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November 6, 2026

Non-consolidated Financial Results for the Nine Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: Nippon Aqua Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 1429
URL: https://www.n-aqua.jp
Representative: Fumitaka Nakamura, President and Representative Director
Inquiries: Shoji Sato, Executive Officer in charge of Finance and Accounting
Telephone: +81-3-5463-1117
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Non-consolidated financial results for the nine months ended September 30, 2026 (from January 1, 2026 to September 30, 2026)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	26,324	8.4	1,954	12.3	1,914	9.1	1,257	6.0
September 30, 2025	24,288	16.7	1,740	14.4	1,753	13.3	1,186	13.7

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2026	39.07	-
September 30, 2025	37.19	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	26,917	11,780	43.8
December 31, 2025	25,810	11,633	45.1

Reference: Equity
As of September 30, 2026: 11,780 million yen
As of December 31, 2025: 11,633 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	-	0.00	-	35.00	35.00
Fiscal year ending December 31, 2026	-	0.00	-		
Fiscal year ending December 31, 2026 (Forecast)			-	35.00	35.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Financial Forecasts for the Fiscal Year Ending December 31, 2026 (January 1, 2026-December 31, 2026)

(Percentage figures indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending December 31, 2026	37,000	9.9	2,900	4.5	2,910	4.1	1,972	4.1	61.84

Note: Revisions to financial forecasts disclosed most recently: None

*** Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2026	34,760,000 shares
As of December 31, 2025	34,760,000 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2026	2,628,271 shares
As of December 31, 2025	2,548,771 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2026	32,178,471 shares
Nine months ended September 30, 2025	31,898,401 shares

* Review of the accompanying quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of financial forecasts, and other matters

Financial forecasts and other forward-looking statements in this release are based on data currently available to the Company and certain assumptions that the Company believes are reasonable. They are not intended as a guarantee that the Company will achieve such results. Actual results may differ materially from them for various reasons. For details of the assumptions used in the forecast of financial results and cautionary notes concerning appropriate use of the financial forecasts, please refer to “(3) Notes on Financial Forecasts and Other Forward-looking Statements” in “1. Qualitative Information Concerning Financial Results for the Period Under Review” on page 7 of the Attachment.

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1. Qualitative Information Concerning Financial Results for the Period Under Review

(1) Explanation Regarding Operating Results

During the nine months ended September 30, 2026, the Japanese economy continued on a moderate recovery trend, supported by improvements in employment and income conditions. On the other hand, the outlook remains uncertain due to the situation in the Middle East, the impact of natural disasters, fluctuations in financial and capital markets, and other factors.

In the housing and construction industry, to which the Company belongs, compliance with energy-saving standards has been mandated for almost all newly constructed houses and buildings since April 2025. These standards consist of two indicators: “envelope performance,” which evaluates the thermal insulation performance of buildings, and “primary energy consumption performance,” which measures building energy efficiency. Under the current standards, Insulation Performance Grade “4” (hereinafter referred to as “Insulation Grade 4”) is required.

The government has indicated a policy to raise the mandatory energy-saving standards for newly constructed houses to the ZEH level, including Insulation Grade “5,” by around 2030. Furthermore, toward promoting homes with even higher energy-saving performance, a new housing standard, “GX ZEH,” which requires Insulation Grade “6” or higher, is scheduled to be applied from April 2027. Against this backdrop, interest in Insulation Grade “6” and above has continued to grow, with some homebuilders offering Insulation Grade “7,” reflecting the ongoing shift toward higher insulation performance. In addition, awareness is spreading that improvements in insulation and airtightness contribute to the durability and longevity of houses.

In the non-residential sector, demand for higher insulation performance is increasing against the backdrop of expanding capital investment, and demand is expected to grow particularly in data centers and the cold chain sector. Furthermore, as urban redevelopment progresses, requirements for high environmental performance are becoming increasingly stringent. At present, large-scale projects scheduled for installation by the Company are primarily in the foundation work stage, and installation work is expected to move into full swing from 2027 onward.

In addition, demand for waterproofing renovation work is increasing due to the aging of buildings. At factories and other facilities, interest in heat-shielding performance is also growing as a measure against heatstroke. The Company is strengthening its competitive advantage in the market by enhancing building comfort and energy efficiency through its proprietary "FUKUGEN Method," which combines waterproofing and heat-shielding performance.

In this market environment, the Company actively pursued order acquisition activities by leveraging the product competitiveness of the “AQUA FOAM Series” and “AQUA HAJIKUN,” together with its nationwide installation network.

In the Single-family Homes Division, under the concept that “Insulation without airtightness is powerless,” the Company actively promoted proposals centered on Insulation Grade “6,” featuring high levels of insulation and airtightness. In addition, the Company further strengthened its differentiation by combining insulation installation with airtightness measurement services, thereby expanding its market share. Supported by these proposals for highly insulated and airtight houses, orders from a nationwide homebuilder and a major homebuilder increased, and the number of installations rose by 3.1% year on year. In addition to the wider adoption of high-insulation specifications of Insulation Grade “6” or higher and increased use of airtightness measurement services, price revisions implemented for installation work from June 2026 also contributed, resulting in a 10.7% year-on-year increase in the unit price per project. Consequently, sales in this division amounted to 12,895 million yen, exceeding both the previous year and the plan.

In the Buildings Division, the Company steadily carried out installation work on projects including commercial facilities and high-rise condominiums. In addition, installation work also began on a super-high-rise office building in Tokyo that had been scheduled for the second half of the fiscal year or later. On the other hand, large-scale projects scheduled for installation by the Company are still primarily in the foundation work stage, and installation work is expected to move into full swing from 2027 onward. Under these circumstances, sales in this division amounted to 7,101 million yen and remained broadly in line with both the same period of the previous fiscal year and the plan.

In the Waterproofing Division, supply constraints and price increases for construction materials due to the situation in the Middle East and other factors led to revisions to construction plans for multiple projects, while changes in installation timing due to rainfall also had an impact. As a result, sales in this division amounted to 889 million yen, falling below both the previous year and the plan. On the other hand, building on orders secured for nationally important facilities, the Company continued sales activities targeting similar facilities and factory renovation projects and focused on securing further orders.

In the Raw Materials Division, supply concerns triggered by the situation in the Middle East led to the acquisition of new customers and an expansion of sales to existing customers, and sales amounted to 1,894

million yen, exceeding both the previous year and the plan. Sales in the Other Division, including auxiliary supplies and machinery, also exceeded both the previous year and the plan, amounting to 3,542 million yen.

(Millions of yen, %)

	22nd fiscal year Nine months ended September 30, 2025	23rd fiscal year Nine months ended September 30, 2026	Amount of change	Percentage change
Single-family Homes Division	11,299	12,895	+1,595	+14.1%
Buildings Division	7,211	7,101	(110)	(1.5%)
Waterproofing Division	1,111	889	(221)	(19.9%)
Raw Materials Division	1,420	1,894	+474	+33.4%
Other Division	3,246	3,542	+296	+9.1%
Total	24,288	26,324	+2,035	+8.4%

As a result, net sales for the nine months ended September 30, 2026 amounted to 26,324 million yen (up 8.4% year on year). Gross profit totaled 5,999 million yen (up 11.3% year on year), and the gross profit margin improved to 22.8% (up 0.6 percentage points year on year). Operating profit amounted to 1,954 million yen (up 12.3% year on year), and the operating profit margin improved to 7.4% (up 0.2 percentage points year on year). This was mainly attributable to higher net sales, primarily in the Single-family Homes Division, and an improvement in the gross profit margin, which offset an increase in selling, general and administrative expenses. Selling, general and administrative expenses amounted to 4,045 million yen (up 10.8% year on year), primarily consisting of personnel expenses of 1,929 million yen and expenses related to technical interns of 659 million yen. Ordinary profit amounted to 1,914 million yen (up 9.1% year on year), and profit amounted to 1,257 million yen (up 6.0% year on year).

(2) Explanation Regarding Financial Position

(Total Assets)

Total assets at the end of the third quarter of the fiscal year amounted to 26,917 million yen, up 4.3% from the end of the previous fiscal year, representing an increase of 1,107 million yen.

(Current Assets)

Current assets at the end of the third quarter of the fiscal year amounted to 20,232 million yen, up 1.1% from the end of the previous fiscal year, representing an increase of 217 million yen. This was mainly due to increases of 145 million yen in accounts receivable - other, 80 million yen in inventories, 24 million yen in notes and accounts receivable - trade, and contract assets, and 54 million yen in advances paid included in Other, partially offset by a decrease of 124 million yen in electronically recorded monetary claims - operating due to collections.

(Non-current Assets)

Non-current assets at the end of the third quarter of the fiscal year amounted to 6,685 million yen, up 15.4% from the end of the previous fiscal year, representing an increase of 890 million yen. This was mainly due to increases of 492 million yen in construction in progress following the development of the Kyushu Manufacturing Site, 269 million yen in construction in progress following the commencement of construction of the Kagoshima Sales Office, 132 million yen in machinery and equipment, 62 million yen in software included in Other under intangible assets, 58 million yen in software in progress, 95 million yen in insurance reserve funds included in Other under investments and other assets, and 45 million yen in deferred tax assets. These increases were partially offset by a decrease of 159 million yen in assets due to depreciation and a decrease of 143 million yen in long-term prepaid expenses included in Other under investments and other assets.

(Total Liabilities)

Total liabilities at the end of the third quarter of the fiscal year amounted to 15,137 million yen, up 6.8% from the end of the previous fiscal year, representing an increase of 961 million yen.

(Current Liabilities)

Current liabilities at the end of the third quarter of the fiscal year amounted to 15,058 million yen, up 6.9% from the end of the previous fiscal year, representing an increase of 967 million yen. This was mainly due to increases of 913 million yen in accounts payable - trade, 300 million yen in short-term borrowings, 123 million yen in provision for bonuses, and 61 million yen in other provisions, partially offset by a decrease of 466 million yen in income taxes payable.

(Non-current Liabilities)

Non-current liabilities at the end of the third quarter of the fiscal year amounted to 79 million yen, down 7.6% from the end of the previous fiscal year, representing a decrease of 6 million yen. This was mainly due to a decrease of 6 million yen in long-term accounts payable included in Other.

(Net Assets)

Net assets at the end of the third quarter of the fiscal year amounted to 11,780 million yen, up 1.3% from the end of the previous fiscal year, representing an increase of 146 million yen. This was mainly attributable to profit of 1,257 million yen for the nine months ended September 30, 2026, an increase of 2 million yen in capital surplus and a decrease of 13 million yen in the negative balance of treasury shares as a result of the disposal of treasury shares, partially offset by a decrease of 1,127 million yen in retained earnings due to dividend payments.

(Equity Ratio)

The equity-to-asset ratio at the end of the third quarter of the fiscal year was 43.8%, down 1.3 percentage points from the end of the previous fiscal year.

(Research and Development Activities)

Total research and development expenses incurred by the Company during the nine months ended September 30, 2026 amounted to 20 million yen. There were no significant changes in the Company's research and development activities during the nine months ended September 30, 2026.

(3) Notes on Financial Forecasts and Other Forward-looking Statements

In addition to signs of an economic recovery, revisions to the legal system related to housing and buildings, as well as various measures supporting energy-saving initiatives, are expected to drive increased demand for insulation materials.

On the other hand, uncertainties remain in the business environment, including supply constraints on certain construction materials due to the situation in the Middle East and other factors, as well as fluctuations in raw material prices.

Under these business conditions, the Company is promoting the following initiatives to achieve sustainable growth.

1. Companywide Measures

i. Response to Raw Material Price Trends and Changes in the External Environment

During the third quarter, supply conditions for urethane raw materials remained generally stable. The Company continues to maintain a stable supply system by leveraging its procurement advantages backed by direct transactions with multiple domestic and overseas suppliers, a nationwide inventory network, and one of the largest handling volumes in Japan.

In addition, in light of rising raw material prices and changes in the external environment, the Company implemented price revisions from June 2026. These price revisions have contributed to improved profitability, particularly in the Single-family Homes Division, and the Company will continue to pursue appropriate pricing policies.

ii. Start of Manufacturing and Sales of Urethane Insulation Board “U-MAX”

As announced on July 9, 2026, the Company has decided to launch a new business to manufacture and sell the urethane insulation board “U-MAX.”

Amid growing demand for highly insulated homes in the housing market, the Company has been advocating “Insulation Grade 6 with Added Margin,” which aims to achieve both high insulation performance and cost efficiency. The start of manufacturing and sales of “U-MAX” will broaden the scope of these proposals and, by offering insulation boards as the Company’s own product, further strengthen the one-stop proposal framework of “Marutto AQUA FOAM” for insulation materials for an entire house.

In addition, the Company is developing one of its domestic manufacturing sites in Omuta City, Fukuoka Prefecture. In August 2026, the Company’s representative paid a courtesy visit to the Mayor of Omuta City and explained the business plan. Going forward, the Company will continue to develop domestic manufacturing sites and establish a supply structure from overseas partner plants, while contributing to the development of industry and the local economy in Omuta City through business activities rooted in the community.

The impact of this business on the Company’s financial results for the fiscal year ending December 31, 2026 is expected to be immaterial. From the fiscal year ending December 31, 2027 onward, the Company expects the business to make an increasing contribution to its financial results as it gradually brings domestic manufacturing sites into operation and expands its sales structure.

iii. About the Medium-Term Management Plan

The Company formulated the Medium-Term Management Plan “3 Pillars of Stability” on February 14, 2024, with fiscal year 2026 as the final year, and is promoting initiatives aimed at achieving sustainable growth and enhancing corporate value. In addition, the Company has introduced a progressive dividend policy with the aim of ensuring stable and continuously improving shareholder returns.

Subsequently, in light of the impact of delays in the commencement of certain large-scale construction projects, primarily in the Buildings Division, the Company revised the performance targets of the Medium-Term Management Plan, resetting the sales target for the fiscal year ending December 31, 2026 to 37,000 million yen and the ordinary profit target to 2,910 million yen.

During the nine months ended September 30, 2026, the Company advanced initiatives to improve profitability and strengthen its business foundation. Going forward, the Company will continue to expand into growth areas and enhance profitability in each business, while pursuing medium- to long-term enhancement of corporate value by balancing growth investments and stable shareholder returns.

The statements concerning the outlook above have been prepared based on information currently available to the Company and certain assumptions deemed reasonable by the Company. Actual results may differ materially depending on future business conditions, market trends, and other factors. For details of potential risks and uncertainties, please refer to “Part II. Business Overview, 3. Business Risks” in the Annual Securities Report.

iv. Initiatives for Sustainability

Under its management philosophy of “Contribution to society through the creation of living environments that are friendly to people and the earth,” the Company is working to address social issues through initiatives such as reducing CO_2 emissions from houses and buildings with the “AQUA FOAM Series” and promoting the recycling of urethane insulation materials.

As part of these efforts to reduce environmental impact, the Company received a “B score,” classified as Management Level, for the second consecutive year in the 2025 Climate Change Survey conducted by CDP, an international non-profit organization. Furthermore, the Company’s products, including its flagship product “AQUA FOAM,” obtained EPD (Environmental Product Declaration) certification following third-party verification under SuMPO EPD—the first in Japan for on-site foamed urethane insulation.

In addition, as part of its human capital initiatives, the Company is promoting internal work style reforms, including the introduction of a staggered commuting system from January 2026, enabling each employee to adopt

a flexible and sustainable way of working.

The Company will continue to contribute to the realization of a sustainable society through both its business activities and work style reforms.

v. Securing Installation Personnel and Strengthening the Installation Structure

The Company recognizes that securing and developing personnel responsible for high-quality installation is essential for achieving sustainable growth and maintaining competitiveness, and is therefore promoting investments in human capital. Specifically, the Company is working to improve the work environment by introducing a system providing weekends off to enhance the work-life balance of installation personnel, reviewing compensation structures and allowances to improve working conditions, and bringing workplaces closer to employees' homes through the establishment of new offices and warehouses. The Kagoshima Sales Office is scheduled for completion at the end of November 2026, and the Company will further strengthen its installation and logistics structures.

In addition, the Company is strengthening both the quality and quantity of its installation workforce by developing diverse career paths, including management, specialist, and independent-oriented tracks, conducting training programs and safety conventions led by the newly established Safety and Quality Management Department, ensuring the thorough implementation of safety management systems, and expanding the acceptance of specified skilled workers and foreign technical interns.

vi. Maintaining Prime Market Listing and Management with Awareness of Capital Costs and Stock Prices

The Company positions management with an awareness of capital costs and stock prices as a key management priority and is working to achieve sustainable enhancement of corporate value through improving profitability and capital efficiency. The Company also recognizes that maintaining its listing on the Prime Market is an important factor supporting its overall competitiveness, including purchasing power, credibility in securing installation orders, and the recruitment and retention of talented personnel.

In this context, the Company has once again been selected as a constituent of the "JPX-Nikkei Mid and Small Cap Index," jointly calculated by JPX Research Institute and Nikkei Inc., for fiscal year 2026.

The Company will continue to strive to gain appropriate recognition in the stock market and improve stock liquidity, while regularly monitoring capital costs, analyzing market evaluations, and appropriately feeding back insights obtained through dialogue with shareholders and investors to management and the Board of Directors, with the aim of enhancing corporate value over the medium to long term.

2. Financial Forecasts for the Fiscal Year Ending December 31, 2026

The financial forecasts for the fiscal year ending December 31, 2026, as announced on February 13, 2026, remain unchanged at this time.

2. Quarterly Non-consolidated Financial Statements and Primary Notes

(1) Quarterly Non-consolidated Balance Sheet

(Thousands of yen)

	As of December 31, 2025	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	2,415,160	2,435,093
Notes and accounts receivable - trade, and contract assets	7,977,173	8,001,955
Electronically recorded monetary claims - operating	1,434,813	1,310,600
Inventories	2,890,906	2,971,504
Accounts receivable - other	5,032,498	5,177,681
Other	288,953	359,780
Allowance for doubtful accounts	(24,207)	(24,177)
Total current assets	20,015,299	20,232,438
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,211,641	2,115,388
Land	2,065,464	2,065,464
Other, net	203,016	1,080,393
Total property, plant and equipment	4,480,123	5,261,246
Intangible assets		
Leasehold interests in land	15,000	15,000
Other	73,785	167,031
Total intangible assets	88,785	182,031
Investments and other assets		
Long-term loans receivable from subsidiaries and associates	37,535	34,179
Other	1,246,368	1,266,998
Allowance for doubtful accounts	(57,729)	(59,005)
Total investments and other assets	1,226,175	1,242,172
Total non-current assets	5,795,084	6,685,450
Total assets	25,810,383	26,917,889

	As of December 31, 2025	As of September 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	7,528,350	8,442,097
Short-term borrowings	4,800,000	5,100,000
Lease liabilities	12,676	2,969
Income taxes payable	687,987	221,685
Provision for bonuses	40,531	164,382
Other provisions	-	61,999
Other	1,021,070	1,065,154
Total current liabilities	14,090,615	15,058,289
Non-current liabilities		
Asset retirement obligations	40,239	40,415
Other	45,621	38,900
Total non-current liabilities	85,860	79,315
Total liabilities	14,176,475	15,137,605
Net assets		
Shareholders' equity		
Share capital	1,903,649	1,903,649
Capital surplus	2,097,430	2,100,079
Retained earnings	9,168,917	9,298,952
Treasury shares	(1,536,812)	(1,522,964)
Total shareholders' equity	11,633,185	11,779,716
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	722	566
Total valuation and translation adjustments	722	566
Total net assets	11,633,907	11,780,283
Total liabilities and net assets	25,810,383	26,917,889

(2) Quarterly Non-consolidated Statement of Income

For the nine months ended September 30, 2026

(Thousands of yen)

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2026
Net sales	24,288,739	26,324,245
Cost of sales	18,896,891	20,324,573
Gross profit	5,391,847	5,999,672
Selling, general and administrative expenses	3,651,538	4,045,301
Operating profit	1,740,308	1,954,371
Non-operating income		
Interest income	39,250	46,095
Insurance claim income	1,735	7,032
Other	18,240	27,057
Total non-operating income	59,226	80,186
Non-operating expenses		
Amortization of long-term prepaid expenses	13,426	68,727
Interest expenses	31,773	51,387
Other	348	97
Total non-operating expenses	45,547	120,212
Ordinary profit	1,753,987	1,914,345
Extraordinary income		
Gain on sale of non-current assets	6,087	187
Total extraordinary income	6,087	187
Extraordinary losses		
Loss on retirement of non-current assets	3,805	643
Total extraordinary losses	3,805	643
Profit before income taxes	1,756,270	1,913,888
Income taxes - current	631,838	702,029
Income taxes - deferred	(61,870)	(45,568)
Total income taxes	569,968	656,461
Profit	1,186,302	1,257,427

(3) Notes to Quarterly Non-consolidated Financial Statements

(Notes on Going Concern Assumption)
Not applicable.

(Notes on Significant Changes in Amount of Shareholders' Equity)
Not applicable.

(Segment Information, Etc.)
No disclosure is made about segments as the Company operates in only one business segment of heat insulation work and related services.

(Notes on Cash Flows Statement)
A quarterly statement of cash flows for the nine months ended September 30, 2026 has not been prepared. Depreciation expenses (including amortization expenses related to intangible assets) for the nine months ended September 30, 2026 are as follows.

(Thousands of yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2026
Depreciation expenses	162,171	159,473

(Additional Information)
Not applicable.

(Important Subsequent Events)
Not applicable.