Financial Results for the 2nd Quarter of the FY2022 (April 1, 2021-September 30, 2021)

October 26, 2021

SHIKOKU CHEMICALS CORPORATION

Code number : 4099

Contents

Corporate Profile	･･･ 3
Highlights of Financial Results for the 2Q of FY2022	･･･ 4
Financial Results Trend (consolidated and quarter)	･･･ 5
Sales Trends by Region (consolidated and quarter)	･･･ 6
Progress report (consolidated and quarter)	･･･ 7
Assets / Liabilities, and a total equity (consolidated)	･･･ 8
Sales and Profit by Business segments	･･･ 9～10
Chemicals operations segment	･･･ 11～12
Housing Materials operations segment	･･･ 13～14
Cash Flow Overview (consolidated)	･･･ 15
Sales / Operating Income Trend (consolidated)	･･･ 16

Corporate Profile

▼Company overview

- ■Company name　SHIKOKU CHEMICALS CORPORATION
- ■Incorporated　October 10, 1947
  The Company was established in Marugame, Kagawa Prefecture, as a producer of carbon disulfide.
- ■Lines of Business　〔Chemical operations〕Inorganic Chemicals, Organic Chemicals, Fine Chemicals
  〔Housing Materials operations〕Interior, Exterior Finishes and Paving Materials, Exterior Products
- ■R&D,Plant Facilities　1 R&D,7 Plants
- ■Directory　〔Japan〕2 branches,7 sales offices 〔Overseas〕U.S.A,China(Shanghai,Shenzhen), Taiwan,Shingapore
- ■Capital　6,867 million yen
- ■Number of employees　Consolidated 1,218　Non-Consolidated 628（As of September 30, 2021）

▼Share of stock

- ■Issued Shares　54 million shares
- ■Number of Shareholders　3,988（As of September 30, 2021）

▼SHIKOKU CHEMICALS CORPORATION Group

〔Japan〕10 consolidated subsidiaries

〔Overseas〕one consolidated subsidiary and one unconsolidated subsidiary

SHIKOKU INTERNATIONAL CORPORATION
Nippon Ryutan Kogyo Co., Ltd.
Shikoku Environmental Business Company
Shikoku Analytical Laboratories
SHIKOKU KOSAN CORPORATION
SHIKOKU KEIZAI CORPORATION
SHIKOKU KEIZAI KANTO CORPORATION
NIHON KOHKI CORPORATION
SHIKOKU SYSTEM KOHBOH CORPORATION
Shikoku Foods & Trading Company
Shikoku Foods & Insurance Service Co., Ltd.
Shikoku (Shanghai) Co., Ltd.（Unconsolidated）

Copyright © SHIKOKU CHEMICALS CORPORATION

Highlights of Financial Results for the 2Q of FY2022

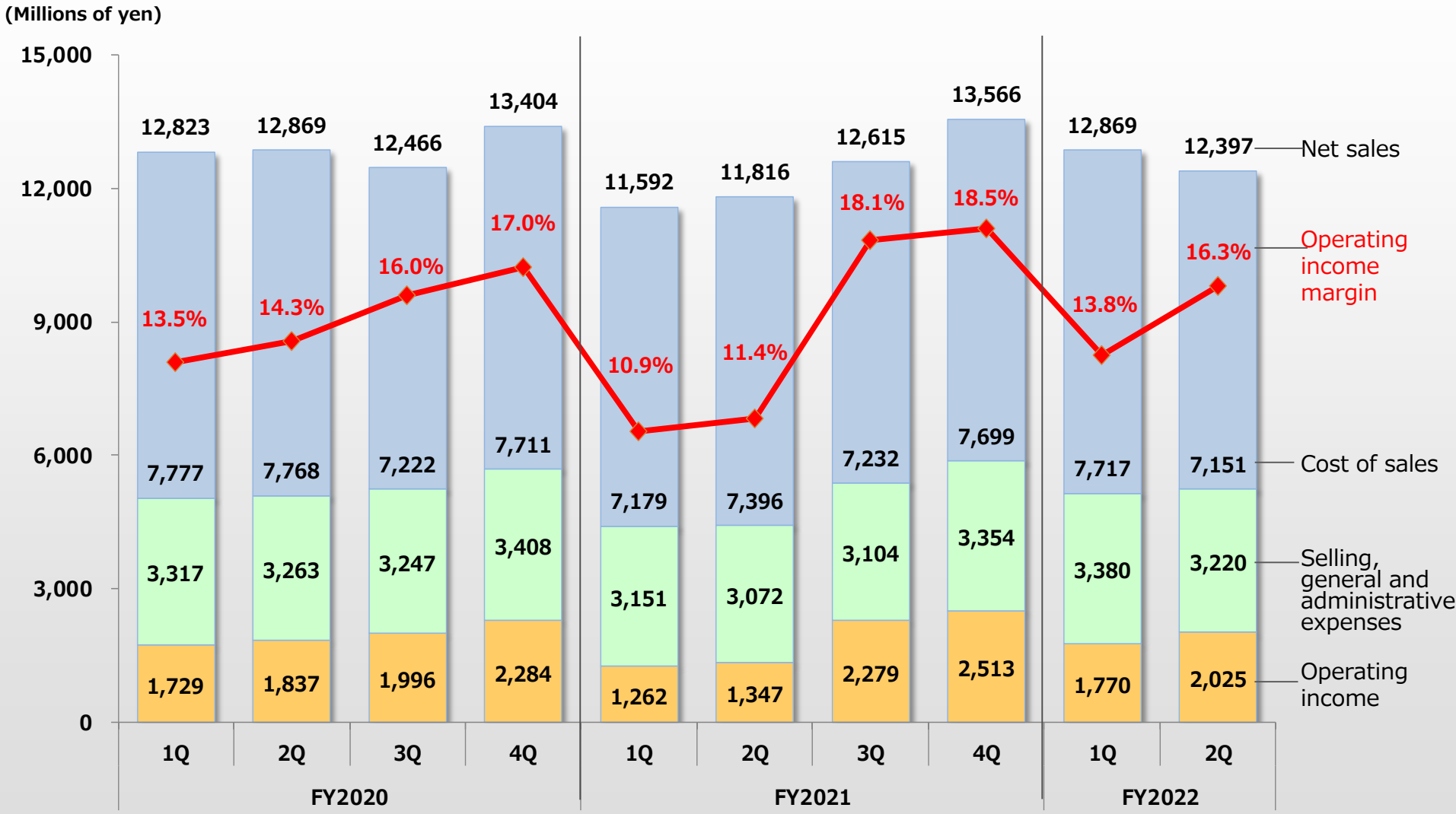
(Millions of yen)

	Consolidated cumulative 2Q				Increase of amount	Changes
	FY2021		FY2022			
	Amount	Percentage	Amount	Percentage		
Net sales	23,408	100.0%	25,266	100.0%	1,858	7.9%
Operating Income	2,609	11.1%	3,795	15.0%	1,186	45.5%
Ordinary income	2,822	12.1%	4,116	16.3%	1,294	45.9%
Net income attributable to owners of the parent	1,924	8.2%	2,943	11.6%	1,019	52.9%
Exchange rate (USD)	107		110			
Exchange rate (EUR)	120		131			

The exchange rates given above are average rates for the period from April to September.

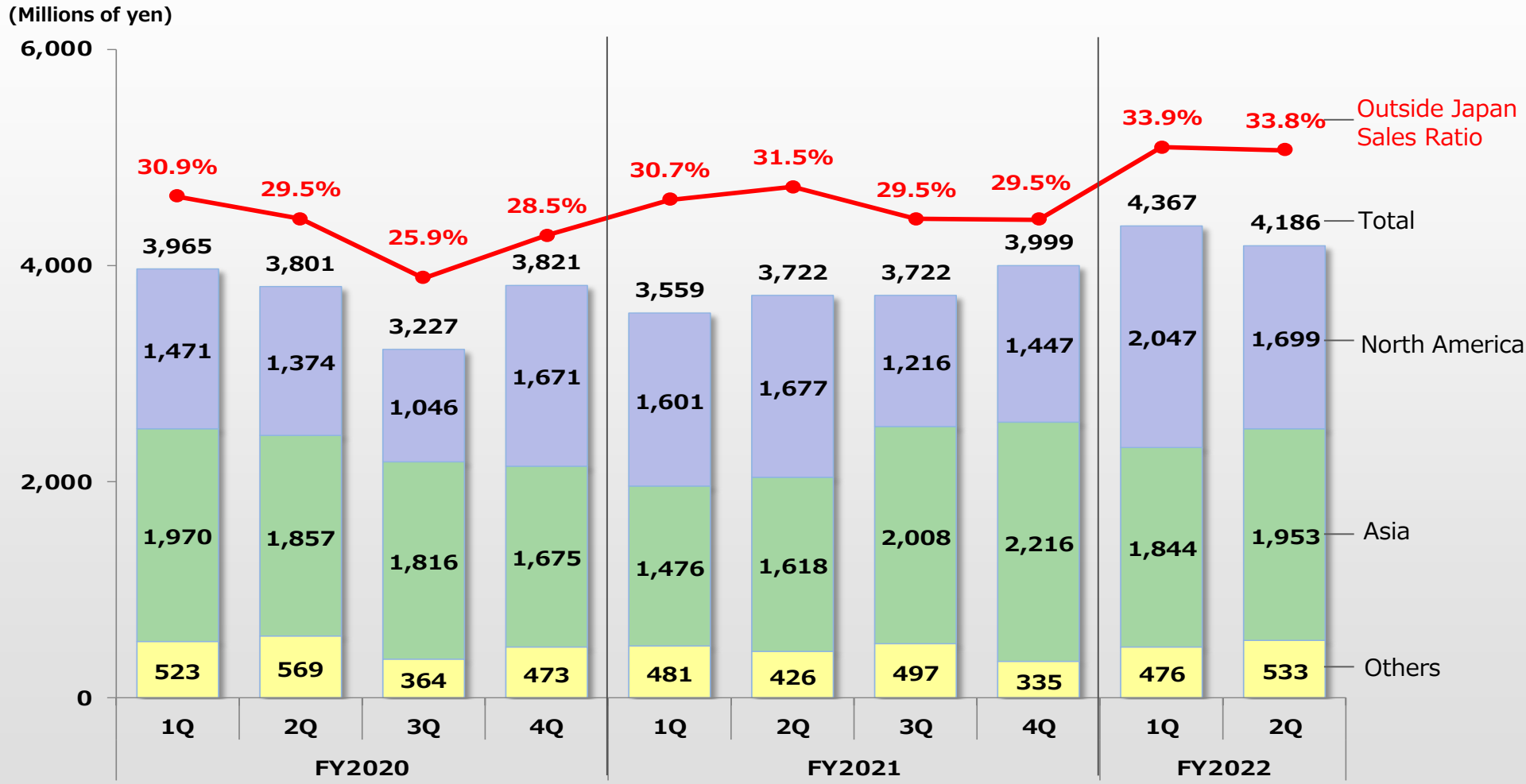
Copyright © SHIKOKU CHEMICALS CORPORATION

Financial Results Trend (consolidated and quarter)



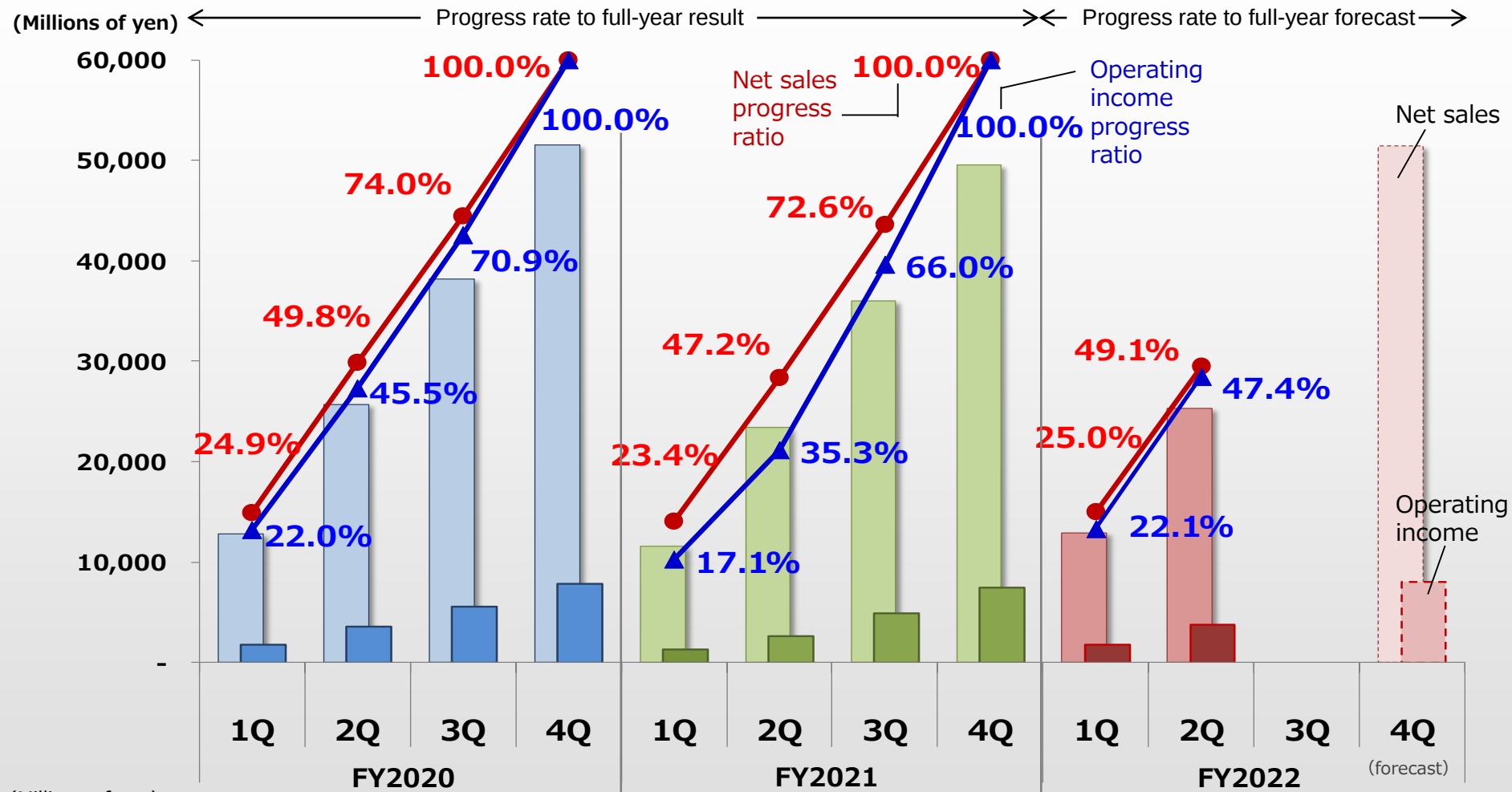
Copyright © SHIKOKU CHEMICALS CORPORATION

Sales Trends by Region (consolidated and quarter)



Copyright © SHIKOKU CHEMICALS CORPORATION

Progress report (consolidated and quarter)



(Millions of yen)

Net sales	12,823	25,693	38,160	51,564	11,592	23,408	36,024	49,590	12,869	25,266		51,500
Operating income	1,729	3,567	5,564	7,848	1,262	2,609	4,888	7,401	1,770	3,795		8,000

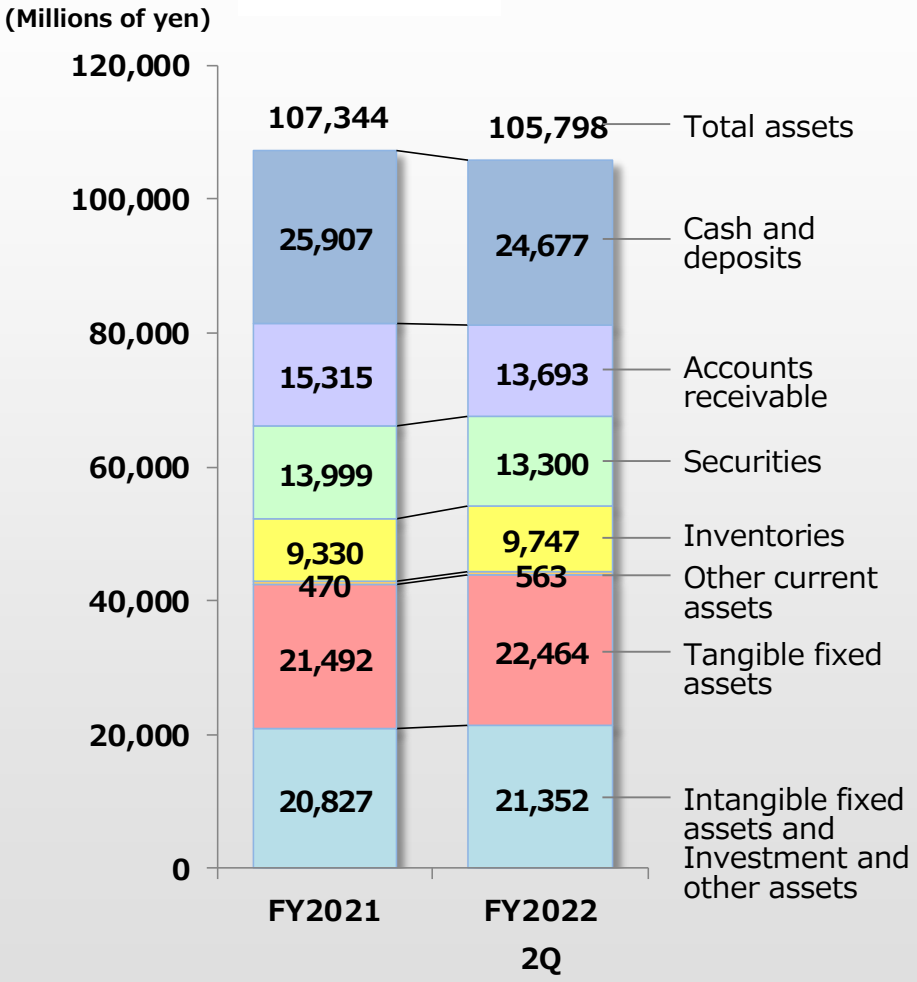
Note: Revisions to the consolidated earnings forecasts most recently announced: No

SHIKOKU

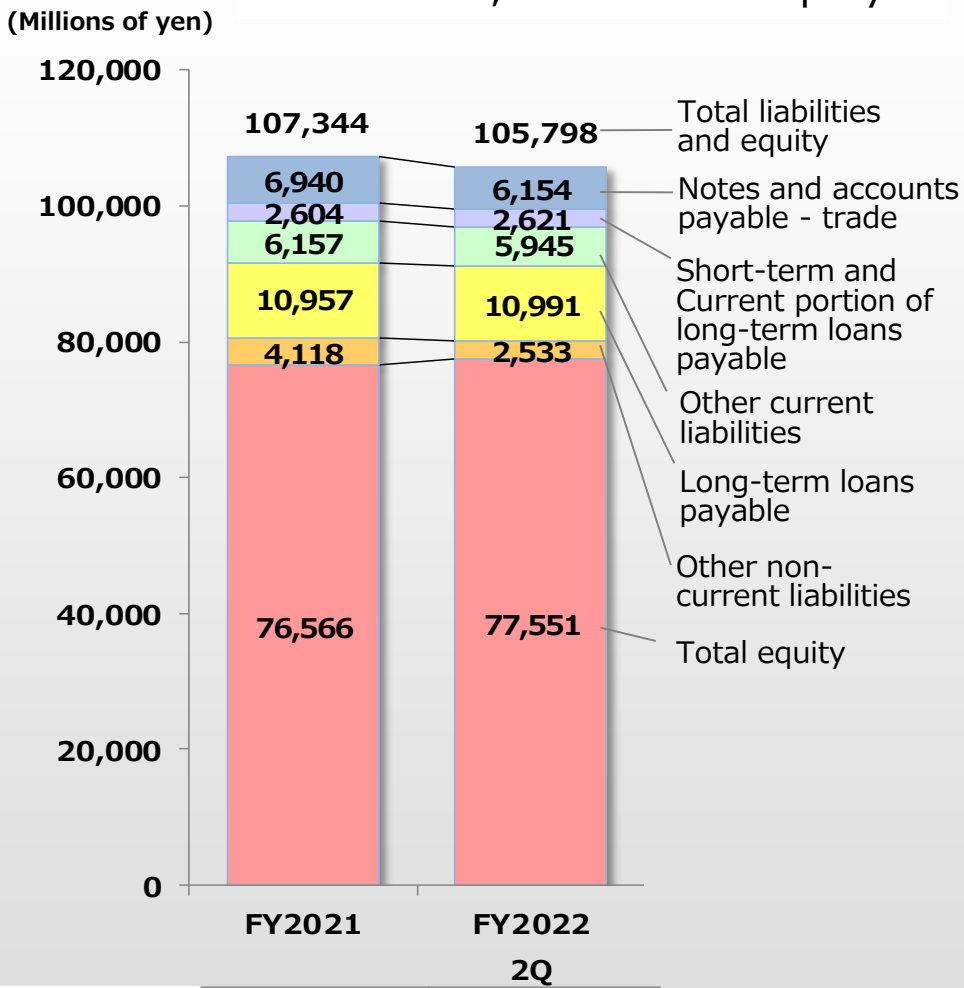
Copyright © SHIKOKU CHEMICALS CORPORATION

Assets / Liabilities, and a total equity (consolidated)

■Assets



■Liabilities, and a total equity



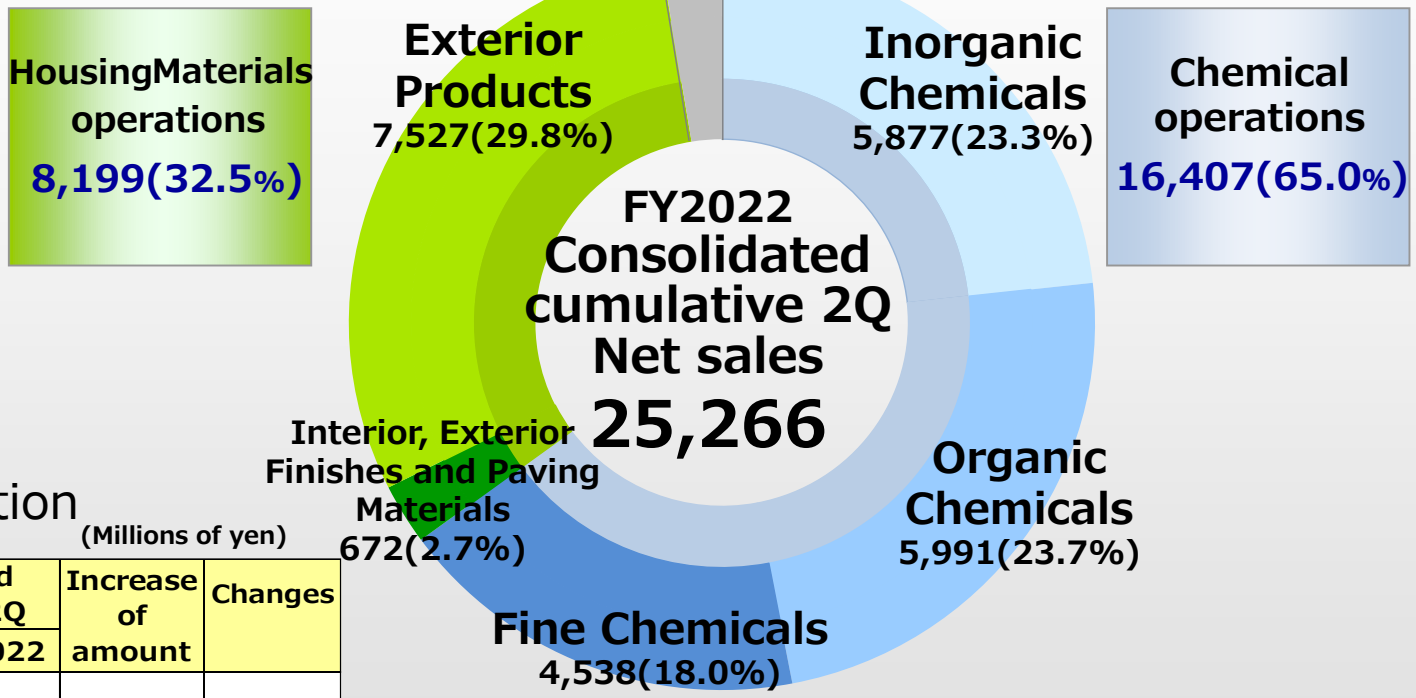
interest-bearing debt (millions of yen)	13,834	13,889
net interest-bearing debt (millions of yen)	▲ 12,072	▲ 10,787
Equity ratio (%)	70.5	72.5

Copyright © SHIKOKU CHEMICALS CORPORATION

Sales and Profit by Business segments

■ Sales amount constituent ratio

(Millions of yen)



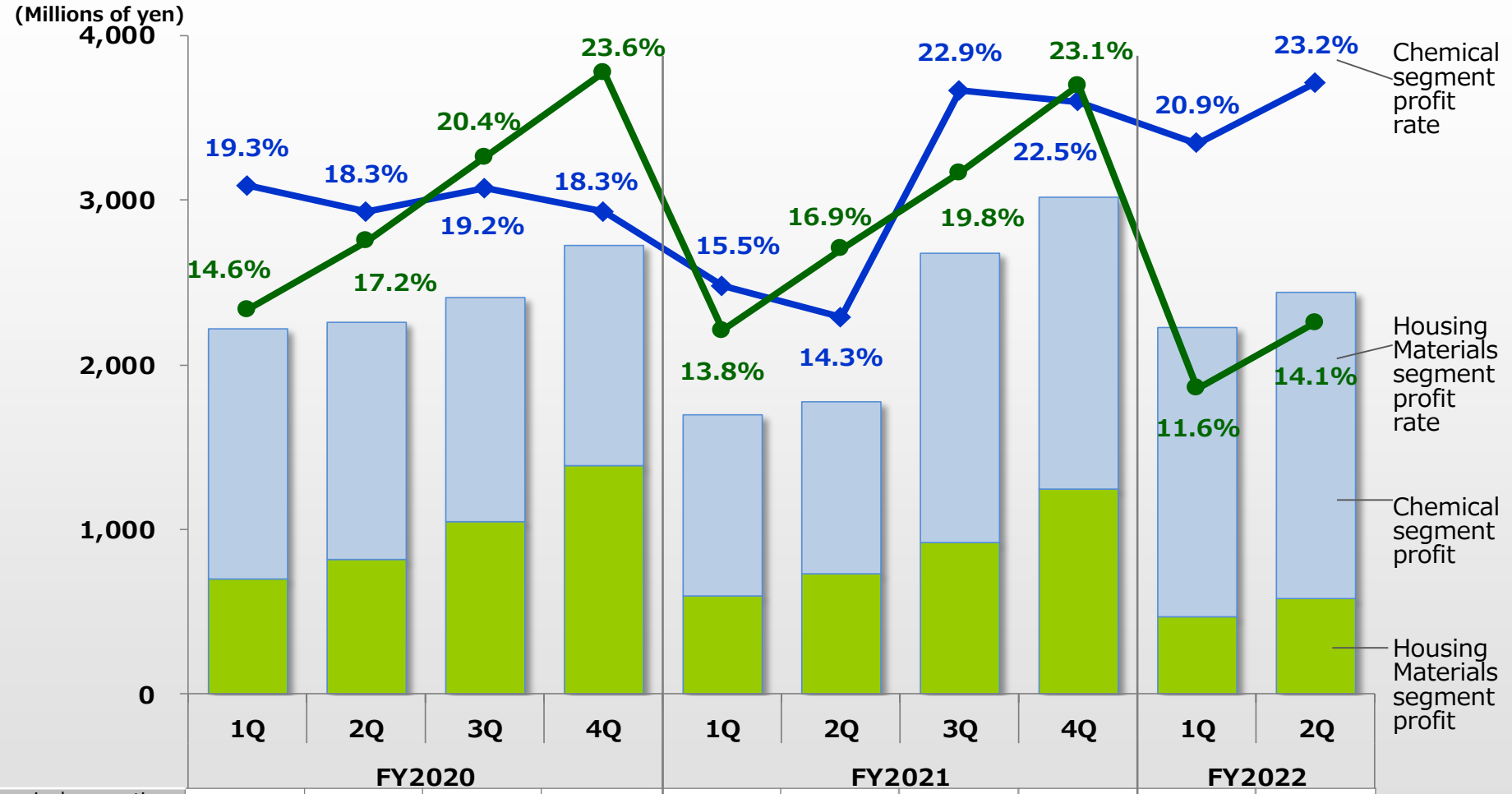
■ Segment information

(Millions of yen)

	Consolidated cumulative 2Q		Increase of amount	Changes
	FY2021	FY2022		
Net sales				
Chemical operations	14,297	16,407	2,110	14.8%
Housing Materials operations	8,711	8,199	▲ 511	▲5.9%
Segment profit				
Chemical operations	2,131	3,614	1,482	69.6%
Housing Materials operations	1,337	1,058	▲ 279	▲20.9%

Copyright © SHIKOKU CHEMICALS CORPORATION

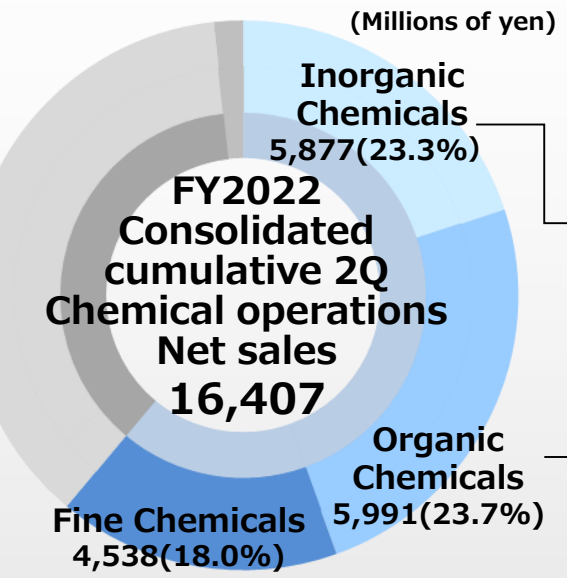
Sales and Profit by Business segments (consolidated and quarter)



	FY2020				FY2021				FY2022	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Chemical operations net sales	7,854	7,885	7,092	7,317	7,051	7,245	7,686	7,867	8,391	8,016
Housing Materials operations net sales	4,821	4,772	5,137	5,888	4,362	4,349	4,644	5,404	4,077	4,122
Chemical segment profit	1,514	1,440	1,362	1,338	1,093	1,038	1,761	1,771	1,753	1,860
Housing Materials segment profit	704	822	1,048	1,390	601	735	919	1,249	474	583

Copyright © SHIKOKU CHEMICALS CORPORATION

Chemicals operations segment



【 Main products 】

- **Insoluble sulfur**
  Vulcanizing agent for rubber
- **Carbon Disulfide**
- **Sodium Sulfate**
- **Sodium carbonate**



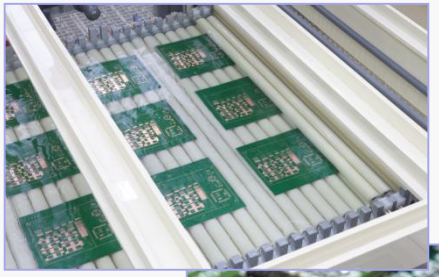
【 Main products 】

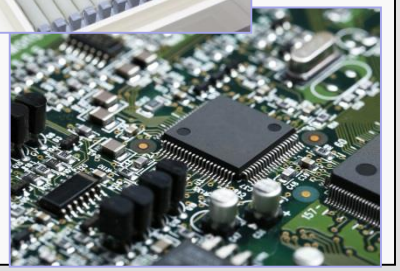
- **Chlorinated isocyanuric acid**
  for swimming pool and septic tank disinfectants
- **Hipolka**



【 Main products 】

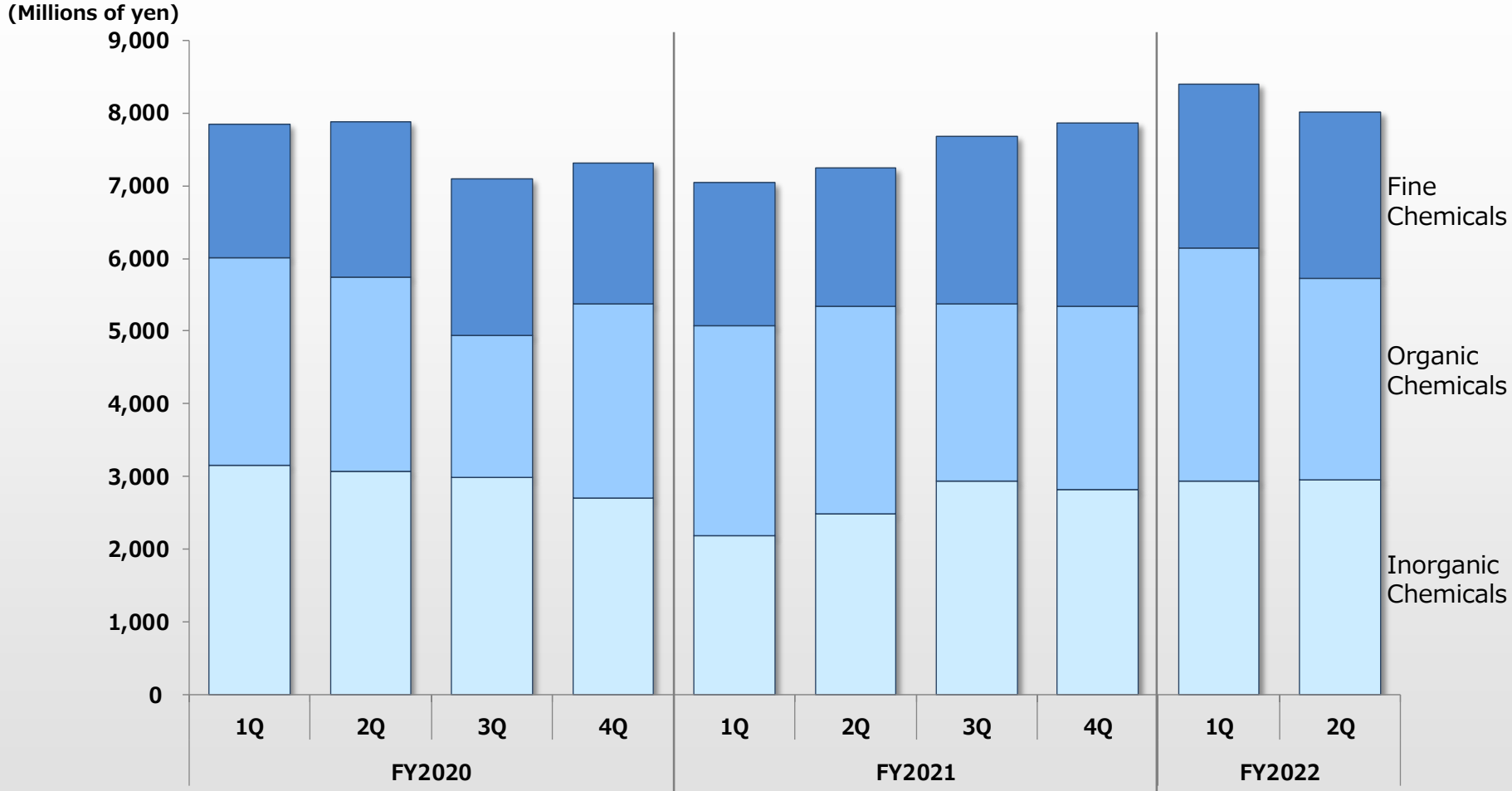
- **Glicoat-SMD**
  Heat-resistant OSP (Organic Solderability Preservative) for printed wiring boards
- **Imidazoles**
  Imidazole derivatives for an epoxy resin curing agent and a raw material for pharmaceuticals and other applications; modifiers for high-added-value resins
- **THEIC**





Copyright © SHIKOKU CHEMICALS CORPORATION

Sales Trend of Chemical operations (consolidated and quarter)



	FY2020				FY2021				FY2022	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Fine Chemicals	1,844	2,148	2,159	1,937	1,984	1,898	2,303	2,520	2,243	2,295
Organic Chemicals	2,859	2,659	1,948	2,679	2,877	2,867	2,443	2,520	3,220	2,771
Inorganic Chemicals	3,149	3,077	2,984	2,700	2,189	2,479	2,939	2,826	2,928	2,949

Copyright © SHIKOKU CHEMICALS CORPORATION

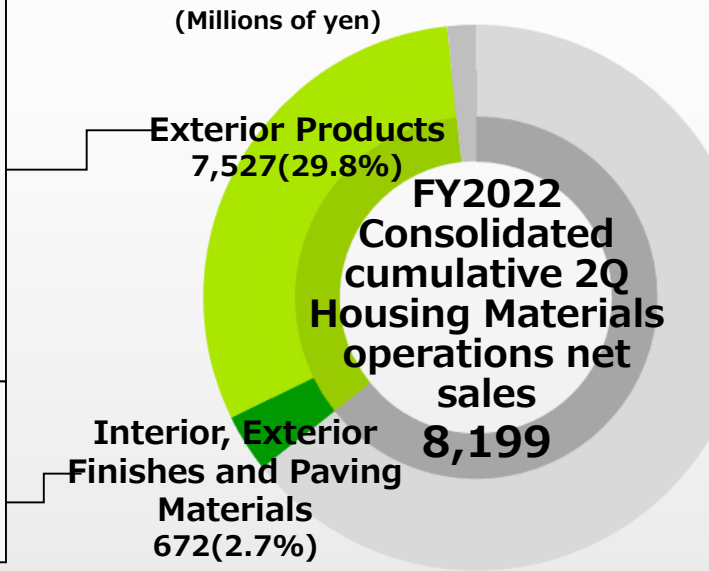
Housing Materials operations segment

【Main products】

- **Home Exterior Products**
  gates, fences , garage and accordion gate
- **Decorative Exterior Products**
  large gates and fences , shelter, bicycle parking, garbage collection container and Greening system

【Main products】

- **Interior, Exterior Finishes and Paving Materials**




large gates

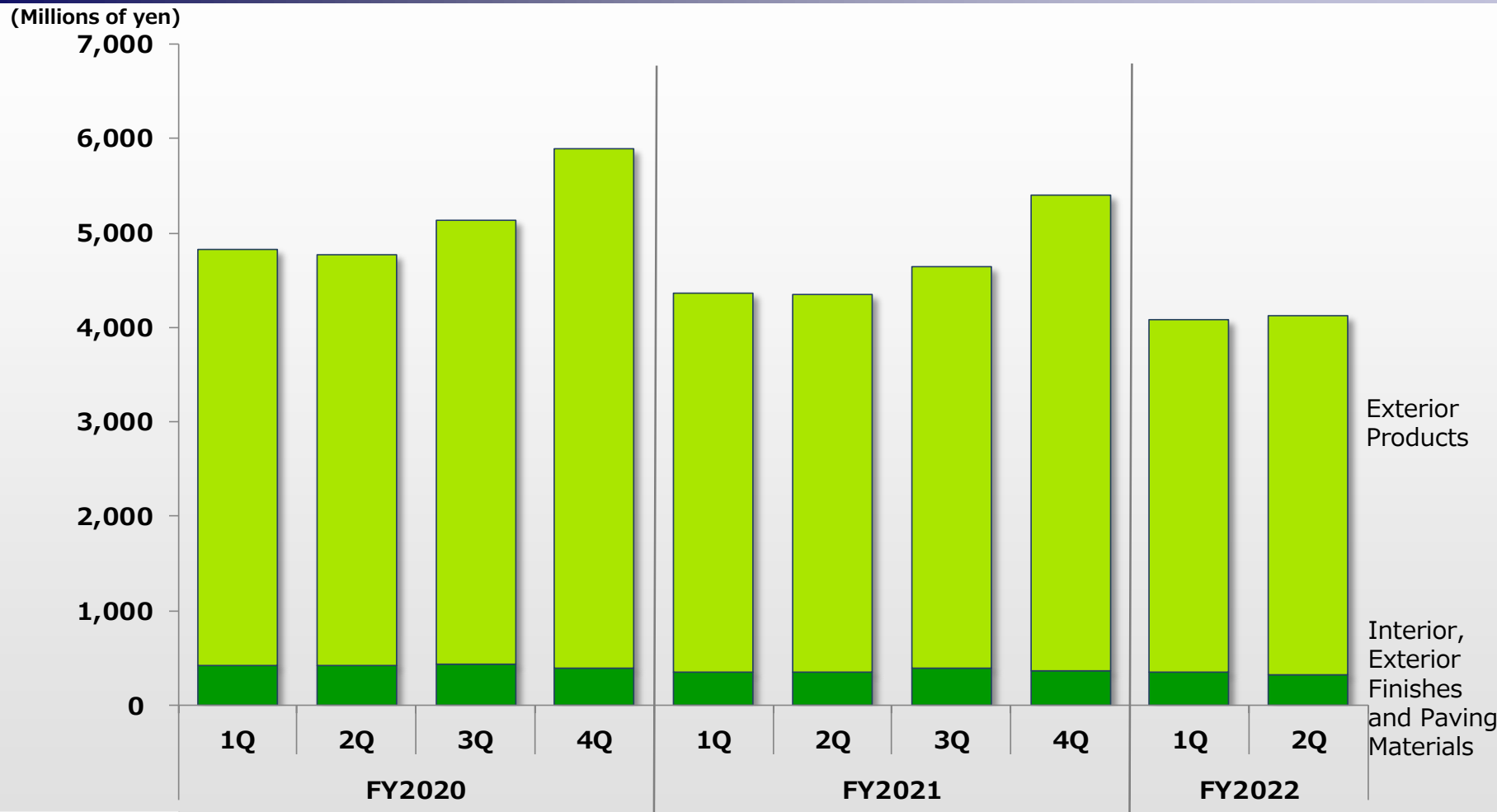

Interior



“Fun roof” （ terrace ）

Copyright © SHIKOKU CHEMICALS CORPORATION

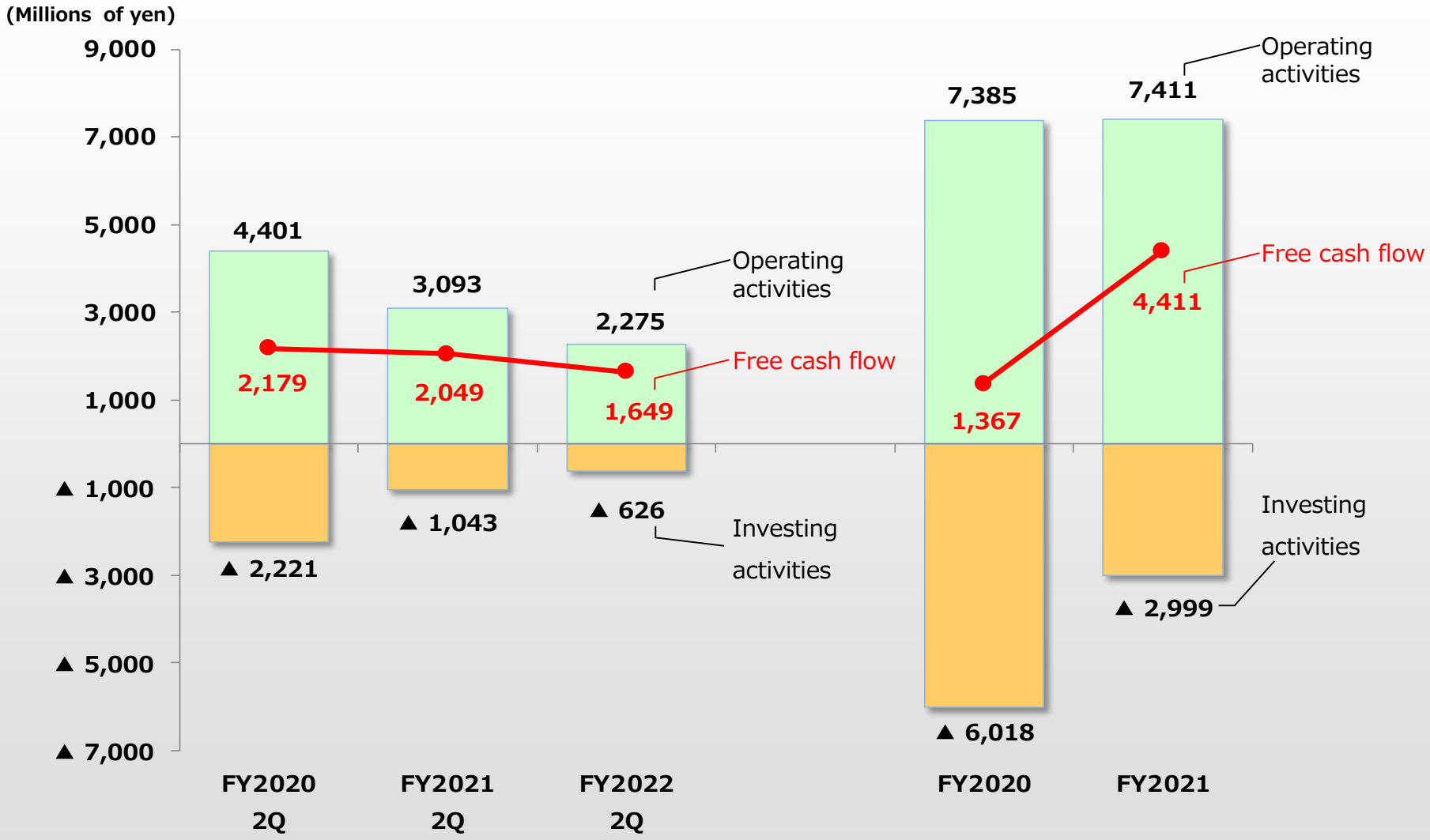
Sales Trend of Housing Materials operations (consolidated and quarter)



	FY2020				FY2021				FY2022	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Exterior Products	4,401	4,355	4,705	5,492	4,007	3,994	4,247	5,037	3,729	3,797
Interior, Exterior Finishes and Paving Materials	419	417	431	396	355	355	397	367	348	324

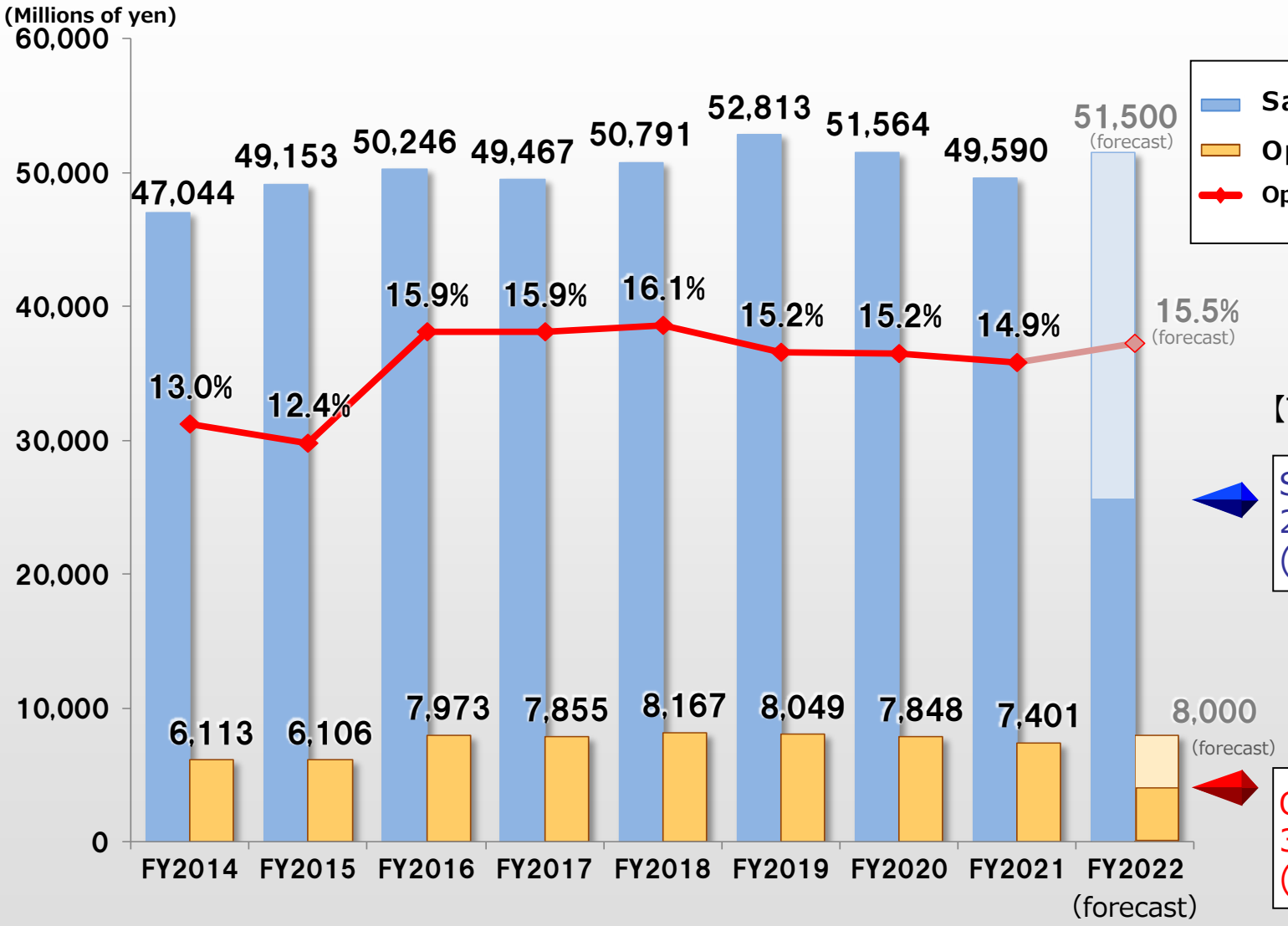
Copyright © SHIKOKU CHEMICALS CORPORATION

Cash Flow Overview (consolidated)



Copyright © SHIKOKU CHEMICALS CORPORATION

Sales/Operating Income Trend (consolidated)



【The 2Q of FY2022】

Sales
25,266 million yen
(Progress ratio 49.1%)

Operating income
3,795 million yen
(Progress ratio 47.4%)

Note : Revisions to the consolidated earnings forecasts most recently announced : No

Copyright © SHIKOKU CHEMICALS CORPORATION

Contact Information

Corporate planning Dept.

SHIKOKU CHEMICALS CORPORATION

TEL : **+81-(0)877-21-4119**

FAX : **+81-(0)877-22-0411**

www.shikoku.co.jp

[Note regarding this document]

Forward-looking statements or projections mentioned in this document, including earnings are based on currently available information and actual results may differ from the projection due to various factors.

Further, the purpose of this material is to provide information to the investors, and not to serve as a recommendation to buy or to sell. Please note that Shikoku Chemical Corporation will not be responsible for the consequences of investments etc.