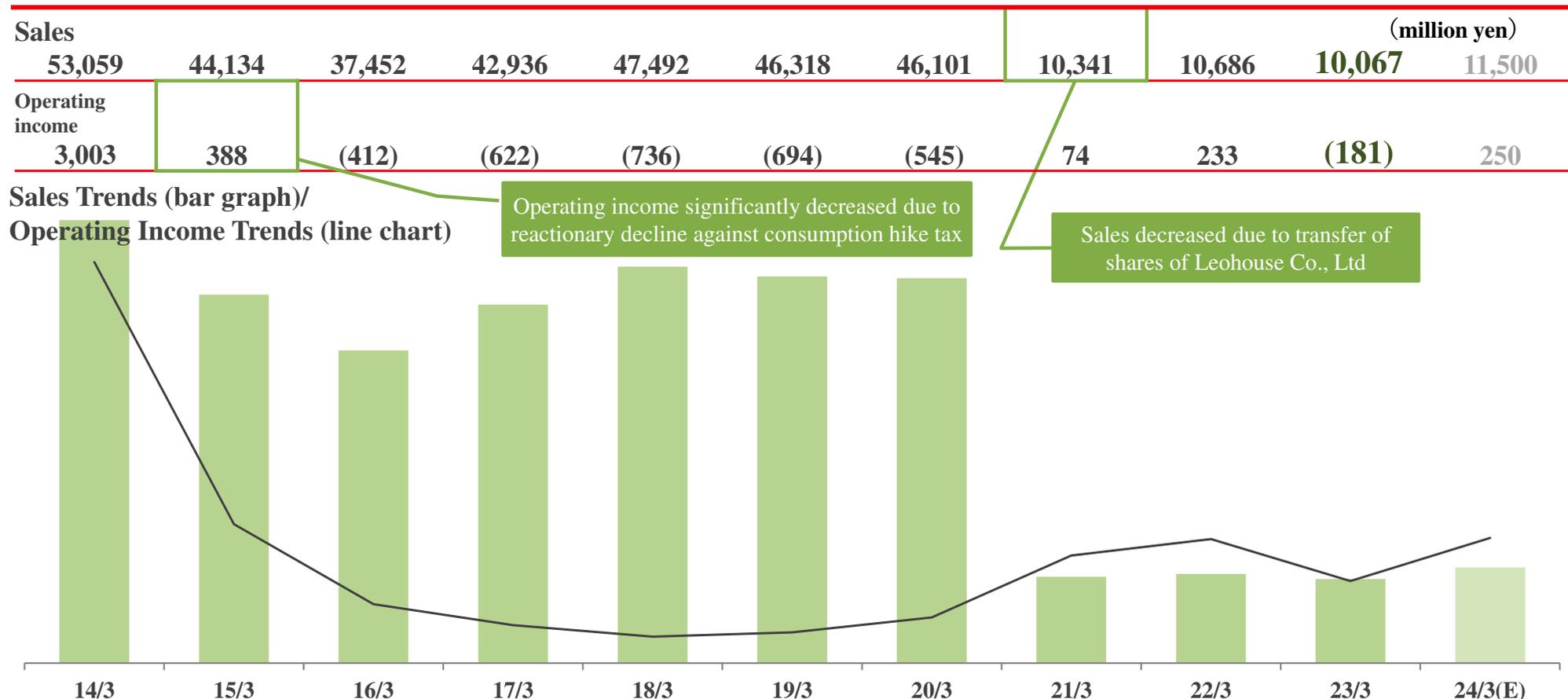
- Sales construction know-how system products and construction materials to local contractor, and housing franchise business
- NAC member contractor **approx. 7,000 companies**
- **September 2015** Acquired ownership of Nac Smart Energy Co., Ltd ※NSE Co., Ltd (sales and installation of energy-savings products)
- **April 2017** Acquired ownership of Suzukuri Co., Ltd (Housing Development Business in partnership with other industries)
(continuing 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)
- **February 2023** ACE HOME Co., merged with NSE Co., Ltd, changed the company name to NAC HAUS Partner Co., Ltd



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 materials)
- May 2016 Acquired ownership of KDI CORPORATION (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)
- April 2021 J-wood Co., Ltd merged with KUNIMOKU HOUSE Co., Ltd (continuing as KUNIMOKU HOUSE business)



6-8 Business Introduction Beauty and Health Business

Major composition : JIMOS Co., Ltd, BELAIR Co., Ltd, TOREMY Co., Ltd, UP SALE Co., Ltd

- Online shopping services of cosmetics, health-food products and beauty care products
- July 2013 Acquired JIMOS Co., Ltd and started beauty and health business
Expand 4 brands such as 「MACCHIA LABEL」 mainly for women in their 20s 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 2021 Established UP SALE Co., Ltd

