

**Summary of Consolidated Financial Results for  
the First Quarter of the Fiscal Year Ending March 31, 2025  
(Three Months Ended June 30, 2024)**

[Japanese GAAP]

Company name: NIHON TRIM CO., LTD. Listing: Tokyo Stock Exchange  
 Securities code: 6788 URL: <https://www.nihon-trim.co.jp/>  
 Representative: Norio Tahara, President  
 Contact: Kojiro Oda, Senior Managing Executive Officer and General Manager of Administration Division  
 Tel: +81-(0) 6-6456-4600  
 Scheduled date of dividend payment: –  
 Supplementary materials for financial results: Yes  
 Holding of financial results meeting: None

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

**1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 - June 30, 2024)**

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 30, 2024	5,459	13.8	772	39.2	814	37.5	568	33.7
Three months ended Jun. 30, 2023	4,796	10.7	554	9.1	592	9.2	425	30.1

Note: Comprehensive income (million yen) Three months ended Jun. 30, 2024: 623 (up 30.1%)  
 Three months ended Jun. 30, 2023: 478 (up 11.6%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2024	74.18	–
Three months ended Jun. 30, 2023	55.49	–

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Jun. 30, 2024	31,564	23,562	70.2	2,890.78
As of Mar. 31, 2024	31,544	23,627	70.7	2,911.21

Reference: Shareholders' equity (million yen) As of Jun. 30, 2024: 22,157 As of Mar. 31, 2024: 22,314

**2. Dividends**

	Dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended Mar. 31, 2024	–	0.00	–	85.00	85.00
Fiscal year ending Mar. 31, 2025	–	–	–	–	–
Fiscal year ending Mar. 31, 2025 (forecasts)	–	0.00	–	95.00	95.00

Note: Revisions to the most recently announced dividend forecast: None

**3. Consolidated Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)**

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	11,250	7.6	1,720	2.0	1,790	1.4	1,260	5.5	164.38
Full year	22,800	11.7	3,570	15.9	3,700	14.7	2,470	14.9	322.24

Note: Revisions to the most recently announced consolidated forecast: None

**\* Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly added: –

Excluded: –

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions in accounting standards, others: None

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(4) Number of outstanding shares (common shares)

(i) Number of shares issued at end of period (including treasury shares)

As of Jun. 30, 2024: 8,656,780 shares

As of Mar. 31, 2024: 8,656,780 shares

(ii) Number of treasury shares at end of period

As of Jun. 30, 2024: 991,796 shares

As of Mar. 31, 2024: 991,758 shares

(iii) Average number of shares outstanding during the period

Three months ended Jun. 30, 2024: 7,665,020 shares

Three months ended Jun. 30, 2023: 7,665,113 shares

Note: The Company has adopted the Employee Stock Ownership Plan (J-ESOP). The company shares held by this trust is included in the number of treasury shares, which are to be deducted from the calculation of the number of treasury shares at end of period and the average number of shares outstanding during the period.

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Cautionary statement with respect to forward-looking statements, and other special items

Earnings forecasts regarding future performance in this material are based on assumptions judged to be valid and information currently available to the Company, and the Company does not in any way guarantee the achievement of the forecasts. Actual results may differ significantly from these forecasts for a number of factors. Please refer to “1. Overview of Results of Operations, etc., (3) Explanation of the Future Outlook, including Consolidated Performance Forecasts” on page 4 of the attachments for assumptions for forecasts and notes of caution for usage.

**Contents of Attachments**

1. Overview of Results of Operations, etc.	2
(1) Overview of Results of Operations for the Period under Review	2
(2) Overview of Financial Position for the Period under Review	3
(3) Explanation of the Future Outlook, including Consolidated Performance Forecasts	4
2. Quarterly Consolidated Financial Statements and Notes	5
(1) Quarterly Consolidated Balance Sheet	5
(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income	7
Quarterly Consolidated Statement of Income	7
Quarterly Consolidated Statement of Comprehensive Income	8
(3) Notes to Quarterly Consolidated Financial Statements	9
Segment and Other Information	9
Significant Changes in Shareholders' Equity	9
Assumption for Going Concern	9
Statement of Cash Flows	10

## 1. Overview of Results of Operations, etc.

### (1) Overview of Results of Operations for the Period under Review

The Nihon Trim Group (“the Group”) is committed to “contributing to the creation of healthy and comfortable lives” under its corporate philosophy. To this end, the Group operates its business under the main theme of health and medical care. The Group’s mission is to contribute to people’s well-being through its businesses including Electrolyzed Hydrogen Water (EHW), electrolyzed water hemodialysis, and regenerative medicine. The Group’s EHW apparatus is a controlled medical device that has been approved for its effects on improvement of gastrointestinal conditions, and its water purification cartridge is equipped with a function to remove PFAS (generic name for organic fluorine compounds) (\*1), whose environmental impact has become a global issue in recent years, thereby contributing to the creation of an environment where people can live with peace of mind. Under the slogan “Society always needs our products,” the Group will contribute to the realization of a sustainable society and achieve sustainable enhancement of its corporate and shareholder value.

(\*1) Water purification capacity was tested using the method specified in voluntary standards of Japan Water Purifier Association (JWPAS B). We have confirmed that the removal rate of PFOS and PFOA, which are particularly harmful among PFAS, is 80% or higher for all types of our water purification cartridges (results of JWPAS B.210 test).

During the first three months of the current fiscal year, the Group’s net sales increased 13.8% year on year to 5,459 million yen, hitting a record high on a quarterly basis. The Group’s operating profit increased 39.2% to 772 million yen, ordinary profit increased 37.5% to 814 million yen, and profit attributable to owners of parent increased 33.7% to 568 million yen. Both sales and profit targets have been achieved ahead of the plan for the current fiscal year.

Setting a target of 32,000 million yen in consolidated net sales for the fiscal year ending March 31, 2027, we have focused on the following three points to achieve this goal and enhance our corporate value over the medium to long term.

1. Expanding business volume of the direct sales divisions in our main business of EHW apparatus sales.
2. Expanding overseas operations of the OEM and wholesale sales division of the EHW apparatus sales business.
3. Promoting the widespread use of electrolyzed water hemodialysis as the first of its kind in the world and conducting research and development activities with an eye to having the treatment covered by public insurance.

Results by business segment were as follows.

#### **Water Healthcare Business**

In the EHW apparatus sales business, net sales of EHW apparatus increased 6.2% year on year to 2,300 million yen.

In the DS Division (workplace sales division), seminar numbers recovered to the pre-COVID level as the COVID-19 pandemic subsided, and net sales showed a strong growth. In the sports field, which we have been focusing on since last year, the sales base has further expanded to include baseball, soccer, tennis, basketball, and American football. Monthly orders exceeded 5,000 units in June this year, as last year, thus showing steady results of efforts to enhance marketing and sales capabilities. In the HS Division (installation and referral sales division), the number of units sold per sales person increased. The SS Division (in-store event sales division) made steady progress, partly due to an increase in the number of units ordered as a result of increased visitors to exhibitions and other events. We are striving to increase sales personnel in each division in preparation for future growth.

In the MS Division (OEM and wholesale sales division), we have focused on strengthening sales support for existing agents and acquiring new agents for overseas transactions, and have worked diligently to start operation of new agents in the second half of the current fiscal year and beyond.

With regard to sales of water purification cartridges in Japan, which generate a consistent revenue stream once an EHW apparatus is installed, we have made efforts to strengthen customer service, including information

distribution and follow-up by telephone, resulting in steady growth with net sales of 1,417 million yen (up 5.9% year on year).

PT. SUPER WAHANA TEHNO, which operates a bottled water business in Indonesia, achieved a significant growth with net sales of 765 million yen (up 92.2% year on year), a record high on a quarterly basis. Brand awareness of Pristine has drastically increased due to successful upfront investments in marketing through TV commercials, advertisements on social networking services featuring influencers, etc. in the previous fiscal year. For the current fiscal year, we will continue upfront investments to further grow business performance.

In the field of research and development, we have continuously worked on research aimed at identifying the mechanism for the benefits of EHW as well as looking for new business seeds jointly with RIKEN, the University of Tokyo, Tohoku University, Waseda University, and others, such as “Essential Health Care Science Collaborative Research Program” with Kobe University. Four papers are currently in the process of being submitted and we are preparing to submit two more in the near future.

As a result of the above, the water healthcare business recorded net sales of 4,765 million yen (up 14.6% year on year), with segment profit of 689 million yen (up 47.4% year on year).

### **Medical Business**

In the electrolyzed water hemodialysis (\*2) business, nine abstracts related to electrolyzed water hemodialysis were featured at the 69th Annual Meeting of the Japanese Society for Dialysis Therapy in June this year. At this meeting, the luncheon seminar “Electrolyzed Water Hemodialysis—Breakthrough” was attended by 300 or more people involved in hemodialysis treatment, including doctors and clinical engineers, and awareness of electrolyzed water hemodialysis is steadily increasing. In addition, 15 abstracts related to the benefits to patients and dialysis staff, and advantages in hemodialysis facility management were featured at the first academic meeting of the Association of Electrolyzed Water-Hemodialysis (EW-HD) Study Group held in July. We expect to publish papers on these topics, and believe that this will provide a major boost to the promotion of electrolyzed water hemodialysis.

(\*2) Electrolyzed water hemodialysis offers a next-generation of new dialysis treatment using electrolyzed RO water with a unique feature of containing dissolved hydrogen, which is produced by our technology, to dilute dialysate. It is unconventional technology that focuses attention on the functions of water as a solvent for the first time in the world. We obtained data that showed that electrolyzed water hemodialysis reduced the dosage of drugs after the treatment and the annual crude death rate (CDR) of patients compared to traditional hemodialysis, which has drawn attention.

In the field of regenerative medicine, StemCell Institute Inc. (listed on TSE Growth Market, Securities Code: 7096, our share: 72.1%) achieved a new record high in quarterly net sales and steady growth in profit. The company published its earnings results for the three months ended June, 2024, on August 7 this year, the same date as did the Group. For details, please refer to the StemCell Institute’s Summary of Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2025.

As a result of the above, the medical business recorded net sales of 694 million yen (up 8.9% year on year) with segment profit of 82 million yen (down 4.7% year on year).

### **(2) Overview of Financial Position for the Period under Review**

Total assets increased 19 million yen, or 0.1%, from the end of the previous fiscal year to 31,564 million yen at the end of the first quarter of the current fiscal year on a consolidated basis. The main factors were increases in notes and accounts receivable-trade of 387 million yen and finished goods of 61 million yen, despite decreases in investment securities of 202 million yen, cash and deposits of 165 million yen, and raw materials and supplies of 81 million yen.

Total liabilities increased 85 million yen, or 1.1%, from the end of the previous fiscal year to 8,002 million yen. The main factors were increases in accounts payable-other included in other under current liabilities of 510 million yen and advances received of 92 million yen, despite decreases in income taxes payable of 486 million yen and provision for bonuses of 113 million yen.

Net assets decreased 65 million yen, or 0.3%, from the end of the previous fiscal year to 23,562 million yen. The main factors were dividend paid of 688 million yen and a decrease in valuation difference on available-for-sale securities of 76

million yen, which were partially offset by the recognition of profit attributable to owners of parent of 568 million yen and an increase in non-controlling interests of 91 million yen.

**(3) Explanation of the Future Outlook, including Consolidated Performance Forecasts**

There are no revisions to the full-year consolidated forecast for the fiscal year ending March 31, 2025, which was announced in the “Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024,” dated May 14, 2024.

**2. Quarterly Consolidated Financial Statements and Notes****(1) Quarterly Consolidated Balance Sheet**

(Thousands of yen)

	FY3/24 (As of Mar. 31, 2024)	First quarter of FY3/25 (As of Jun. 30, 2024)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	13,959,093	13,793,795
Notes and accounts receivable-trade	5,758,101	6,145,917
Securities	1,302,898	1,301,300
Finished goods	604,471	666,049
Raw materials and supplies	1,064,684	983,459
Other	255,646	244,098
Allowance for doubtful accounts	(25,056)	(26,242)
<b>Total current assets</b>	<b>22,919,840</b>	<b>23,108,378</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Land	2,579,253	2,581,208
Other, net	1,851,348	1,898,028
<b>Total property, plant and equipment</b>	<b>4,430,601</b>	<b>4,479,237</b>
<b>Intangible assets</b>		
Goodwill	348,910	339,630
Other	243,763	233,492
<b>Total intangible assets</b>	<b>592,674</b>	<b>573,122</b>
<b>Investments and other assets</b>		
Investment securities	1,767,309	1,564,524
Other	1,883,448	1,888,531
Allowance for doubtful accounts	(49,113)	(49,113)
<b>Total investments and other assets</b>	<b>3,601,644</b>	<b>3,403,942</b>
<b>Total non-current assets</b>	<b>8,624,920</b>	<b>8,456,302</b>
<b>Total assets</b>	<b>31,544,761</b>	<b>31,564,680</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	550,221	553,181
Income taxes payable	740,198	253,995
Advances received	3,702,438	3,794,749
Provision for bonuses	185,000	71,606
Provision for product warranties	84,000	86,000
Other	1,368,342	1,890,582
<b>Total current liabilities</b>	<b>6,630,202</b>	<b>6,650,115</b>
<b>Non-current liabilities</b>		
Provision for share-based payments	88,800	111,221
Provision for retirement benefits for directors (and other officers)	299,572	262,343
Retirement benefit liability	407,417	413,494
Other	491,421	565,384
<b>Total non-current liabilities</b>	<b>1,287,211</b>	<b>1,352,443</b>
<b>Total liabilities</b>	<b>7,917,414</b>	<b>8,002,559</b>

	(Thousands of yen)	
	FY3/24 (As of Mar. 31, 2024)	First quarter of FY3/25 (As of Jun. 30, 2024)
Net assets		
Shareholders' equity		
Share capital	992,597	992,597
Capital surplus	1,823,945	1,823,945
Retained earnings	22,838,855	22,719,103
Treasury shares	(3,448,320)	(3,448,459)
Total shareholders' equity	22,207,077	22,087,186
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	64,947	(11,623)
Foreign currency translation adjustment	49,075	88,115
Remeasurements of defined benefit plans	(6,603)	(5,928)
Total accumulated other comprehensive income	107,420	70,563
Non-controlling interests	1,312,848	1,404,371
Total net assets	23,627,347	23,562,121
Total liabilities and net assets	31,544,761	31,564,680



**(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income****Quarterly Consolidated Statement of Income  
(For the Three-month Period)**

(Thousands of yen)

	First three months of FY3/24 (Apr. 1, 2023 - Jun. 30, 2023)	First three months of FY3/25 (Apr. 1, 2024 - Jun. 30, 2024)
Net sales	4,796,396	5,459,216
Cost of sales	1,401,822	1,636,913
Gross profit	3,394,574	3,822,303
Selling, general and administrative expenses	2,840,046	3,050,157
Operating profit	554,528	772,145
Non-operating income		
Interest and dividend income	6,033	12,856
Share of profit of entities accounted for using equity method	648	1,374
Rental income from real estate	20,615	21,004
Foreign exchange gains	913	362
Surrender value of insurance policies	5,305	–
Gain on sale of non-current assets	6,924	9,710
Other	7,090	2,249
Total non-operating income	47,531	47,556
Non-operating expenses		
Interest expenses	779	286
Depreciation of assets for rent	3,608	3,664
Loss on cancellation of insurance policies	4,758	–
Provision of allowance for doubtful accounts	–	300
Other	843	1,099
Total non-operating expenses	9,990	5,351
Ordinary profit	592,069	814,351
Extraordinary income		
Gain on sale of non-current assets	597	–
Gain on sale of investment securities	22,327	149,274
Gain on reversal of office transfer expenses	1,746	–
Total extraordinary income	24,671	149,274
Profit before income taxes	616,740	963,625
Income taxes-current	175,780	237,587
Income taxes-deferred	27,541	62,343
Total income taxes	203,322	299,930
Profit	413,417	663,694
Profit (loss) attributable to non-controlling interests	(11,933)	95,123
Profit attributable to owners of parent	425,351	568,571

**Quarterly Consolidated Statement of Comprehensive Income**  
**(For the Three-month Period)**

	(Thousands of yen)	
	First three months of FY3/24 (Apr. 1, 2023 - Jun. 30, 2023)	First three months of FY3/25 (Apr. 1, 2024 - Jun. 30, 2024)
Profit	413,417	663,694
Other comprehensive income		
Valuation difference on available-for-sale securities	18,985	(103,348)
Foreign currency translation adjustment	46,268	61,944
Remeasurements of defined benefit plans, net of tax	134	586
Share of other comprehensive income of entities accounted for using equity method	110	358
Total other comprehensive income	65,498	(40,457)
Comprehensive income	478,916	623,236
Comprehensive income attributable to:		
Owners of parent	465,748	531,714
Non-controlling interests	13,167	91,522

**(3) Notes to Quarterly Consolidated Financial Statements****Segment and Other Information**

## 1. Overview of reportable segment

The Group's reportable segment is a component for which discrete financial information is available and which is regularly reviewed by the Group's highest decision-making body in order to determine management resources to be allocated to the segment and assess its performance.

There are two reportable operating segments: the water healthcare business and the medical business.

The water healthcare business includes EHW apparatus sales and associated operations. The medical business includes business operations in the fields of medical and preventive healthcare and regenerative medicine.

## 2. Information related to net sales and profit or loss of each reportable segment

## I. First three months of FY3/24 (Apr. 1, 2023 - Jun. 30, 2023)

(Thousands of yen)

	Reportable segment			Adjustments	Amounts recorded in quarterly consolidated statement of income (Note)
	Water Healthcare	Medical	Subtotal		
Net sales					
Net sales to external customers	4,158,947	637,449	4,796,396	—	4,796,396
Inter-segment net sales and transfers	—	—	—	—	—
Total	4,158,947	637,449	4,796,396	—	4,796,396
Segment profit	467,714	86,813	554,528	—	554,528

Note: The segment profit subtotal is consistent with the operating profit of the quarterly consolidated statement of income.

## II. First three months of FY3/25 (Apr. 1, 2024 - Jun. 30, 2024)

(Thousands of yen)

	Reportable segment			Adjustments	Amounts recorded in quarterly consolidated statement of income (Note)
	Water Healthcare	Medical	Subtotal		
Net sales					
Net sales to external customers	4,765,007	694,208	5,459,216	—	5,459,216
Inter-segment net sales and transfers	—	—	—	—	—
Total	4,765,007	694,208	5,459,216	—	5,459,216
Segment profit	689,423	82,722	772,145	—	772,145

Note: The segment profit subtotal is consistent with the operating profit of the quarterly consolidated statement of income.

**Significant Changes in Shareholders' Equity**

Not applicable.

**Assumption for Going Concern**

Not applicable.

**Statement of Cash Flows**

Quarterly consolidated statement of cash flows for the first three months of the current fiscal year have not been prepared. Depreciation (including depreciation related to intangible assets excluding goodwill) and amortization of goodwill for the first three months of the current fiscal year are as follows.

	First three months of FY3/24 (Apr. 1, 2023 - Jun. 30, 2023)	First three months of FY3/25 (Apr. 1, 2024 - Jun. 30, 2024)
Depreciation	63,327 thousand yen	73,243 thousand yen
Amortization of goodwill	9,279 thousand yen	9,279 thousand yen

*This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*