

**Summary of Consolidated Financial Results for
the Third Quarter of the Fiscal Year Ending March 31, 2025
(Nine Months Ended December 31, 2024)**

[Japanese GAAP]

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 Securities code: 6788 URL: <https://www.nihon-trim.co.jp/>
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 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 Nine Months Ended December 31, 2024 (April 1, 2024 - December 31, 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	%
Nine months ended Dec. 31, 2024	16,967	8.6	2,671	8.0	2,861	10.9	1,862	8.9
Nine months ended Dec. 31, 2023	15,618	16.5	2,472	42.7	2,580	39.8	1,710	43.7

Note: Comprehensive income (million yen) Nine months ended Dec. 31, 2024: 2,020 (up 2.5%)
 Nine months ended Dec. 31, 2023: 1,971 (up 37.1%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Dec. 31, 2024	243.02	–
Nine months ended Dec. 31, 2023	223.13	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 31, 2024	33,435	24,887	70.1	3,057.80
As of Mar. 31, 2024	31,544	23,627	70.7	2,911.21

Reference: Shareholders' equity (million yen) As of Dec. 31, 2024: 23,437 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
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2024	–	0.00	–	85.00	85.00
Fiscal year ending Mar. 31, 2025	–	0.00	–		
Fiscal year ending Mar. 31, 2025 (forecasts)				130.00	130.00

Note: Revisions to the most recently announced dividend forecast: Yes

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
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 Dec. 31, 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 Dec. 31, 2024: 991,856 shares

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

(iii) Average number of shares outstanding during the period

Nine months ended Dec. 31, 2024: 7,664,965 shares

Nine months ended Dec. 31, 2023: 7,665,110 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.

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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 will always need our products, at any point in time,” 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 nine months of the current fiscal year, the Group’s net sales increased 8.6% year on year to 16,967 million yen, hitting a record high for the first nine months of a fiscal year. The Group’s operating profit increased 8.0% to 2,671 million yen, ordinary profit increased 10.9% to 2,861 million yen, and profit attributable to owners of parent increased 8.9% to 1,862 million yen, recording new highs for the first nine months of a fiscal year in operating profit and ordinary profit. Both sales and profit targets have been achieved ahead of the plan for the current fiscal year.

The Company’s basic capital policy is to aim for a sustainable increase in shareholder value by achieving a solid balance of capital efficiency, shareholder returns and financial soundness. Since the COVID-19 pandemic subsided, as the Company’s performance grows steadily with each successive fiscal year, we plan to achieve a new record high in revenue in the current fiscal year as well, and believe that the Group is in a period of growth. Under these circumstances, despite engaging in efforts to establish a solid financial base, expand the Group’s businesses, and invest in human capital, in order to further expand the distribution of profit to shareholders, we have decided to raise the DOE (dividend on equity ratio) from 3%, the baseline for shareholder returns, to 4%. In accordance with this policy, and in consideration of the status of the Company’s consolidated net assets and consolidated performance, we have decided to raise the dividend forecast for the fiscal year ending March 31, 2025 announced on May 14, 2024 of 95 yen per share with an increase of 35 yen to 130 yen (DOE of 4.3%, dividend payout ratio of 40.3%).

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 1.1% year on year to 7,037 million yen.

In the DS Division (workplace sales division), seminar numbers have steadily increased amid an increase in the number of workplaces engaging in the maintenance and promotion of the health of their employees. The total

introduction of products to workplaces resulting from proposals centered on health and productivity management as well as development into the sports and beauty care fields have contributed to improving sales efficiency, and we have made steady progress toward the plan. Our focus on increasing sales personnel has produced positive results, and we will work diligently to further expand sales. In the HS Division (installation and referral sales division), although net sales decreased year on year due to a decrease in the number of personnel as a result of reassignments, the number of units sold per sales person increased. The SS Division (in-store event sales division) made steady progress as we focused on exhibiting at events with high sales efficiency, such as exhibitions for beauty care and nursing.

In the MS Division (OEM and wholesale sales division), net sales decreased year on year. Behind this was a significant increase in the number of shipments owing to the reactionary drop in rush demand from existing OEM partners in advance of the price revisions in the previous fiscal year, although the effects of strengthening sales support have been steadily coming to fruition. In addition, we have focused on acquiring new domestic OEM partners and new agents for overseas transactions, and have worked diligently to start the full operation of new agents.

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 4,357 million yen (up 5.0% year on year).

PT. SUPER WAHANA TEHNO, which operates a bottled water business in Indonesia, maintained significant growth with net sales of 2,535 million yen (up 54.9% year on year), a record high for the first nine months of a fiscal year. Strengthening of marketing measures through TV commercials, advertisements on social networking services featuring influencers, etc. has paid off with record high quarterly net sales of both plastic bottles and gallon bottles. Brand awareness of Pristine has continued to drastically increase, and in order to respond to the strong influx of demand, we are advancing considerations of specific measures for the construction of a new factory 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 Kobe University, Tohoku University, Waseda University, Ritsumeikan University, and others.

In regard to the joint paper with the University of Tokyo on new electrocatalysts that we released in October of last year, in addition to the development of new products, we are working on the practical application of this research in high-efficiency hydrogen production technology with an eye toward business development in the energy field.

As a result of the above, the water healthcare business recorded net sales of 14,811 million yen (up 8.8% year on year), with segment profit of 2,362 million yen (up 10.4% year on year).

Medical Business

In the electrolyzed water hemodialysis (*2) business, in November last year, we introduced a new model to replace existing equipment at a facility that had introduced a multipatient electrolyzed water hemodialysis system in 2013 and uses it to conduct electrolyzed water hemodialysis. This was the result of the positive reception to the system as being beneficial not only to dialysis patients but also to the management of the facility, and we believe it will provide a boost to the expansion of its use in the future. In addition, a multipatient electrolyzed water hemodialysis system was newly introduced at a dialysis clinic in Saitama Prefecture in February this year. This will bring the number of beds with an electrolyzed water hemodialysis system in Japan to over 1,000, providing approximately 3,000 dialysis patients with access to electrolyzed water hemodialysis treatment. The decision has also been made to introduce other multipatient electrolyzed water hemodialysis systems in both March and June this year. We have also been vigorously engaging in marketing activities initiatives such as holding seminars and exhibiting at the Annual Meeting of the Japanese Society for Dialysis Therapy, the Annual Meeting of Japanese Society for Hemodiafiltration, and other related conferences, and awareness of and interest in electrolyzed water hemodialysis has experienced a tangible rise. The Company has endeavored to expand their use while working toward the development of new machines to boost their promotion.

(*2) Electrolyzed water hemodialysis offers a next-generation of new dialysis treatment using electrolyzed RO water 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 complication rate and 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 new record highs in net sales and profit at each stage for the first nine months of a fiscal year. The company published its earnings results for the nine months ended December 31, 2024, on February 13 this year, the same date as did the Group. For details, please refer to the StemCell Institute's Summary of Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025.

As a result of the above, the medical business recorded net sales of 2,155 million yen (up 7.7% year on year) with segment profit of 308 million yen (down 7.6% year on year).

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

Total assets increased 1,890 million yen, or 6.0%, from the end of the previous fiscal year to 33,435 million yen at the end of the third quarter of the current fiscal year on a consolidated basis. The main factors were increases in cash and deposits of 2,214 million yen, insurance funds included in other under investments and other assets of 672 million yen, and notes and accounts receivable-trade of 526 million yen, despite decreases in investment securities of 811 million yen, securities of 300 million yen, and long-term time deposits included in other under investments and other assets of 500 million yen.

Total liabilities increased 630 million yen, or 8.0%, from the end of the previous fiscal year to 8,547 million yen. The main factors were increases in long-term borrowings of 359 million yen, advances received of 266 million yen, and accounts payable-other included in other under current liabilities of 177 million yen, despite a decrease in income taxes payable of 279 million yen.

Net assets increased 1,260 million yen, or 5.3%, from the end of the previous fiscal year to 24,887 million yen. The main factors were the recognition of profit attributable to owners of parent of 1,862 million yen and an increase in non-controlling interests of 136 million yen, which were partially offset by a decrease resulting from dividend payments of 688 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)	Third quarter of FY3/25 (As of Dec. 31, 2024)
Assets		
Current assets		
Cash and deposits	13,959,093	16,173,447
Notes and accounts receivable-trade	5,758,101	6,284,401
Securities	1,302,898	1,002,713
Finished goods	604,471	650,022
Raw materials and supplies	1,064,684	1,037,703
Other	255,646	259,844
Allowance for doubtful accounts	(25,056)	(25,752)
Total current assets	22,919,840	25,382,381
Non-current assets		
Property, plant and equipment		
Land	2,579,253	2,580,720
Other, net	1,851,348	1,827,060
Total property, plant and equipment	4,430,601	4,407,780
Intangible assets		
Goodwill	348,910	321,070
Other	243,763	285,593
Total intangible assets	592,674	606,664
Investments and other assets		
Investment securities	1,767,309	955,784
Other	1,883,448	2,131,924
Allowance for doubtful accounts	(49,113)	(49,113)
Total investments and other assets	3,601,644	3,038,595
Total non-current assets	8,624,920	8,053,040
Total assets	31,544,761	33,435,421
Liabilities		
Current liabilities		
Accounts payable-trade	550,221	624,016
Income taxes payable	740,198	460,416
Advances received	3,702,438	3,969,263
Provision for bonuses	185,000	73,975
Provision for product warranties	84,000	81,000
Other	1,368,342	1,550,433
Total current liabilities	6,630,202	6,759,105
Non-current liabilities		
Long-term borrowings	–	359,668
Provision for share-based payments	88,800	155,067
Provision for retirement benefits for directors (and other officers)	299,572	272,356
Retirement benefit liability	407,417	416,451
Other	491,421	585,096
Total non-current liabilities	1,287,211	1,788,640
Total liabilities	7,917,414	8,547,746

	(Thousands of yen)	
	FY3/24 (As of Mar. 31, 2024)	Third quarter of FY3/25 (As of Dec. 31, 2024)
Net assets		
Shareholders' equity		
Share capital	992,597	992,597
Capital surplus	1,823,945	1,823,945
Retained earnings	22,838,855	24,013,290
Treasury shares	(3,448,320)	(3,448,733)
Total shareholders' equity	22,207,077	23,381,099
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	64,947	(14,057)
Foreign currency translation adjustment	49,075	75,521
Remeasurements of defined benefit plans	(6,603)	(4,736)
Total accumulated other comprehensive income	107,420	56,727
Non-controlling interests	1,312,848	1,449,848
Total net assets	23,627,347	24,887,675
Total liabilities and net assets	31,544,761	33,435,421

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

(Thousands of yen)

	First nine months of FY3/24 (Apr. 1, 2023 - Dec. 31, 2023)	First nine months of FY3/25 (Apr. 1, 2024 - Dec. 31, 2024)
Net sales	15,618,263	16,967,438
Cost of sales	4,652,983	5,191,075
Gross profit	10,965,280	11,776,362
Selling, general and administrative expenses	8,492,280	9,105,269
Operating profit	2,472,999	2,671,093
Non-operating income		
Interest and dividend income	22,163	39,357
Share of profit of entities accounted for using equity method	2,146	2,679
Rental income from real estate	61,952	63,012
Foreign exchange gains	2,639	2,273
Surrender value of insurance policies	5,305	59,371
Gain on sale of non-current assets	26,699	27,882
Other	15,945	11,870
Total non-operating income	136,851	206,446
Non-operating expenses		
Interest expenses	2,751	1,210
Depreciation of assets for rent	10,826	11,218
Provision of allowance for doubtful accounts	300	300
Loss on cancellation of insurance policies	4,758	–
Other	10,585	3,337
Total non-operating expenses	29,221	16,066
Ordinary profit	2,580,630	2,861,473
Extraordinary income		
Gain on sale of non-current assets	2,012	–
Gain on sale of investment securities	22,327	149,274
Gain on reversal of office transfer expenses	1,829	–
Total extraordinary income	26,168	149,274
Profit before income taxes	2,606,798	3,010,748
Income taxes-current	834,392	935,160
Income taxes-deferred	(19,436)	(8,076)
Total income taxes	814,956	927,083
Profit	1,791,842	2,083,664
Profit attributable to non-controlling interests	81,563	220,905
Profit attributable to owners of parent	1,710,278	1,862,758

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

	(Thousands of yen)	
	First nine months of FY3/24 (Apr. 1, 2023 - Dec. 31, 2023)	First nine months of FY3/25 (Apr. 1, 2024 - Dec. 31, 2024)
Profit	1,791,842	2,083,664
Other comprehensive income		
Valuation difference on available-for-sale securities	37,052	(106,726)
Foreign currency translation adjustment	141,964	42,610
Remeasurements of defined benefit plans, net of tax	281	1,444
Share of other comprehensive income of entities accounted for using equity method	685	(368)
Total other comprehensive income	179,984	(63,040)
Comprehensive income	1,971,826	2,020,624
Comprehensive income attributable to:		
Owners of parent	1,820,223	1,812,065
Non-controlling interests	151,603	208,558

(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 nine months of FY3/24 (Apr. 1, 2023 - Dec. 31, 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	13,616,121	2,002,141	15,618,263	—	15,618,263
Inter-segment net sales and transfers	—	—	—	—	—
Total	13,616,121	2,002,141	15,618,263	—	15,618,263
Segment profit	2,139,360	333,639	2,472,999	—	2,472,999

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

II. First nine months of FY3/25 (Apr. 1, 2024 - Dec. 31, 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	14,811,926	2,155,511	16,967,438	—	16,967,438
Inter-segment net sales and transfers	—	—	—	—	—
Total	14,811,926	2,155,511	16,967,438	—	16,967,438
Segment profit	2,362,851	308,241	2,671,093	—	2,671,093

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 nine 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 nine months of the current fiscal year are as follows.

	First nine months of FY3/24 (Apr. 1, 2023 - Dec. 31, 2023)	First nine months of FY3/25 (Apr. 1, 2024 - Dec. 31, 2024)
Depreciation	225,320 thousand yen	231,116 thousand yen
Amortization of goodwill	27,839 thousand yen	27,839 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.