

FY2023/3 Results of Operations



May 30, 2023



I. Consolidated Results FY2023/3



New orders hit a record high.

Order environment remained firm overall. Hits a record high, surpassing the initial plan.

Net sales and income declined year on year.

Both net sales and income decreased due to a small backlog of orders at the beginning of this fiscal year and a concentration of projects with relatively high profitability in the previous fiscal year.

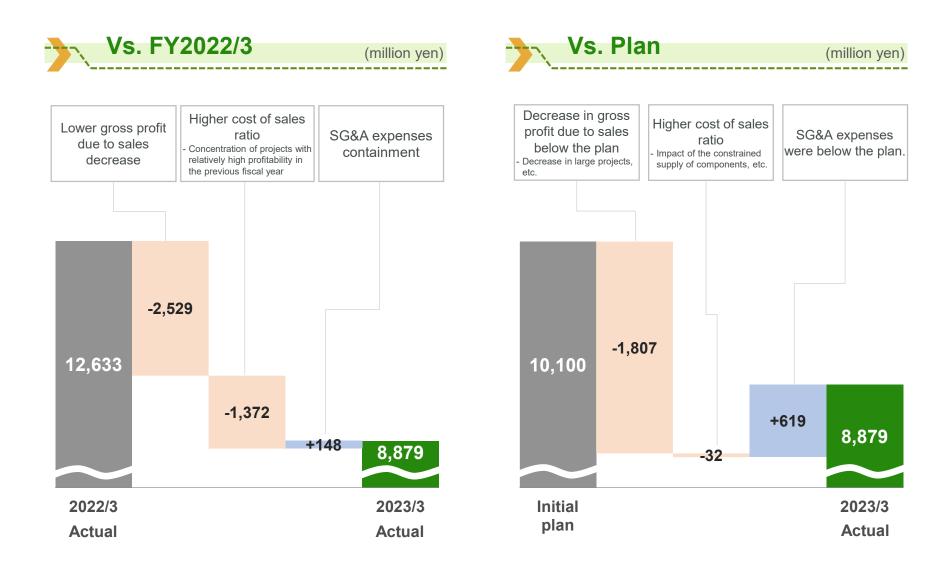
Constrained supply of components, soaring raw material prices and other factors had an impact.

Signs of improvement were seen in the constrained supply of components. However, we failed to meet the initial plan in terms of both net sales and income, partly due to the small number of large projects.

| | | | | | | | (Million yen) |
|---|----------|---------|---------|--------|--------|--------|---------------|
| | FY2022/3 | FY | 2023/3 | Vs. FY | 2022/3 | Vs. F | lan |
| | Results | Plan | Results | Amount | Pct. | Amount | Pct. |
| New orders | 110,948 | 112,000 | 114,168 | +3,220 | +2.9% | +2,168 | +1.9% |
| Net sales | 112,913 | 111,000 | 105,537 | -7,375 | -6.5% | -5,462 | -4.9% |
| Cost of sales | 65.7% | 66.9% | 67.0% | +1.3Pt | | +0.1pt | |
| Gross profit | 38,762 | 36,700 | 34,859 | -3,902 | -10.1% | -1,840 | -5.0% |
| SG&A expenses | 26,128 | 26,600 | 25,980 | -148 | -0.6% | -619 | -2.3% |
| Operating income | 12,633 | 10,100 | 8,879 | -3,753 | -29.7% | -1,220 | -12.1% |
| Operating margin | 11.2% | 9.1% | 8.4% | -2.8pt | | -0.7pt | — |
| Ordinary income | 13,155 | 10,400 | 9,420 | -3,734 | -28.4% | -979 | -9.4% |
| Net income attributable to owners of parent | 9,351 | 7,150 | 7,022 | -2,328 | -24.9% | -127 | -1.8% |
| EPS (yen) | 155.07 | 118.54 | 116.42 | | | | |
| ROE | 8.8% | 6.5% | 6.2% | | | | |

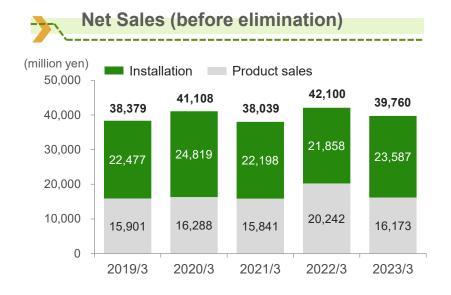
/- ----

| | | | | | | (Million yen) |
|-------------------------|------------------|----------|---------|---------|-----------------|---------------|
| | | FY2022/3 | FY | 2023/3 | Vs. FY2022/3 | Vs. Plan |
| | | Results | Plan | Results | Amount | Amount |
| | Net sales | 42,100 | 40,013 | 39,760 | -2,339 | -252 |
| Fire Alarm Systems | Operating income | 8,617 | 6,707 | 6,509 | -2,108 | -198 |
| | Operating margin | 20.5% | 16.8% | 16.4% | -4.1pt | -0.4pt |
| Fire | Net sales | 39,715 | 37,618 | 32,479 | -7,236 | -5,138 |
| Extinguishing | Operating income | 7,197 | 5,837 | 4,231 | -2,965 | -1,606 |
| Systems | Operating margin | 18.1% | 15.5% | 13.0% | -5.1pt | -2.5pt |
| | Net sales | 26,300 | 27,690 | 28,518 | +2,218 | +827 |
| Maintenance Services | Operating income | 4,854 | 5,625 | 5,807 | +953 | +182 |
| | Operating margin | 18.5% | 20.3% | 20.4% | +1.9pt | +0.1pt |
| | Net sales | 5,120 | 6,000 | 5,168 | +48 | -832 |
| Others | Operating income | 46 | 132 | 283 | +236 | +151 |
| | Operating margin | 0.9% | 2.2% | 5.5% | +4.6pt | +3.3pt |
| Elimination/ | Net sales | -322 | -322 | -388 | -66 | -66 |
| Corporate | Operating income | -8,081 | -8,202 | -7,952 | +129 | +250 |
| Consolidated | Net sales | 112,913 | 111,000 | 105,537 | -7,375 | -5,462 |
| Consolidated | Operating income | 12,633 | 10,100 | 8,879 | -3,753 | -1,220 |

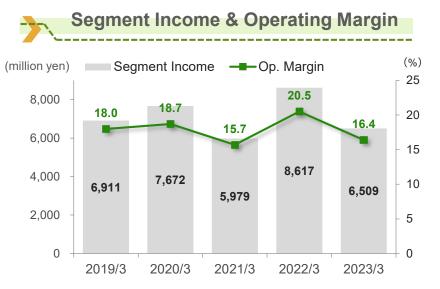


Fire Alarm Systems

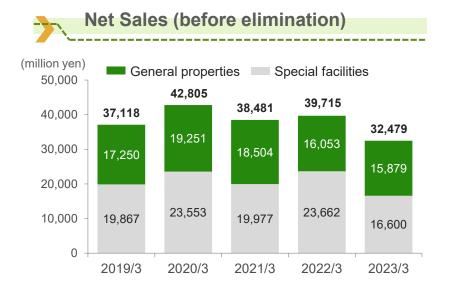
Fire Extinguishing Systems



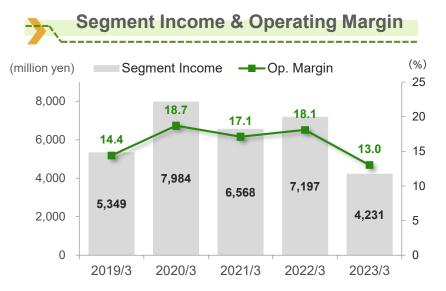
| (million yon) | 2022/3 | 2023/3 | | Vs. 22/3 | Vs. Plan |
|-------------------|--------|--------|--------|----------|----------|
| (million yen) | Actual | Plan | Actual | (%) | (%) |
| New orders | 45,169 | 40,800 | 40,707 | -9.9 | -0.2 |
| Backlog of orders | 12,550 | _ | 13,594 | +8.3 | _ |
| Net sales | 42,100 | 40,013 | 39,760 | -5.6 | -0.6 |
| Installation | 21,858 | 23,363 | 23,587 | +7.9 | +1.0 |
| Product sales | 20,242 | 16,650 | 16,173 | -20.1 | -2.9 |
| Segment income | 8,617 | 6,707 | 6,509 | -24.5 | -3.0 |



- There was a reactionary decrease in both net sales and segment income due to the concentration of projects with relatively high profitability in the previous fiscal year.
- The decrease in segment income was more significant than projected, mainly due to the impact of the constrained supply of components. Despite this, we saw signs of improvement at the end of the fiscal year.
- New orders were generally as planned and the backlog of orders was at high levels.



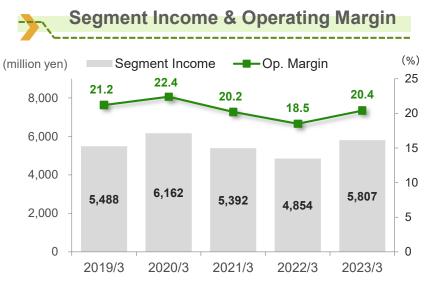
| (million yon) | 2022/3 | 2023/3 | | Vs. 22/3 | Vs. Plan |
|--------------------|--------|--------|--------|----------|----------|
| (million yen) | Actual | Plan | Actual | (%) | (%) |
| New orders | 33,163 | 38,400 | 39,158 | +18.1 | +2.0 |
| Backlog of orders | 32,080 | - | 38,857 | +21.1 | _ |
| Net sales | 39,715 | 37,618 | 32,479 | -18.2 | -13.7 |
| General properties | 16,053 | 17,768 | 15,879 | -1.1 | -10.6 |
| Special facilities | 23,662 | 19,850 | 16,600 | -29.8 | -16.4 |
| Segment income | 7,197 | 5,837 | 4,231 | -41.2 | -27.5 |



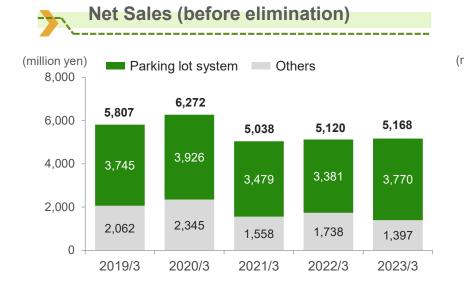
- Net sales and segment income decreased, mainly reflecting the backlog of orders at the beginning of the fiscal year was lower than the previous year.
- Both net sales and segment income fell short of the plan due to a decrease in large projects.
- New orders surpassed the plan and the backlog of orders increased by more than 20% year on year.



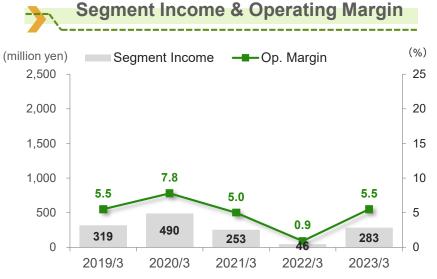
| (million yen) | 2022/3 | 2023/3 | | Vs. 22/3 | Vs. Plan |
|-------------------|--------|--------|--------|----------|----------|
| (minori yen) | Actual | Plan | Actual | (%) | (%) |
| New orders | 27,067 | 27,500 | 29,640 | +9.5 | +7.8 |
| Backlog of orders | 4,364 | _ | 5,487 | +25.7 | — |
| Net sales | 26,300 | 27,690 | 28,518 | +8.4 | +3.0 |
| Maintenance | 15,267 | 15,180 | 15,492 | +1.5 | +2.1 |
| Repairs | 11,033 | 12,510 | 13,025 | +18.1 | +4.1 |
| Segment income | 4,854 | 5,625 | 5,807 | +19.6 | +3.2 |



- New orders and net sales hit a record high.
- Segment income was at the second highest level ever.
- New orders, net sales and segment income were greater than planned and the backlog of orders was also at levels higher than projected.



| (million yon) | 2022/3 | 2023/3 | | Vs. 22/3 | Vs. Plan |
|--------------------|--------|--------|--------|----------|----------|
| (million yen) | Actual | Plan | Actual | (%) | (%) |
| New orders | 5,547 | 5,300 | 4,662 | -16.0 | -12.0 |
| Backlog of orders | 1,409 | — | 1,096 | -22.2 | _ |
| Net sales | 5,120 | 6,000 | 5,168 | +0.9 | -13.9 |
| Parking lot system | 3,381 | 4,000 | 3,770 | +11.5 | -5.7 |
| Others | 1,738 | 2,000 | 1,397 | -19.6 | -30.1 |
| Segment income | 46 | 132 | 283 | +506.9 | +114.5 |



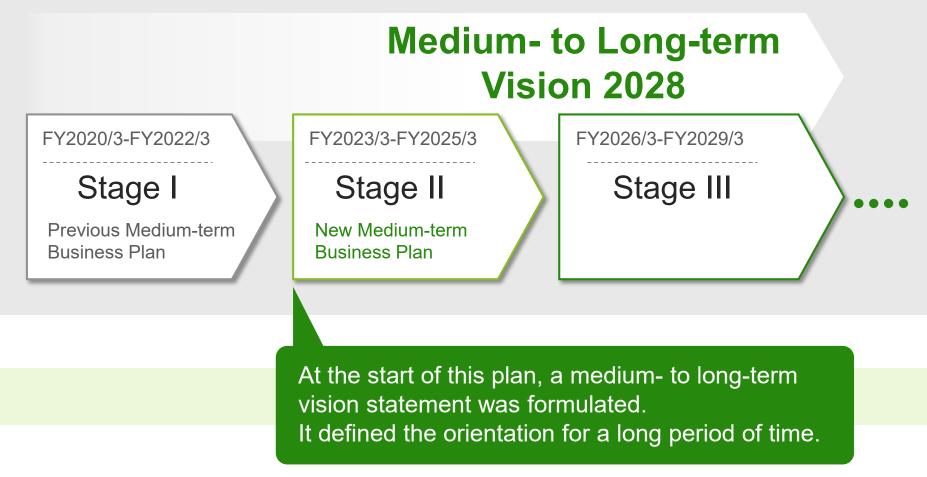
 Sales remained flat but income improved, with progress in recovery from the impact of the COVID-19 pandemic.



II . Nohmi Bosai Group Medium- to Long-term Vision 2028

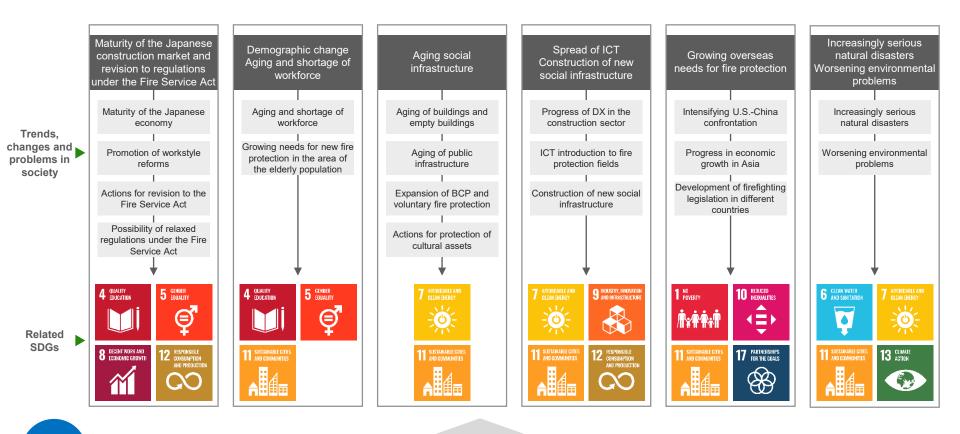
- Shaping the Customers' Expectations -

Medium- to Long-term Vision (FY2022-FY2028)



* For the medium- to long-term vision statement, see page 14.

Awareness of the External Environment



A society where precious human lives, property and the environment are protected and society Nohmi Offer original fire protection Bosai's systems mainly to existing

business domains.

Desired

aspirations

Offer optimal fire safety solutions based on customers' issues.

Help resolve customers' issues in all situations of fire protection and monitoring.

where anyone can live happily

Establish a system of construction and maintenance that responds to an aging workforce and labor shortages. Expand the business coverage to all kinds of disasters as a comprehensive fire protection manufacturer.

Medium- to Long-term Vision Statement



Shape safety to meet customers' expectations and realize a society where anyone can live happily.

We will help create a society where precious human lives, property and the environment are protected and where anyone can enjoy safety and live happily. We have an aspiration to be a company that **shapes** safety to meet **customers' expectations** together with customers to deliver solutions to all places by constantly taking the lead in fire protection. Every one of us will be aware of our mission as a pioneer in fire protection services. We will sincerely listen to those who support the Nohmi Group and gain enhanced insights into **customers' expectations**. We will carry out activities with an inquisitive mindset to realize the targets.



Medium- to Long-term Vision Statement

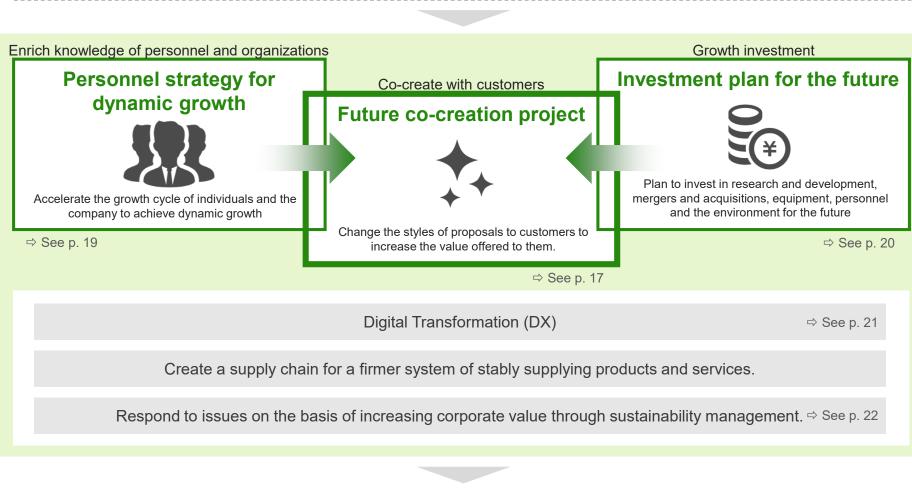
Shape safety to meet customers' expectations and realize a society where anyone can live happily.

Nohmi Bosai's aspirations



Realizing the Medium- to Long-term Vision Statement

For shaping safety to meet customers' expectations



Change into a company creating higher additional value.

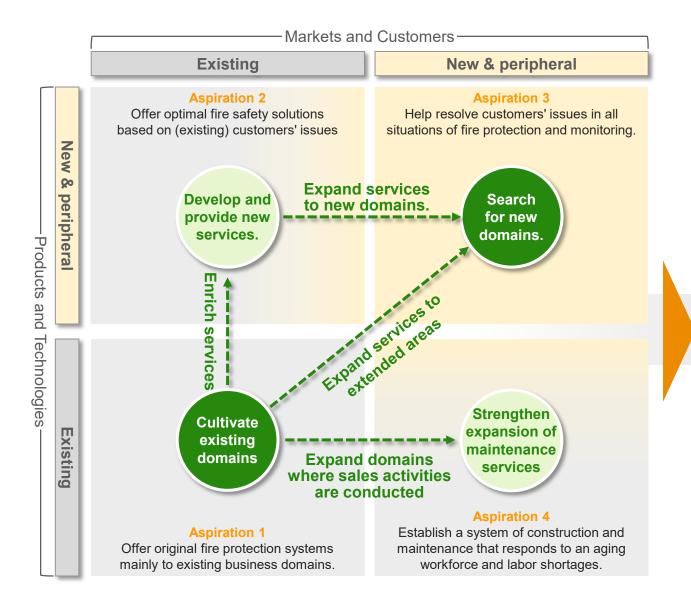
Solution to Social Issues Centered on Future Co-Creation Project

Future co-creation project





Business Strategy: Basic Orientation



Aspiration 5

Future co-creation project

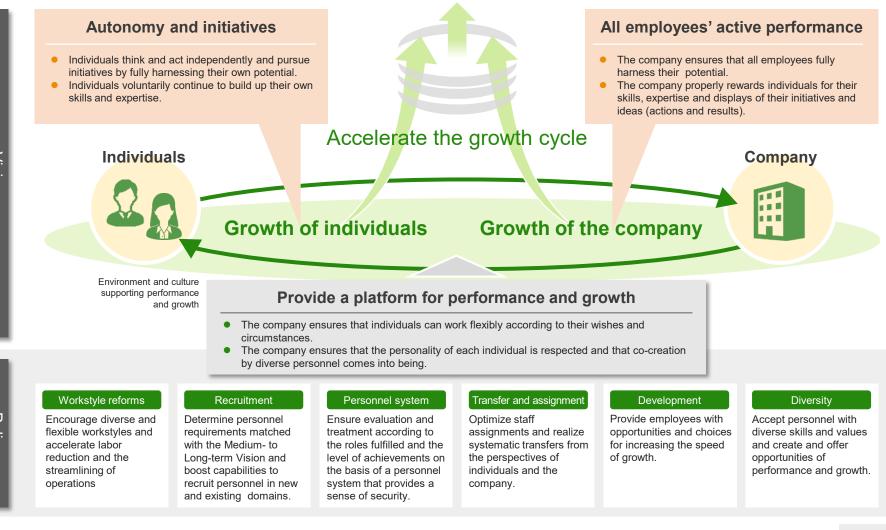
Expand the business coverage to all kinds of disasters as a comprehensive fire protection manufacturer.



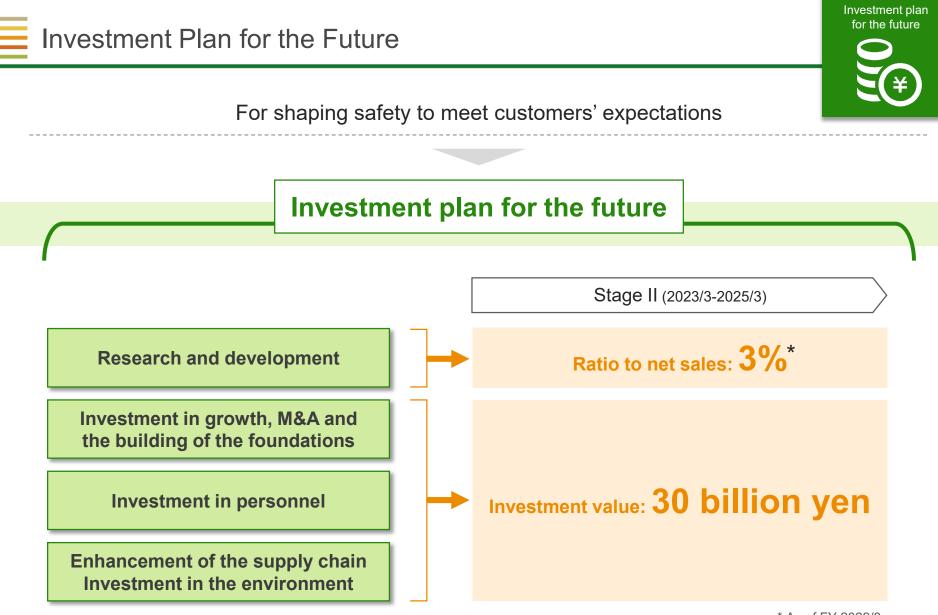
Personnel strategy for dynamic growth



For shaping safety to meet customers' expectations



noisi/



* As of FY 2029/3



For shaping safety to meet customers' expectations

Change the forms of fire protection and safety

Propose solutions that will bring into being what is beyond expectation

Digital Transformation (DX)

Stage II (2023/3-2025/3)

Stage III (2026/3-2029/3)

| Change the styles | • Expand and enhance services on the basis of the cloud |
|-------------------|---|
| of services | Create products on the basis of the cloud |

Change customer services

Strive to build a system for achieving labor savings in inspection
Work to build a system for achieving labor savings in construction

Carry out internal digitalization to streamline back office operations

· e.g. Shift to paperless operation across the company

→ Fortifying the foundation

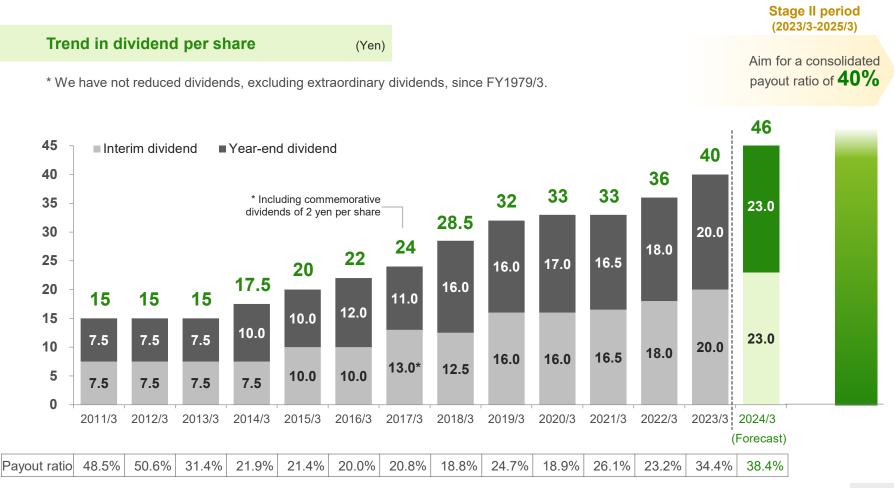
Improve the cloud platform and a system for offering cloud operation services and proposal-based services and build up personal skills

Respond to Issues on the Basis of Increasing Corporate Value through Sustainability Management

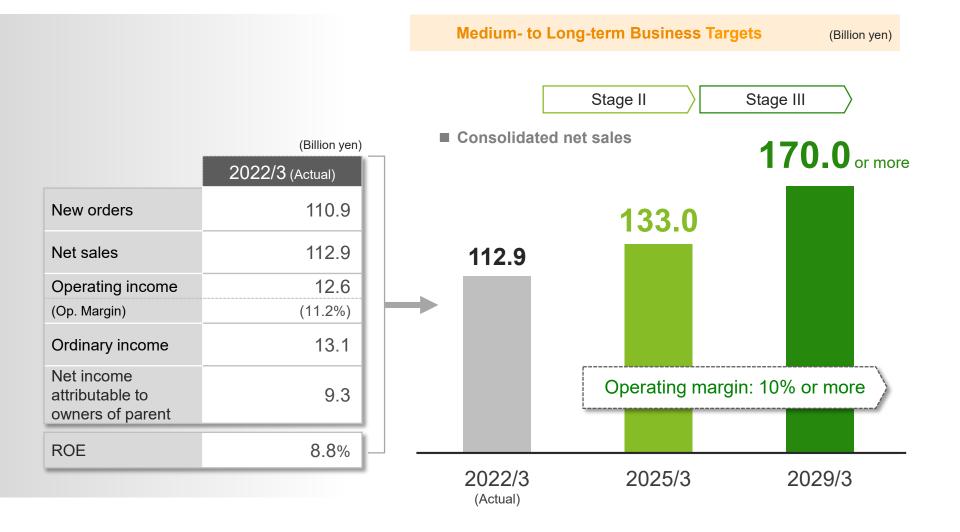
To create a society where precious human lives, property and the environment are protected and where anyone can live happily



Setting a consolidated payout target of 40% by FY2025/3 in the Stage II period, we will aim to stably and continuously enrich shareholder returns.









III. Progress of Medium- to Long-Term Vision 2028

Progress of the Future Co-creation Project and Personnel Strategy

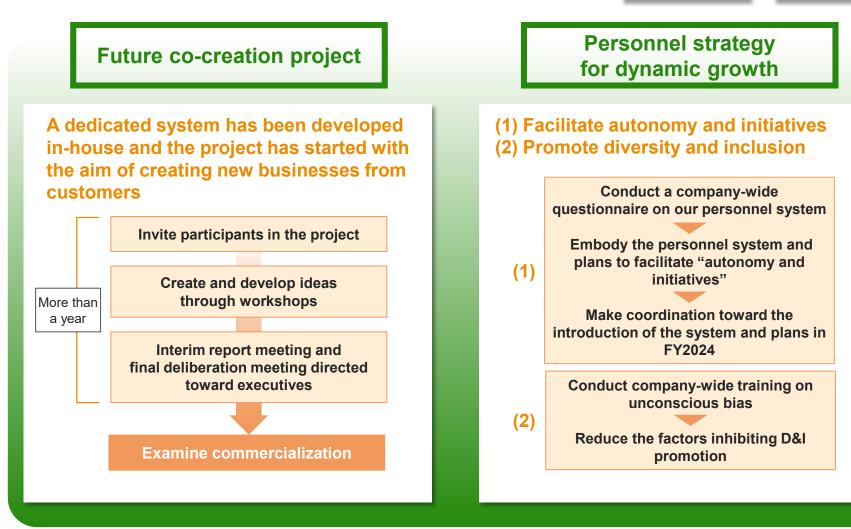
Future co-creation project





Personnel strategy

for dynamic growth



Progress of Promotion of the Investment Plan for the Future

For shaping safety to meet customers' expectations **Investment plan** for the future Stage II **Major** initiatives (2023/3 to 2025/3) **Research and** • Relocate and newly build the Mitaka Factory Ratio to net sales development Nissho Setsubi Kogyo (currently Oita Nohmi) 3% and Sakamoto Densetsu join the Nohmi Group Investment in growth, • Investment in digital transformation M&A and the building (functional improvement of TASKis, development of of the foundations apps and services to satisfy and reassure customers (underway), VR fire experience) Investment amount Renovate the CS Service Center **Investment in personnel 30** billion yen Enhancement of the Digital skill training supply chain Increase in training options Investment in the environment * As of FY2029/3

Investment plan for the future

[Reference] Rebuilding of the Mitaka Factory



<Overview>

- Launch of operations: June 2022
- Number of buildings: 1
- Number of floors: 4

- Site area: Approx. 4,968 m² (increased to approximately three times the area of the previous factory)
- Total floor area: Approx. 10,363 m² (increased to approximately five times the area of the previous factory)

Towards the improvement of productivity





Nissho Setsubi Kogyo Co., Ltd. (currently Oita Nohmi Co., Ltd.)

Became our subsidiary in April 2022

- Company for construction, maintenance and inspection of firefighting facilities with a long history in the business
- The company has a strong presence and construction capabilities in Oita Prefecture

Established: April 1979 Net sales: 171 million yen (FY2021/12)

Sakamoto Densetsu Co., Ltd.

Became our subsidiary in July 2022

- A company for construction of electric equipment with a long history in the business in the Sapporo area
- High construction quality and good financial standing

Established: February 1972 Net sales: 290 million yen (FY2022/3)

We will cultivate more markets by utilizing the Nohmi brand and strengthening the links among strong current, weak current and fire protection.

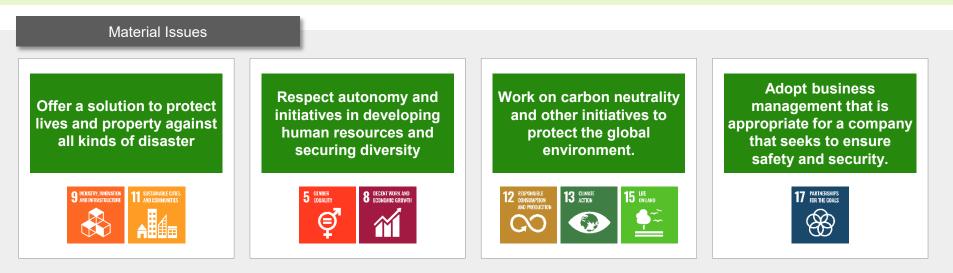
September 2022 - February 2023

Sustainability Management Promotion Working discusses the issues necessary for promoting sustainability management.

Basic Sustainability Policy / Identification of material issues / Building the structure for promoting sustainability management

Basic Sustainability Policy

For many years, the Nohmi Bosai Group has pursued ways to make society safer. Having the technologies and trust backed by history, we seek a society completely free from accidents involving fires. Also, we work to protect lives and property against all kinds of disaster and to create a sustainable society.



Developing the structure for promoting it

The Sustainability Committee was established in March 2023 as an advisory body to the president.

[Reference] Initiatives for Raising Awareness about Fire Protection

Provide parents and their children with opportunities for exposure to fire protection through games so that it leads to an increase in their awareness about fire protection.

Game software titled Mezase Bosai Master! (Be a Master in Fire Protection) was released on March 31, 2023 from Gokko Land, an application developed and provided by KidsStar, Inc. for children to experience society.

- Two titles of game software, Hinankunren (Evacuation Drill) Challenge and Mezase Bosai Quiz Oh (Be the Champion of Fire Protection Quizzes) can be experienced for free.
- The product enables parents and their children to learn, while playing together, important tips for evacuating from fires and basic knowledge in actions against disaster







IV. Forecast for FY2024/3

(Million yen)

| | FY2023/3 | FY2024/3 | Vs. FY2023/3 | |
|---|----------|----------|--------------|--------|
| | Actual | Forecast | Amount | Pct. |
| New orders | 114,168 | 115,000 | +831 | +0.7% |
| Net sales | 105,537 | 113,800 | +8,262 | +7.8% |
| Gross profit | 34,859 | 37,910 | +3,050 | +8.8% |
| Gross margin | 33.0% | 33.3% | +0.3pt | |
| SG&A expenses | 25,980 | 27,910 | +1,929 | +7.4% |
| Operating income | 8,879 | 10,000 | +1,120 | +12.6% |
| Operating margin | 8.4% | 8.8% | +0.4pt | |
| Ordinary income | 9,420 | 10,300 | +879 | +9.3% |
| Net income attributable to owners of parent | 7,022 | 7,230 | +207 | +3.0% |
| EPS (yen) | 116.42 | 119.86 | | |
| ROE | 6.2% | 6.3% | | |

We assume a continued increase in new orders.

The environment for orders will remain solid. New orders are expected to be greater than the previous fiscal year, when they hit a record high.

Both sales and income will increase as the backlog of orders hit a record high.

The backlog of orders at the beginning of the current fiscal year is at its highest level ever. While we undertake a range of investments, we aim at an increase in both sales and income, with operating income at 10 billion yen.

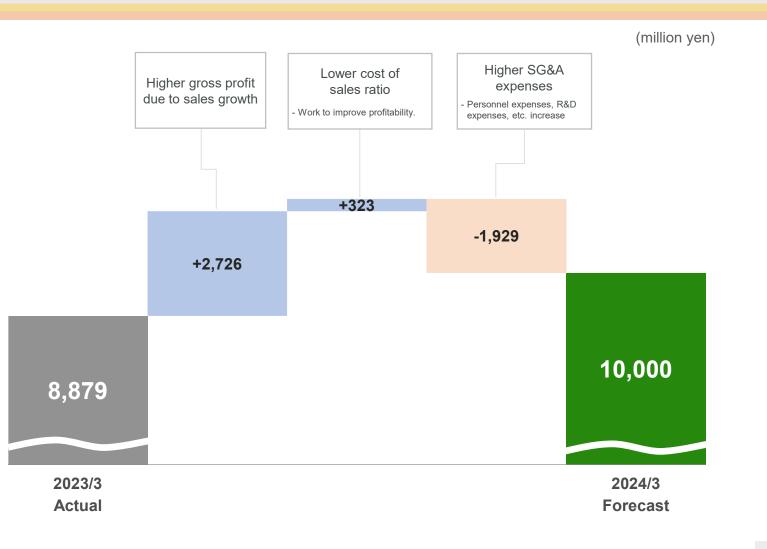
Work on improvement in profitability

The cost of sales ratio is trending higher given factors such as the constrained supply of components and soaring raw material prices.

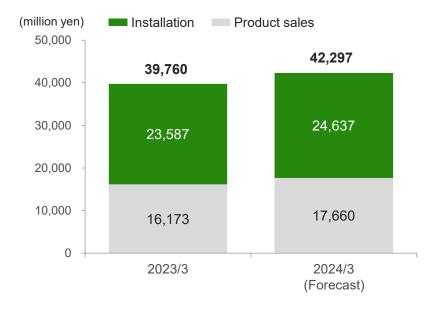
Work to improve profitability with price pass-through, among other means.

(Million yen)

| | | FY2023/3 | FY2024/3 | Vs. FY2023/3 | |
|-------------------------------|------------------|----------|----------|--------------|--------|
| | | Actual | Forecast | Amount | Pct. |
| | Net sales | 39,760 | 42,297 | +2,536 | +6.4% |
| Fire Alarm Systems | Operating income | 6,509 | 6,851 | +342 | +5.3% |
| eyeteine | Operating margin | 16.4% | 16.2% | -0.2pt | |
| | Net sales | 32,479 | 37,197 | +4,718 | +14.5% |
| Fire Extinguishing Systems | Operating income | 4,231 | 5,474 | +1,243 | +29.4% |
| - , | Operating margin | 13.0% | 14.7% | +1.7pt | |
| | Net sales | 28,518 | 29,600 | +1,082 | +3.8% |
| Maintenance Services | Operating income | 5,807 | 6,213 | +405 | +7.0% |
| | Operating margin | 20.4% | 21.0% | +0.6pt | |
| | Net sales | 5,168 | 5,092 | -75 | -1.5% |
| Others | Operating income | 283 | 88 | -195 | -68.9% |
| | Operating margin | 5.5% | 1.7% | -3.8pt | |
| Elimination/ | Net sales | -388 | -388 | <u> </u> | |
| Corporate | Operating income | -7,952 | -8,628 | -676 | |
| Consolidated | Net sales | 105,537 | 113,800 | +8,262 | +7.8% |
| Consolidated | Operating income | 8,879 | 10,000 | +1,120 | +12.6% |











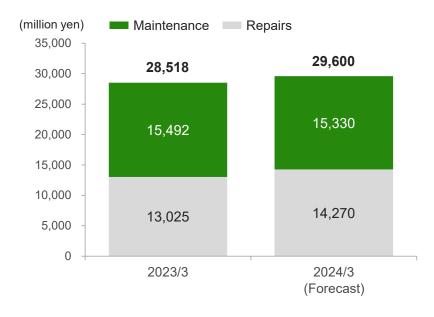
- Since the environment for orders has been strong, we expect an increase in sales in terms of both installation and product sales.
- We expect an increase in sales throughout the segment, supported by the accumulation of a large order backlog.

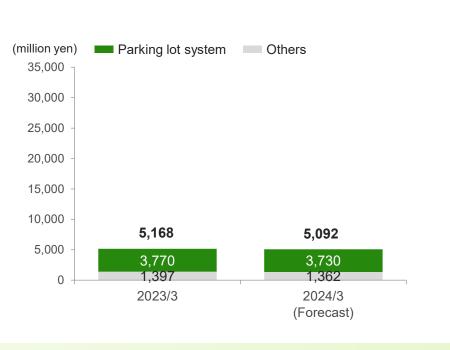
Others

Maintenance

Services

Maintenance Services

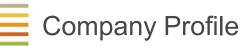




 Because of an accumulation of the backlog of orders for repairs, we expect a continued, stable increase in sales. We expect to maintain a level equivalent to the previous fiscal year.



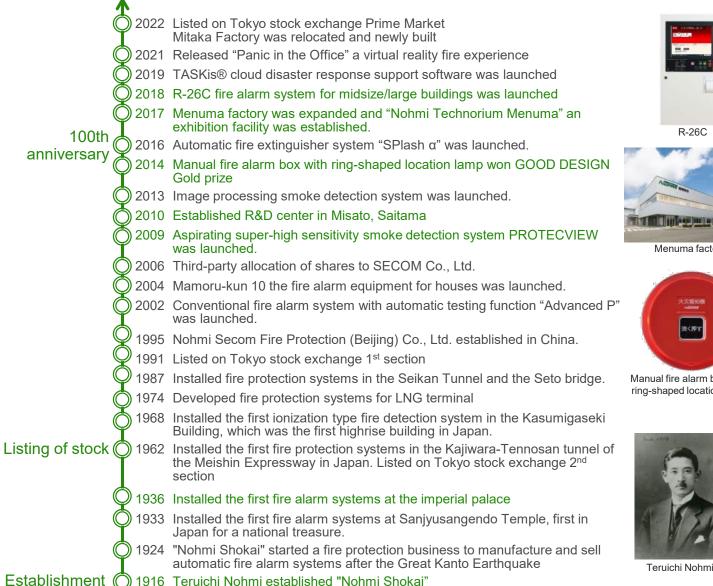
V. Reference



Comprehensive fire safety company

| Trade Name | NOHMI BOSAI LTD. |
|---------------|--|
| Head Office | 7-3 Kudan-Minami, 4-Chome, Chiyoda-ku, Tokyo Japan |
| Establishment | May 5, 1944 (Foundation: December, 1916) |
| President | Takeshi Okamura, Representative Director and President |
| Capital | 13,302 million yen (As of March 31, 2023) |
| Employees | 2,673 (consolidated) (As of March 31, 2023) |
| | Contract test, planning, proposal regarding disaster prevention. Research, development, planning, installation and maintenance of disaster prevention facilities and systems. |
| Business | Design, manufacturing and marketing of disaster prevention equipment. Design, manufacturing, installation, marketing and maintenance of parking lot system. |









R-26C

Nohmi Technorium Menuma



Menuma factory



R&D center Misato





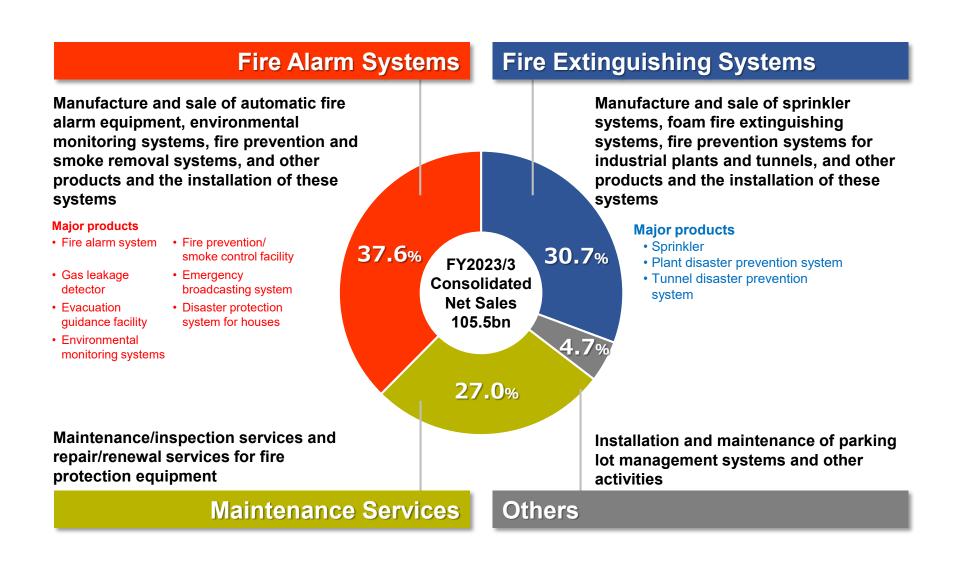
Manual fire alarm box with ring-shaped location lamp

PROTECVIEW





Oku-Goten in imperial palace completion ceremony



Comprehensive fire safety expertise

> R&D ⇒ Manufacturing ⇒ Sales/Design ⇒Installation ⇒Maintenance A fully integrated infrastructure for providing products and services

Fully integrated



> A diverse lineup of equipment allows Nohmi to meet the fire protection requirements of almost any type of building or other facility



Five key strengths backed by many years of accomplishments

- **1 Technology** Development, design, installation and other skills covering all aspects of fire protection
- 2 Knowledge Fire safety expertise acquired from an enormous volume of research and testing
- 3 Installation quality Rigorous process management and other skills ensure outstanding quality for all installation work
- **Reliability** A reputation for trust among customers and all others due to a record of proven reliability
- 5 Nationwide network A powerful network of sales distributors covering all areas of Japan



*Simulations cover almost all potential sources of fires



Statements in this presentation about future results of operations are based on information that is currently available to Nohmi Bosai and its group companies. These forecasts incorporate risk factors and uncertainties.

Actual results of operations may differ significantly from the forecasts in this presentation because of a change in the economic environment for business activities, a shift in demand or other reasons.