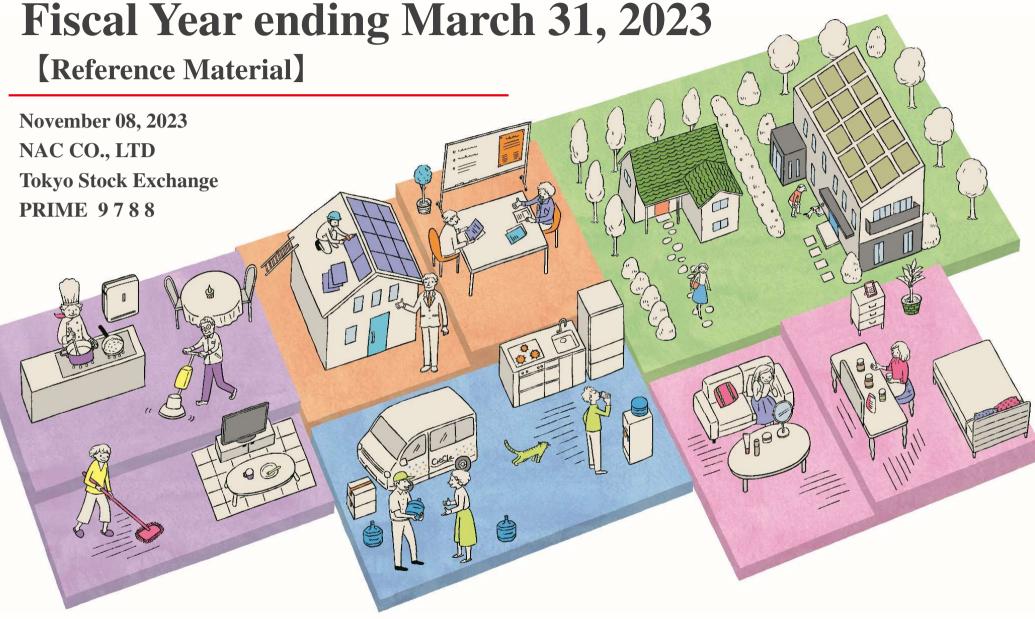
Results for Second Quarter of Fiscal Year ending March 31







## — Topics —

01	<b>Second Quarter Results</b>	• • •	P. 2
02	<b>Business Segment Results</b>	• • •	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 targets and other information contained in this document are forecasts based on information currently available to the Group, and are subject to uncertain factors such as economic environment, competitive conditions, and the success or failure of new services.

Therefore, please understand that the actual results may differ from the forecasts described in this material.

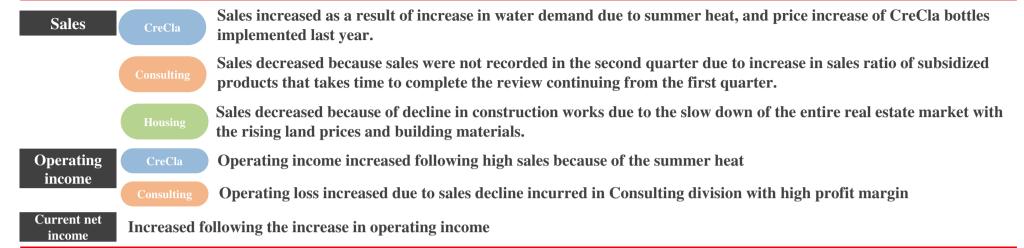


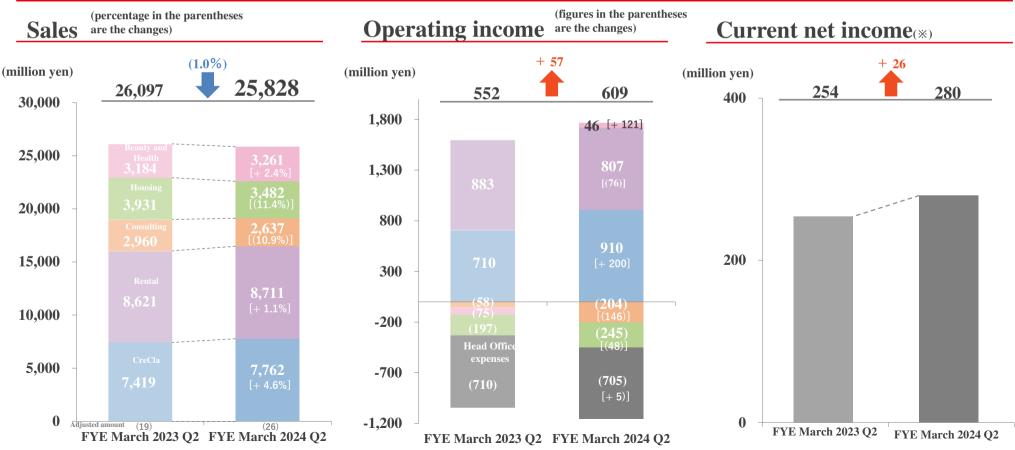
# **01** Second Quarter Results

## 1-1. Consolidated Income Statement

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







## 1-1b Sales and Operating Income Quarterly Trends



	FYE M	larch 2022			FYE Ma	rch 2023		FYE M	arch 2024
Q 1	Q 2	Q3	Q 4	Q 1	Q 2	Q 3	Q 4	Q1	Q 2
Sales									
11,984	14,218	13,727	14,993	11,702	14,394	14,827	16,149	11,941	13,886
Operating income									
185	848	856	871	(243)	795	975	1,705	(162)	772
Sales Quarterly	Trend	<b>X</b> Sales in Construction	on Consulting Busir	ness and Housing S	Sales Business decrea	sed in Q1 as a reaction	on in concentrating	the sales to Q4	(million yen
							1,722		
uty and	1,319	1,658	1,524	<b>\</b>	1,691	1,919	3,396	1	1,622
1,419	2,732	2,771	3,551	1,493	2,559	2,739		1,638	2,217
sulting <sup>1,631</sup>	1,760	1,717	2,239	1,371	1,657	1,474	2,319	1,264 1,073	1,563
1,732		1,/1/		1,302				1,075	
3,652	4,390	3,979	3,894	4,081	4,539	5,059	5,041	4,381	4,330
Cla									
3,582	4,032	3,611	3,792	3,459	3,960	3,644	3,669	3,600	4,161
sted (33) unt Q 1	(17) <b>Q 2</b>	(11) Q 3	(7) <b>Q 4</b>	(6) Q 1	(13) Q 2	(9) Q3	(5) <b>Q 4</b>	(16) Q 1	(9) Q 2
Fis	scal Year En	nded March 2022		F	Fiscal Year End	ed March 2023			ear Ending

<sup>◆</sup> Adjusted amount : Inter-segment sales or transfers

## **1-1c Consolidated Income Statement**



					(million yen)
	EVE Manak 2024	Plan		YoY con	nparison
	FYE March 2024 Q2 Result	FYE 2023 Q2 plan (May 15, 2023 published value)	Percentage of total ×	FYE 2022 Q2 Result	Percentage
Sales	25,828	28,000	92.2%	26,097	(1.0)%
Gross profit	13,178	_	_	13,108	+ 0.5%
(Gross margin)	51.0%	_	_	50.2%	+ 0.8pt
SG&A	12,568	_	_	12,556	+ 0.1%
Operating income	609	1,050	58.0%	552	+ 10.4%
(Operating margin)	2.3%	_	_	2.1%	+ 0.2pt
Non-operating income and loss	79	_	_	13	+ 507.6%
Ordinary income	689	1,050	65.6%	566	+ 21.8%
Extra-ordinary income	(4)	_	_	5	_
Net income attributable to owners of parent company	280	700	40.0%	254	+ 10.3%

## 1-1d Sale by Segment



					(million yen)
	FYE March 2024	Plan		YoY Com	parison
	Q2 Result	FYE 2023 Q2 plan	Percentage of total	FYE 2022 Q2 Result	Percentage
CreCla Business	7,762	7,500	103.4%	7,419	+ 4.6%
Rental Business	8,711	8,300	104.9%	8,621	+ 1.1%
<b>Construction Consulting Business</b>	2,637	3,700	71.2%	2,960	(10.9)%
Housing Sales Business	3,482	5,000	69.6%	3,931	(11.4)%
Beauty and Health Business	3,261	3,500	93.1%	3,184	+ 2.4%
Elimination of intersegment	(26)	_	_	(19)	_
TOTAL	25,828	28,000	92.2%	26,097	(1.0)%

### 1-1e Operating Income by Segment



(million ven) Plan **YoY Comparison** FYE March 2024 **Q2** Result FYE 2022 Q2 Percentage of FYE 2023 Q2 plan Percentage total Result 910 700 130.0% 710 + 28.2% **CreCla Business** [9.3%] [+2.4pt][9.6%] [+2.1pt][11.7%] 807 107.6% 883 (8.7)%750 **Rental Business** [9.0%] [+0.3pt][10.3%] [(1.0pt)][9.3%] (204)300 (58)**Construction Consulting Business** [8.1%][(7.7%)][(15.8pt)][(2.0%)][(5.7pt)](245)0 (197)**Housing Sales Business** [0%][(7.0pt)][(5.0%)][(2.0pt)][(7.0%)]46 (75)0 **Beauty and Health Business** [0%][+3.8pt][+1.4pt][(2.4%)][1.4%] (705)Corporate expenses, others (700)(710)609 58% + 10.4% 1,050 552 TOTAL [3.7%][2.1%][+0.3pt][(1.3pt)][2.4%]

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



**Gross Profit** 

CreCla

Increased with the improving sales as a result of high water demand because of summer heat and due to the price increase of CreCla bottle implemented in October 2022.

Consulting

Decreased following the decline in sales of Consulting division with high profit margin

Advertising & Sales Promotion Expenses

Beauty and Health Decreased due to controlled advertising and promotion costs for the entire Beauty and Health Business

			(million yen)
			Year-on-Year change
FYE March 2023 Q2	Operating income	552	_
Change in gross profit		+ 69	+ 0.5%
	Personnel expenses	+ 53	(1.0)%
	Advertising and sales promotion expenses	+ 50	(2.8)%
Increase (Decrease) of SG&A expenses	Land rent cost	(5)	+ 0.7%
	Depreciation and amortization of goodwill	+ 26	(6.2)%
	Other SG&A	(136)	+2.9 %
FYE March 2024 Q2	Operating income	609	+ 10.4%



# **01** Second Quarter Results

## 1-2. Consolidated Balance Sheet

#### 1-2a Consolidated Balance Sheet Assets



Current assets



Real estate for sale + 752 million yen
Cost on uncompleted construction contracts + 648 million yen



Cash and deposits (2,540) million yen

Noncurrent assets

No notable items

					(million yen)
	FYE March 2024 Q1	Percentage of total	FYE March 2023	Percentage of total	Comparison
Current assets	24,029	63.8%	24,875	64.2%	(845)
Property, plant and equipment	8,070	21.4%	8,225	21.2%	(154)
Intangible assets	1,405	3.7%	1,477	3.8%	(72)
Investments and other assets	4,138	11.0%	4,157	10.7%	(18)
Noncurrent assets	13,614	36.2%	13,860	35.8%	(245)
Total assets	37,644	100.0%	38,735	100.0%	(1,091)

#### 1-2b Consolidated Balance Sheet Liabilities and Net Assets



Liabilities

Increase

Advances received on uncompleted construction contracts + 898 million yen

Decrease

Income taxes payable (602 million yen)

Net Assets



Retained earnings (668 million yen) Capital reserve (514 million yen)

					(million yen)
	FYE March 2024 Q1	Percentage of total	FYE March 2023	Percentage of total	Comparison
Current liabilities	11,647	30.9%	11,470	29.6%	+ 177
Noncurrent liabilities	4,174	11.1%	4,060	10.5%	+ 113
Total liabilities	15,821	42.0%	15,531	40.1%	+ 290
Shareholder's equity	22,445	59.6%	23,775	61.4%	(1,329)
Accumulated other comprehensive income	(622)	(1.6)%	(571)	(1.5)%	(51)
Non-controlling interests	_	_	_	_	
Total assets	21,822	58.0%	23,204	59.9%	(1,381)
Total liabilities and net assets	37,644	100.0%	38,735	100.0%	(1,091)



# Second Quarter Results

## 1-3. Consolidated Cash Flow Statement

## 1-3 Consolidated Cash Flow Statement



Operating	Increase	Income before income taxes + 685 million yen  Advances received on uncompleted construction contracts + 898 million yen
CF	Decrease	Increase of inventories (1,489) million yen / Consumption tax payable (248) million yen
Investing CF	Decrease	Purchase of tangible fixed assets (170) million yen Payments for acquisition of investment securities (242) million yen
Financing CF	Decrease	Repayment of long-term debt (813) million yen Purchase of treasury stock (967) million yen

			(million yen)
	FYE March 2024 Q2 Result	FYE March 2023 Q2 Result	FYE March 2023 full-year result
1. Cash flow from operating activities	(664)	(1,192)	1,709
2. Cash flow from investing activities	(531)	(212)	(361)
3. Cash flow from financing activities	(1,401)	(849)	(2,555)
Net increase (decrease) in cash and cash equivalents	(2,596)	(2,253)	(1,206)
Beginning balances of cash and cash equivalents	11,029	12,187	12,187
Increase in cash and cash equivalents following merger with non-consolidated subsidiary	_	48	48
Increase in cash and cash equivalents from newly consolidated subsidiary	48	_	<del></del>
Ending balances of cash and Cash equivalents	8,481	9,983	11,029
Depreciation and amortization	569	599	1,188



# **02** Business Segment Results

## 2-1. CreCla Business

### 2-1a CreCla Business Sales and Operating Income Trends



Sales

Directly Managed stores

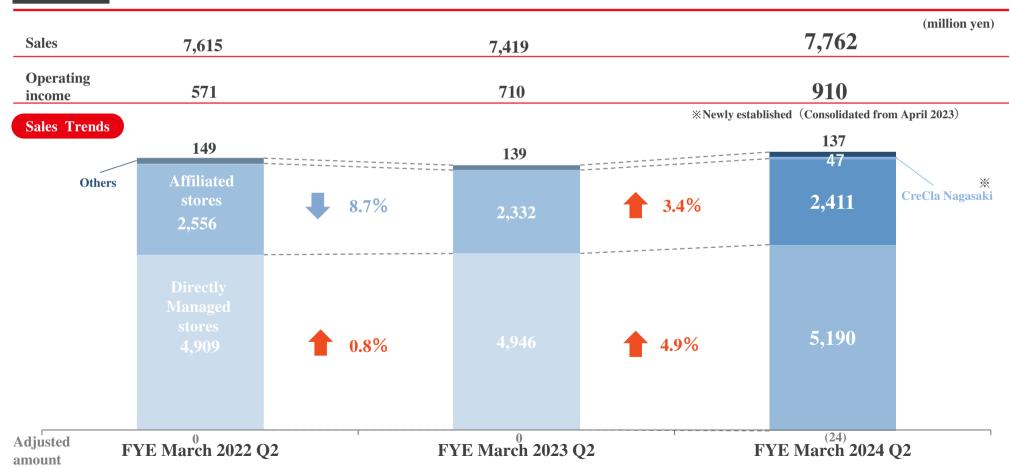
- In CreCla water delivery, sales increased year-on-year due to price increase of CreCla bottle (from October 2022) and high demand because of summer heat.
- In hypochlorous acid solution "ZiACO", sales decreased due to the increasing contract cancellation as the infectious disease was reclassified as Class 5.

Affiliated stores

Although customers were declining, sales increased year-on-year due to the price increase of CreCla bottle implemented in the previous year.

Operating income

Operating income increased significantly year-on-year due to high sales following the rise in water demand because of summer heat



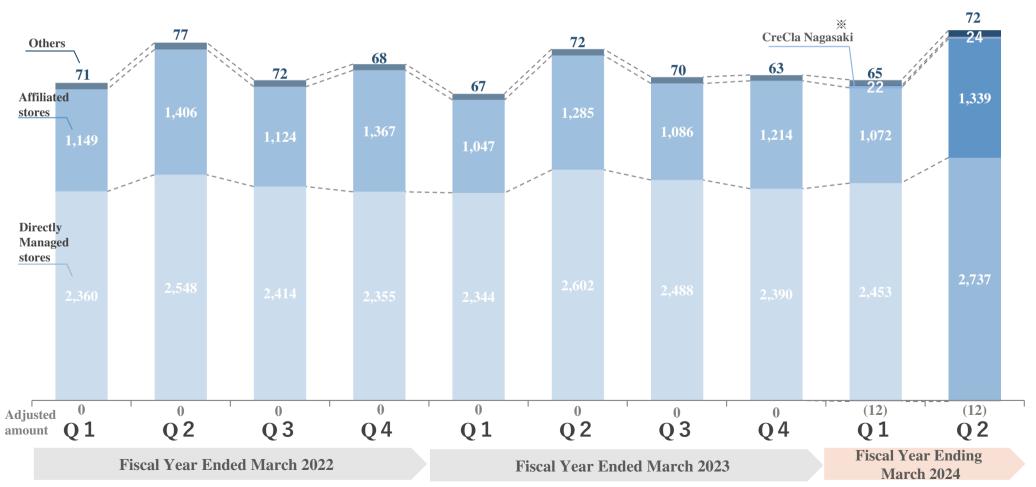
## 2-1b CreCla Business Quarterly Trends of Sales and Operating Income



FYE March 2022					FYE Ma	rch 2023		FYE March 2024			
Q 1	Q 2	Q3	Q 4	Q 1	Q 2	Q 3	Q 4	Q1	Q 2		
Sales 3,582 Operating	4,032	3,611	3,792	3,459	3,960	3,644	3,669	3,600	4,161		
income 169	401	286	411	125	584	474	434	259	650		

\*Newly established (Consolidated from April 2023) (million yen)

#### **Sales Quarterly Trends**



### 2-1c CreCla Business Priority Measures for FY2023 onwards



- Expanding number of customers
  - ► Strengthen sales promotion focusing on event sales in shopping malls
  - **▶** Develop and offer new servers and new services
  - ► Strengthen promotional activities for "putio", a compact water purifier type server that started sales in July 2023
  - ► Utilization of system infrastructure 「CrePF (CreCla platform」
- Secure personnel and strengthen training system
- Cross-media strategies utilizing various media













## feel free



Launched in July 2023 small type water purifier server [putio]





# Business Segment Results

## 2-2. Rental Business

#### **Quarterly Trends of Sales and Operating Income** 2-2a Rental Business





Although contract cancellation rate is in increasing trend in Dust control products division due to household finances review, sales increased year-on-year due to business expansion of Care service division and HealthRent division

With

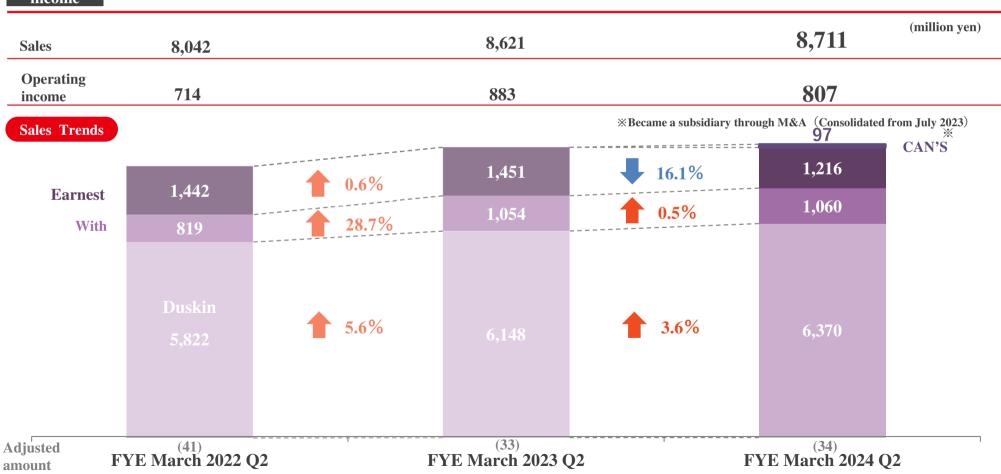
Sales on the same level year-on-year (slightly increased) following the improved delivery rates to restaurants, the major customers

**Earnest** 

Decreased year-on-year due to decline of order in infectious disease-related products (Border Control Support projects by MHLW)

**Operating** income

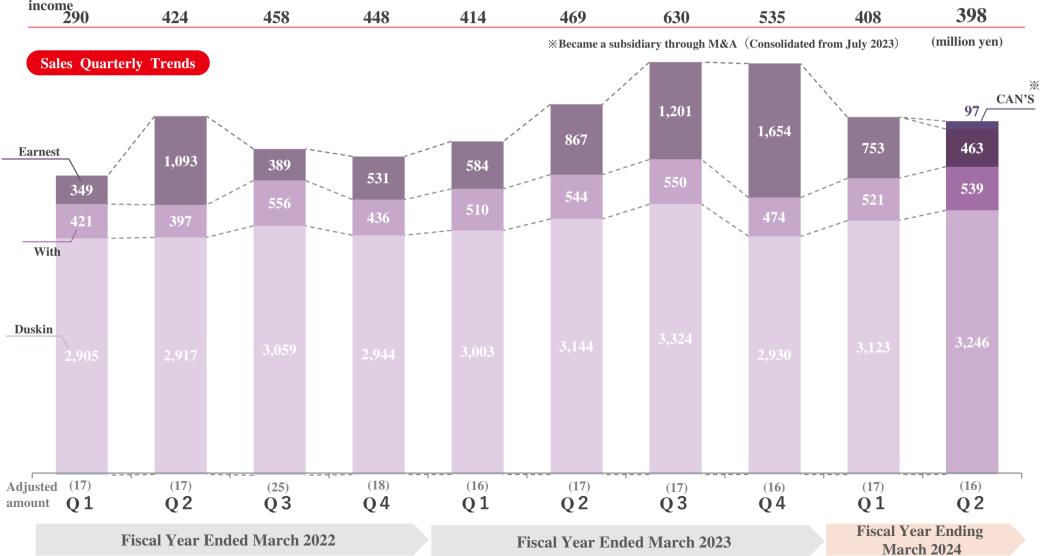
Decreased year-on-year due to sales decline in Earnest Co., Ltd



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



FYE March 2022					FYE March 2023 FYE M				arch 2024
Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2
Sales 3,652	4,390	3,979	3,894	4,081	4,539	5,059	5,041	4,381	4,330
Operating Specific Control of the Co	<b>4</b> ,570	3,717	3,074	7,001	7,557	3,037	3,041	7,501	4,550
income 290	424	458	448	414	469	630	535	408	398



#### 2-2c Rental Business Priority Measures for FY2023 onwards



Duskin

- Increase sales promotion staff and expand sales activities in Care Service division and HealthRent division through capital and business agreement with Duskin Co., Ltd
- Provide new products and new services in response to the change of lifestyle caused by infectious disease

With

Strengthen and streamline sales activities in response to the resumption of operations of restaurants, our major customers

Earnest

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

CAN'S

CAN'S Co., Ltd which handles Restoration Work Business became a subsidiary in June 2023



















# **02** Business Segment Results

## 2-3. Construction Consulting Business

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



Sales

Consulting

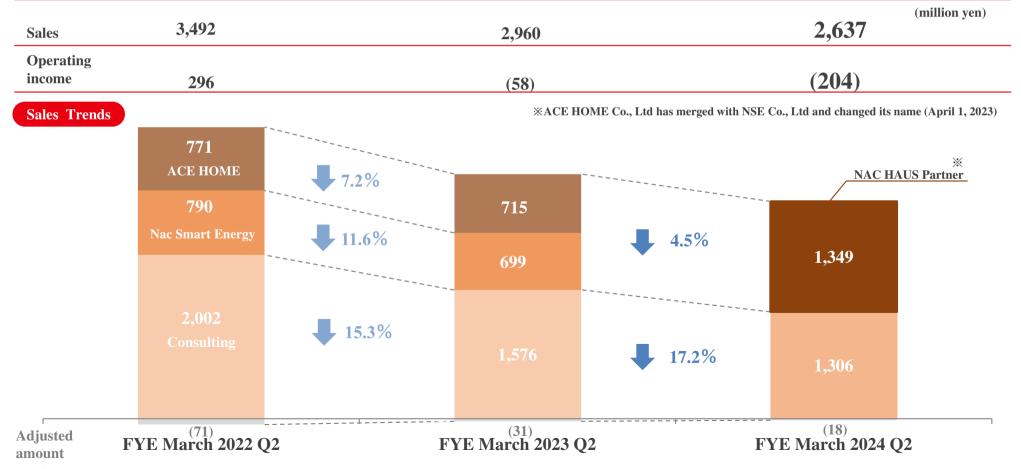
Sales ratio of subsidized products continued to increase in the first quarter but due to the time required to complete the review, sales were not recorded in the second quarter which caused a decrease year-on-year

NAC HAUS Partner

- Sales increased year-on-year due to high sales of industrial materials and improved product supply delays caused by semiconductor shortages in Smart Energy business (previously Nac Smart Enery Co., Ltd)
- ▶ Decreased year-on-year because of decline in wholesale due to the decrease of houses built by Affiliated stores in Housing Network business

**Operating** income

Operating loss expanded significantly due to sales decline in Consulting division with high profit margin



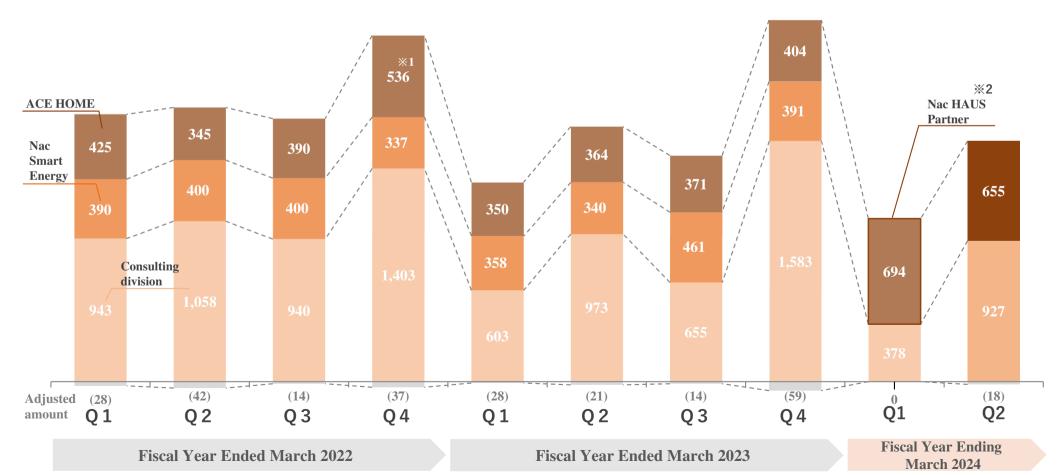
## 2-3b Construction Consulting Business Sales and Operating Income Trends



FYE March 2022					FYE Ma	FYE March 2024			
Q 1	Q2	Q 3	Q4	Q1	Q 2	Q3	Q 4	Q1	Q 2
Sales 1,732	1,760	1,717	2,239	1,302	1,657	1,474	2,319	1,073	1,563
Operating income 84	212	113	461	(193)	134	10	895	(295)	91
*1 FYE March 2022 Q4: ACE HOME Co., Ltd changed its year-end (from February to March) to a four-month period									(million yen)

Sales Quarterly Trend

<sup>\*2</sup> ACE HOME Co., Ltd merged with Nac Smart Energy Co., Ltd and changed its name (April 1, 2023)



<sup>◆</sup> Adjusted amount: Sales mainly within the segment

<sup>\*1</sup> FYE March 2022 O4: ACE HOME Co., Ltd changed its year-end (from February to March) to a four-month period

#### 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 the decarbonized society by exerting synergy effect of both businesses











► Housing Network business

(Former: ACE HOME Co., Ltd)



► Smart Energy business

(Former: Nac Smart Energy Co., Ltd)

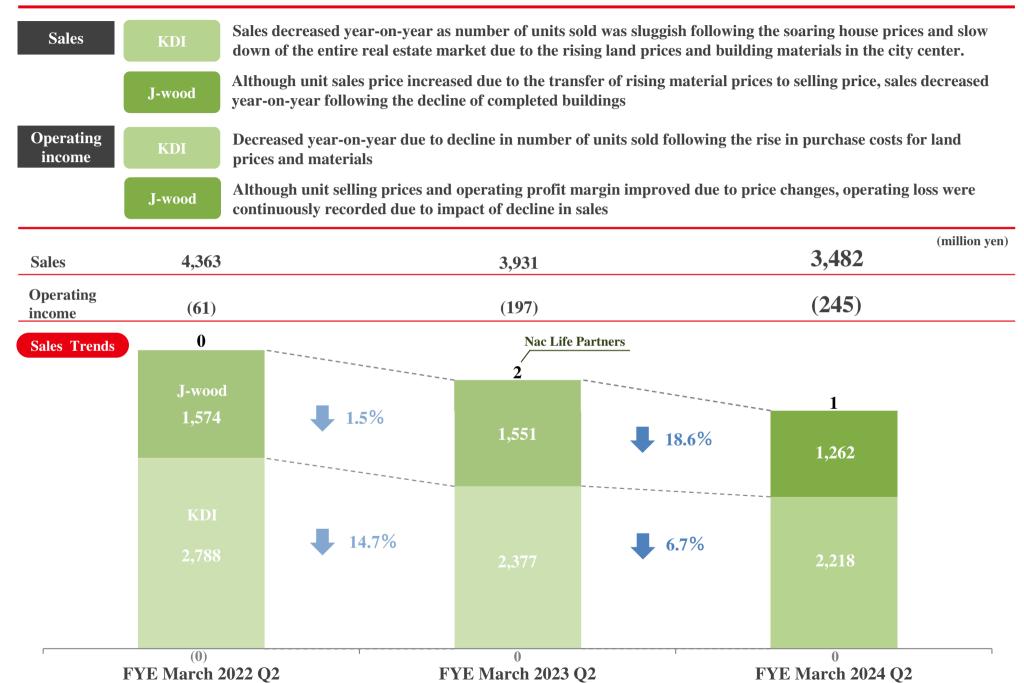


# **O2** Business Segment Results

## 2-4. Housing Sales Business

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





<sup>◆</sup> Adjusted amount: Sales mainly within the segment

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



(million yen)

FYE March 2022				FYE March 2023				FYE March 2024	
Q1	Q2	Q3	Q 4	Q1	Q2	Q 3	Q4	Q 1	Q2
Sales									
1,631	2,732	2,771	3,551	1,371	2,559	2,739	3,396	1,264	2,217
Operating									
ncome (114)	53	142	152	(197)	(0)	(21)	38	(198)	(46)

**Sales Quarterly Trends** 

2 0 2,005 1 Nac Life 1,021 1,055 1.319 **Partners** 1,192 912 0 349 J-wood KDI Adjusted (0) amount Q1 Q3Q2Q3Q4Q2Q4Q1Q2Q1**Fiscal Year Ending** Fiscal Year Ended March 2022 Fiscal Year Ended March 2023

March 2024

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



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

J-wood

- Hold various campaigns for the 20<sup>th</sup> year anniversary of J-WOOD Business
  - ▶ Promote the 「creation of new fans |
- Full product line-up in KUNIMOKU HOUSE business such as energy-savings houses













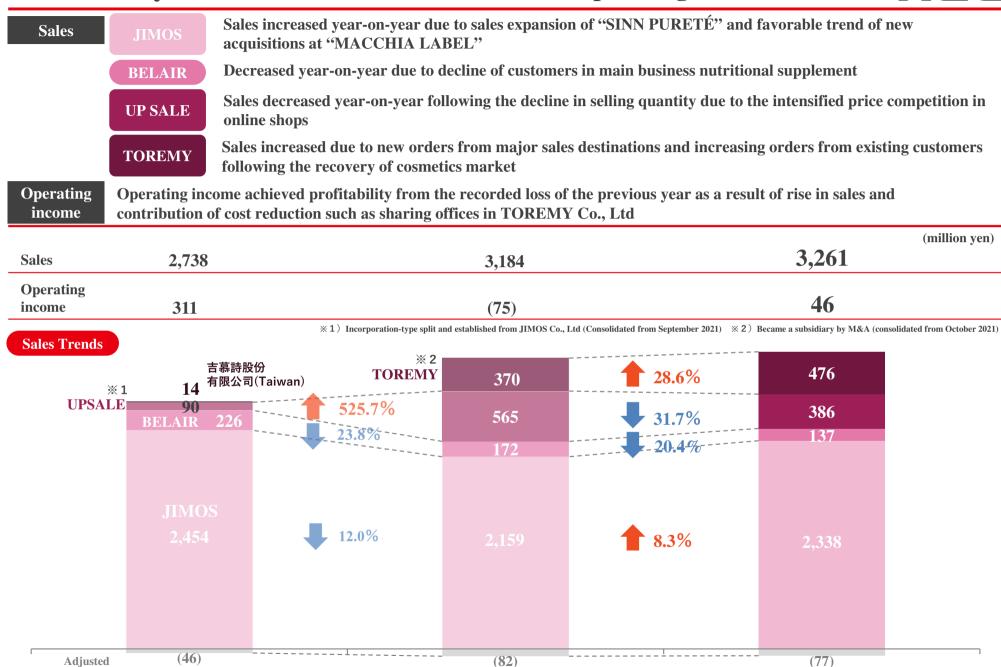


# **02** Business Segment Results

# 2-5. Beauty and Health Business

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





FYE March 2023 Q2

amount FYE March 2022 O2

FYE March 2024 O2

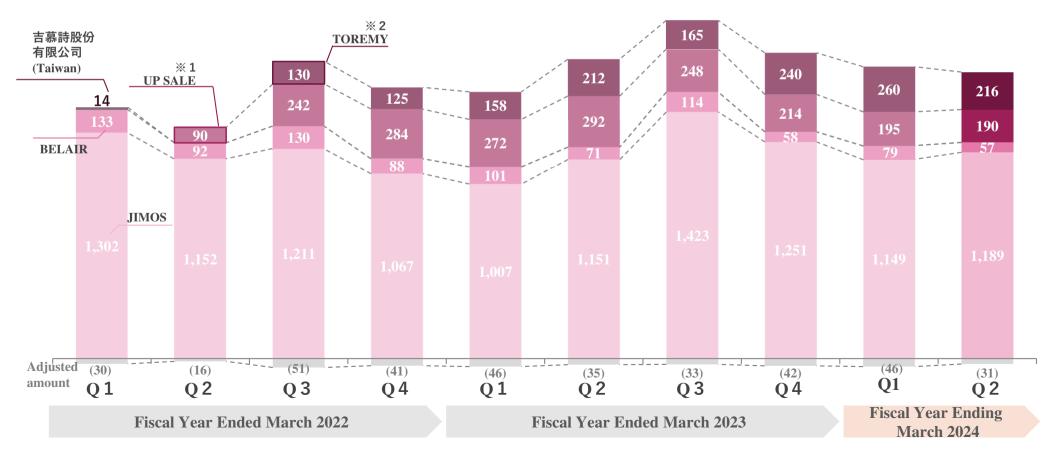
## 2-5b Beauty and Health Business Sales and Operating Income Trends



	FYE Ma	rch 2022	2 FYE March 2023					FYE March 2024	
Q1	Q 2	Q3	Q 4	Q1	Q 2	Q3	Q 4	Q 1	Q2
Sales 1,419	1,319	1,658	1,524	1,493	1,691	1,919	1,722	1,638	1,622
Operating ncome 183	128	193	(353)	(41)	(34)	200	113	25	20
Colog Oversteel	<i>T</i> D 1			, ,					(million yen)

**Sales Quarterly Trends** 

**<sup>\* 2</sup>** Acquired ownership by M&A (Consolidated from October 2021)



<sup>\* 1)</sup> Company split of INFINITY BEAUTY business and Seikatsu Club business of JIMOS Co., Ltd for new establishment (Consolidated from September 2021)

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



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

BELAIR

Expand sales channel with a view to the 100-year life period, with a focus on returning to the origins of supplement sales.

**UP SALE** 

Expand the range of products handled by mail-order business and improving profitability through active product development and purchasing

**TOREMY** 

- Aggressive ODM proposals for quasi-drugs, investment in equipment and personnel to improve productivity
- Continue to strengthen the vertical integrations with each business from the group









SINNPURETÉ natural & organics



登 豆腐の盛田屋



**jimos** one to only one















# 03 Result Forecast for FYE March 2024

#### **3-1 Consolidated Result Forecast**



- Revenue and profit 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)	
<b>Construction Consulting Business</b>	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 · 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%]	(268) [(2.0pt)]		
Rental Business	1,600	2,050	(450)	
	[9.7%]	[11.0%]	[(1.3pt)]	
<b>Construction Consulting Business</b>	1,350	847	+ 502	
	[15.0%]	[12.5%]	[+ 2.5pt]	
Housing Sales Business	250	(181)	+ 431	
	[2.2%]	[(1.8%)]	[+ 4.0pt]	
<b>Beauty and Health Business</b>	400	238	+ 161	
	[5.0%]	[3.5%]	(+ 1.5pt)	
Corporate expenses (including new · M&A)	(1,450)	(1,341)	(108)	
TOTAL	3,500	3,232	+ 267	
	[5.8%]	[5.7%]	[+ 0.1pt]	



# Dividend

### 4-1 Dividend Policy • Dividends Results • Dividend Forecast



#### **Dividend Policy**

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



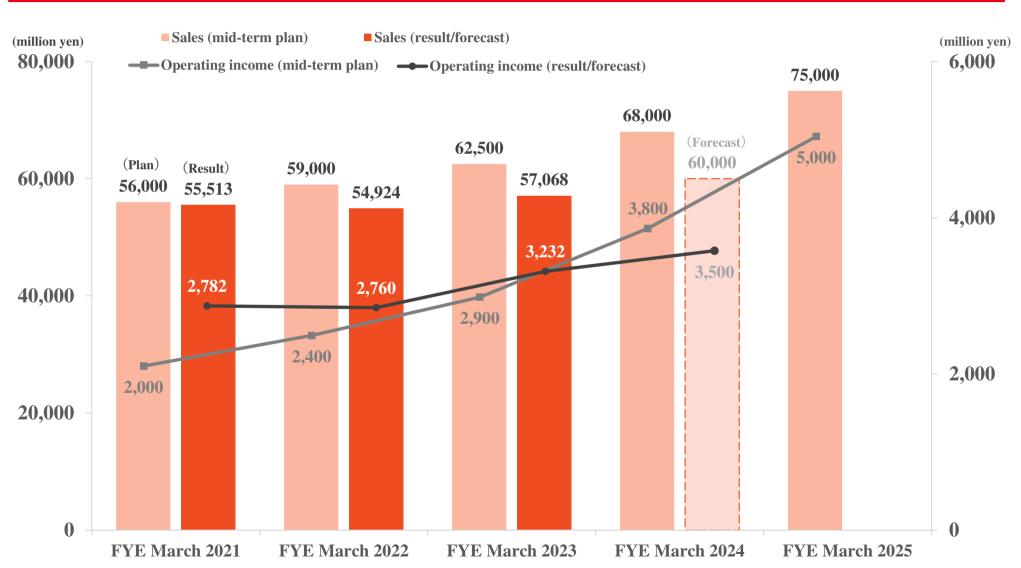


# 05 Mid-term Management Plan

### 5-1 Progress of Mid-Term Business Plan



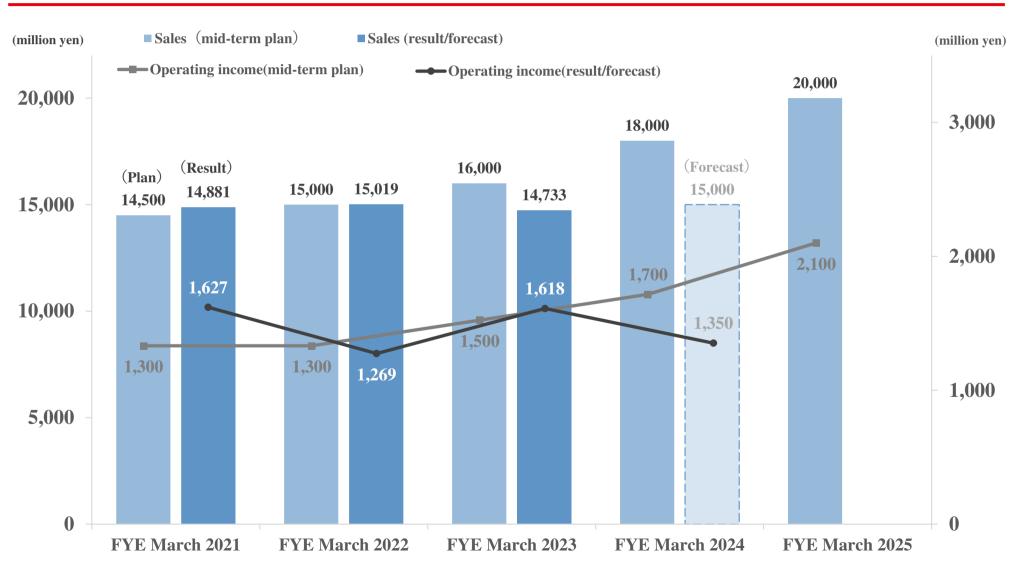
- In fiscal year ending March 2024, we will continue with aggressive upfront investment mainly in CreCla Business and Rental Business
- The plan is an increase in revenue and profit compared with the previous fiscal year, but a decline in revenue and profit are expected relative to the mid-term plan



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



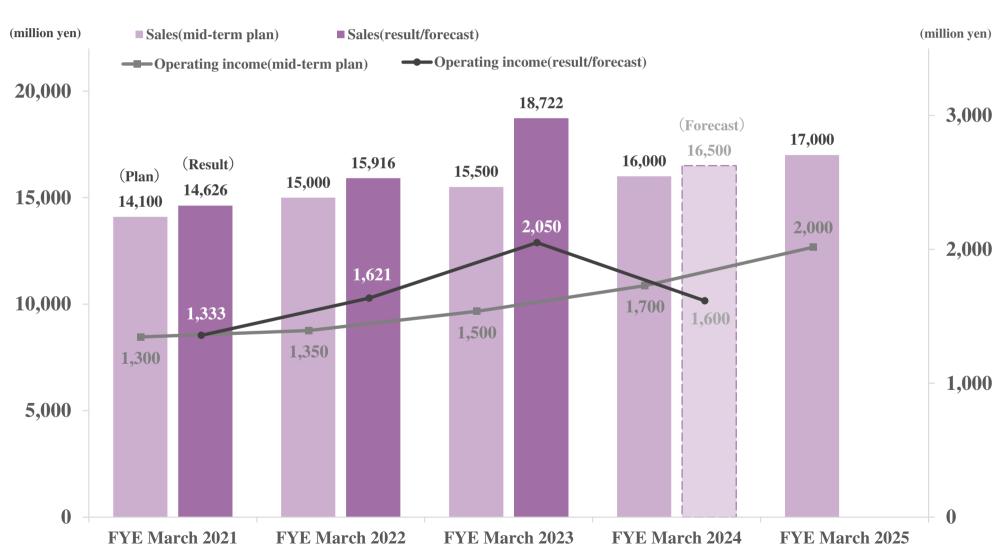
- Plan an increase in revenue and decrease in profit compared with the previous fiscal year because of expected aggressive sales promotion activities
- Decrease in revenue and profit are expected relative to mid-term plan



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



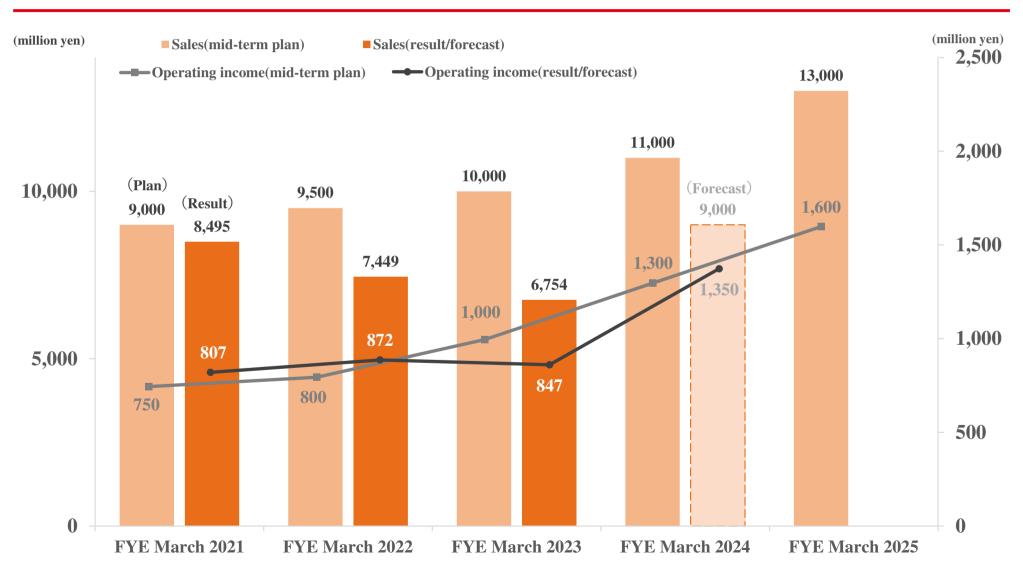
- Plan a decrease in revenue and profit compared with the previous fiscal year
- Increase in revenue and decrease in profit are expected relative to mid-term plan



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



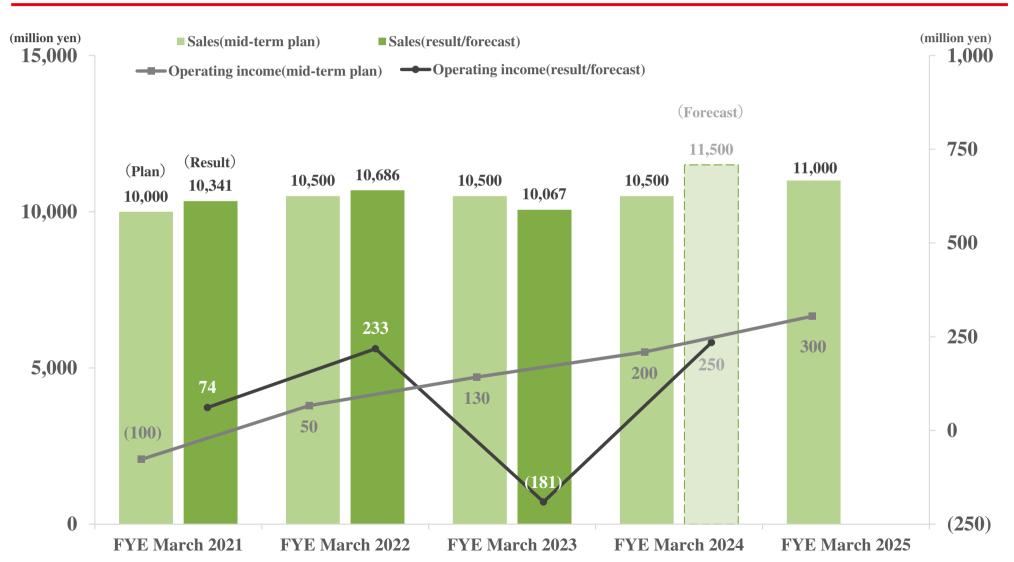
- Plan an increase in revenue and profit compared with the previous fiscal year
- Decrease in revenue and increase in profit are expected relative to mid-term plan



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



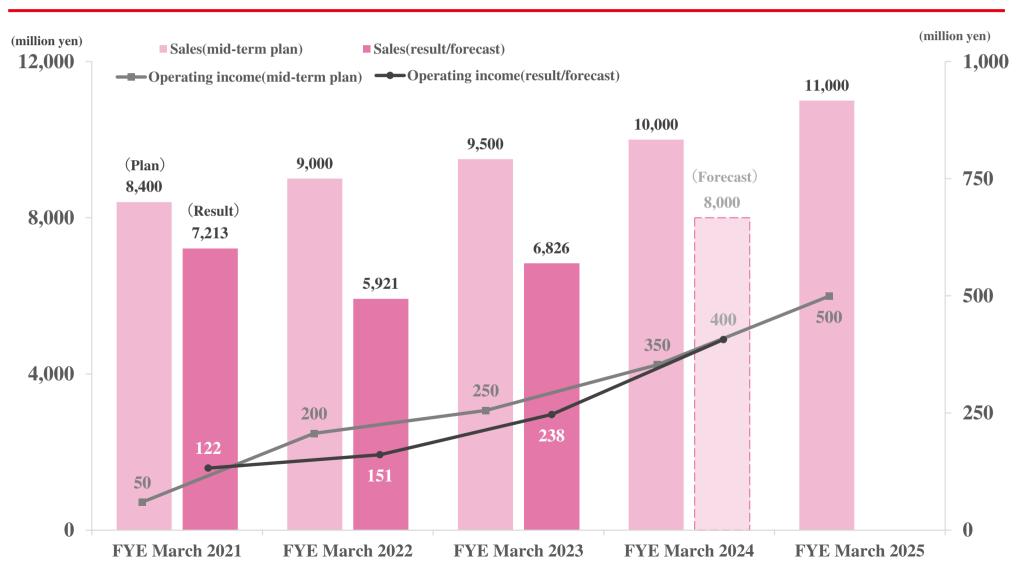
- Plan an increase in revenue and profit compared with the previous fiscal year
- Increase in revenue and profit are expected relative to mid-term plan



## 5-1 Progress of Mid-Term Business Plan (Beauty and Heath 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





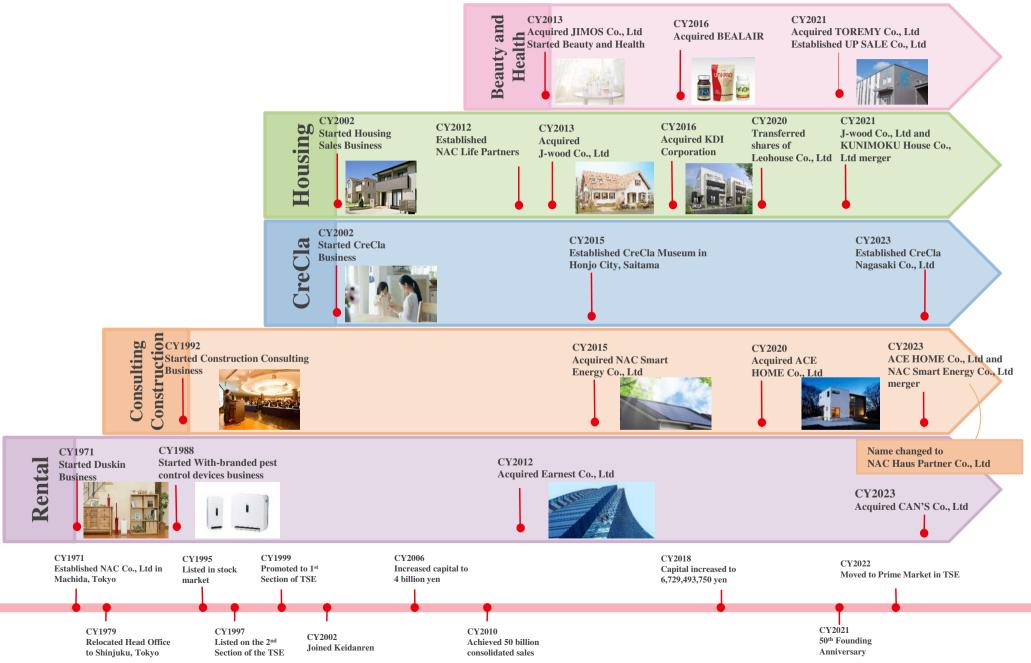
# Company Profile



As of end of September 2023

Company name	NAC CO., LTD.				
Address	Tokyo, Shinjuku-ku, Nishi-Shinjuku 1-25-1 Center Building 42F				
Date established	May 20, 1971				
Representative	Yoshimura Kan, President				
Consolidated Subsidiaries	CreCla Nagasaki Co., Ltd (Water Delivery Business) **became a subsidiary in April 1, 2023  Earnest Co., Ltd (Building Maintenance Business) CAN'S Co., Ltd (Restoration Work Business) **became a subsidiary in May 31, 2023  NAC HAUS Partner Co., Ltd (Sales and Construction Energy-savings products) **Company was renamed from ACE HOME Co., Ltd in April 1, 2023 and merged with Nac Smart Energy Co., Ltd  J-wood Corporation (Custom-built Houses Contractor) KDI CORPORATION (Ready-built/Order-made Houses) Nac Life Partners Co., Ltd (Finance and Benefits)  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 1,628 (excluding part-time employees)				
Capital	6,729,493,750 yen				
<b>Shares Outstanding</b>	23,306,750 shares (1 unit : 100 shares)				
No. of shareholders	14,417 (total number of shareholders excluding treasury stock)				



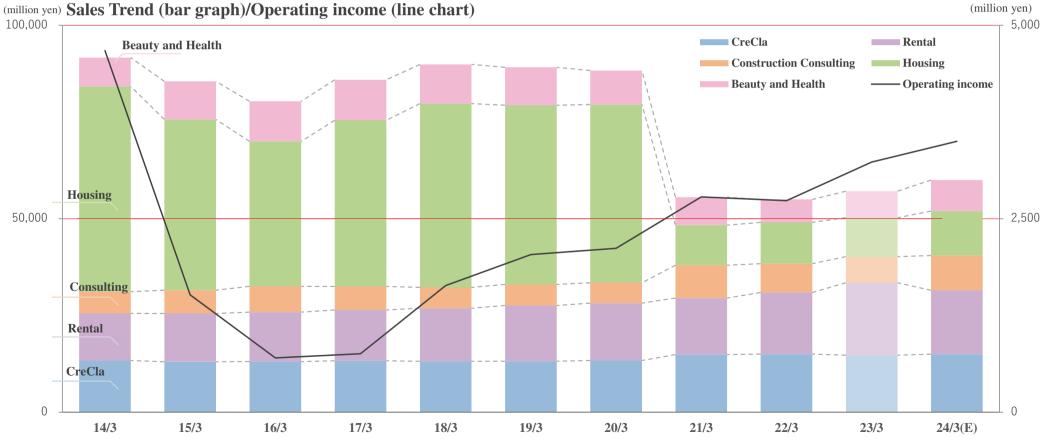


## 6-3 NAC Business Result (Previous 10 Fiscal Years + Forecast)



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	<b>756</b>	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 tax increase									re has changed f Leohouse sha	



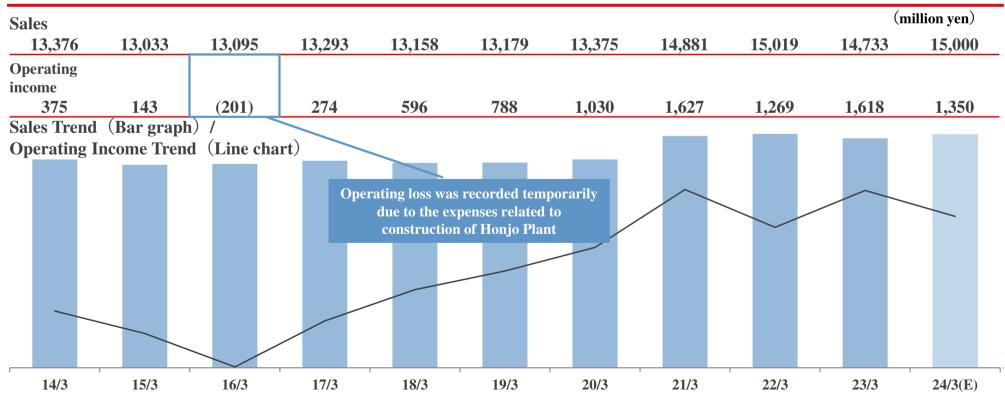


### 6-4 Business Introduction CreCla Business



### 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 solution)
- Operates the Head Office of CreCla Business (with more than 450 affiliated 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」)

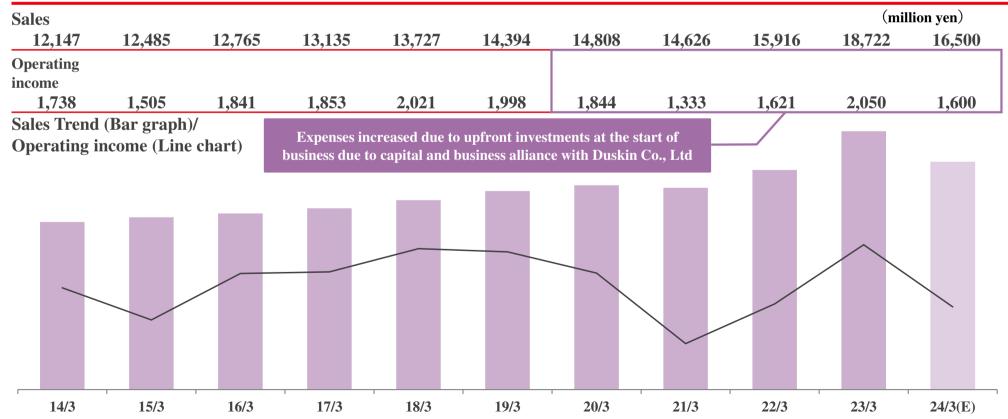


#### **6-5** Business Introduction Rental Business



Major composition: NAC Co., Ltd Duskin Business, With Business, Earnest Co., Ltd CAN'S 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
- May 2023 CAN'S Co., Ltd became a subsidiary (Restoration Work Business)



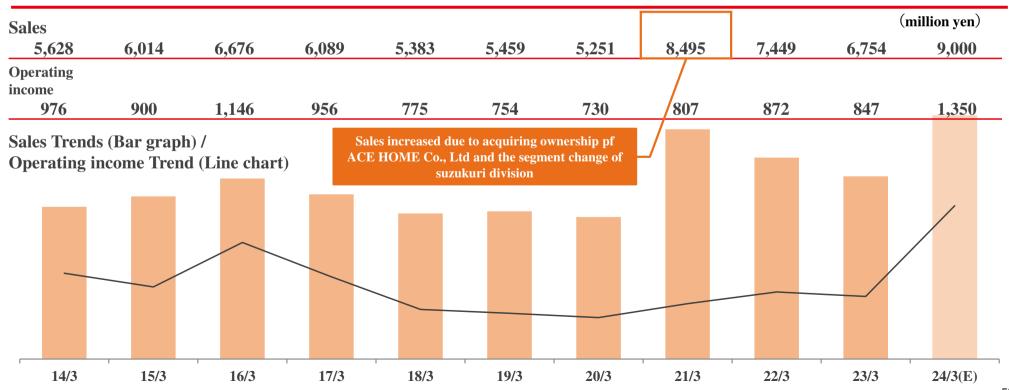
### 6-6 Business Introduction Construction Consulting



### 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 franchising 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)
- April 2023 ACE HOME Co., Ltd merged with NSE Co., Ltd changed the company to NAC HAUS Partner Co., Ltd

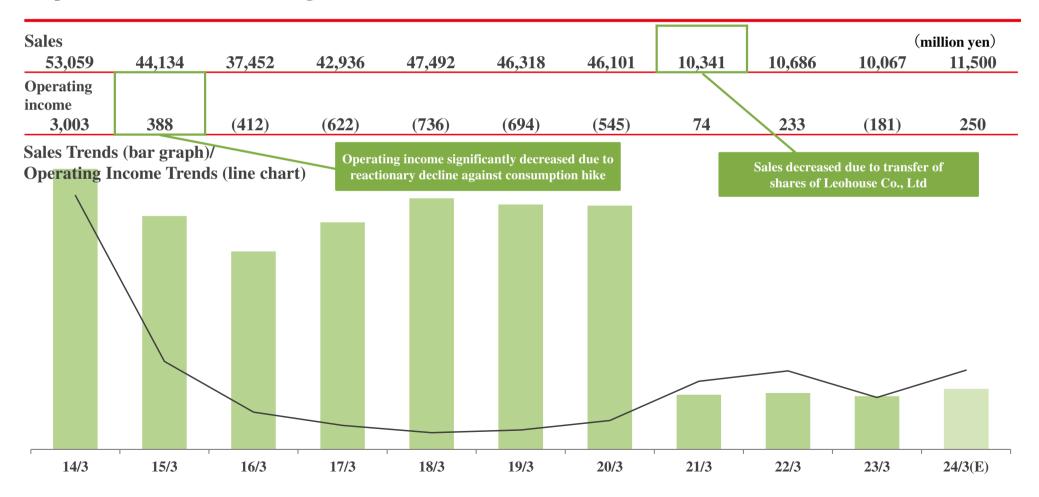


### **6-7 Business Introduction Housing Sales Business**



### 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



### 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 products
- July 2013 Acquired JIMOS Co., Ltd, and started beauty and health business
   Expanded 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 (mail order of cosmetics, health food and medicines)

