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Consolidated Financial Results for the Six Months Ended June 30, 2025 [Japanese GAAP]

July 30, 2025

Company name: SHIKOKU KASEI HOLDINGS CORPORATION

Listing: Tokyo Stock Exchange

Securities code: 4099

URL: <https://www.shikoku.co.jp/eng/>

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President

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Scheduled date to file semi-annual securities report: August 8, 2025

Scheduled date to commence dividend payments: September 5, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

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

1. Consolidated Financial Results for the Six Months Ended June 30, 2025 (January 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended June 30, 2025	34,172	(3.0)	5,253	8.6	5,205	(12.3)	3,729	(7.5)
June 30, 2024	35,225	14.1	4,835	27.7	5,936	25.8	4,032	25.5

(Note) Comprehensive income: Six months ended June 30, 2025: ¥ 6,421 million [20.4%]
Six months ended June 30, 2024: ¥ 5,335 million [(0.5) %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2025	84.23	-
June 30, 2024	85.41	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	128,600	86,696	66.8
December 31, 2024	135,827	84,168	61.4

(Reference) Equity: As of June 30, 2025: ¥ 85,868 million
As of December 31, 2024: ¥ 83,380 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	-	25.00	-	25.00	50.00
Fiscal year ending December 31, 2025	-	25.00			
Fiscal year ending December 31, 2025 (Forecast)			-	25.00	50.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025(January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	70,000	0.7	9,400	(3.5)	9,800	(9.1)	6,500	(26.2)	146.79

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

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

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

June 30, 2025: 44,869,563 shares

December 31, 2024: 44,869,563 shares

2) Number of treasury shares at the end of the period:

June 30, 2025: 1,620,237 shares

December 31, 2024: 176,760 shares

3) Average number of shares outstanding during the period:

Six months ended June 30, 2025: 44,281,074 shares

Six months ended June 30, 2024: 47,217,749 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Forward-looking statements such as operating results forecasts and other projections contained in this report are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

The Company plans to hold a financial results briefing for institutional investors and analysts on Friday, August 22, 2025. The content (video and transcript) will be posted on the Company's website shortly after the briefing.

Semi-annual Consolidated Financial Statements and Primary Notes
Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	33,789	27,247
Notes receivable - trade	368	181
Electronically recorded monetary claims - operating	3,281	3,362
Accounts receivable - trade	14,215	14,201
Securities	14,619	12,009
Merchandise and finished goods	8,317	8,073
Work in process	46	114
Raw materials and supplies	4,498	4,591
Other	1,154	978
Allowance for doubtful accounts	(3)	(3)
Total current assets	80,288	70,755
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,239	6,214
Machinery, equipment and vehicles, net	6,921	6,532
Land	8,793	8,788
Construction in progress	4,245	5,334
Other, net	789	763
Total property, plant and equipment	26,989	27,632
Intangible assets	589	930
Investments and other assets		
Investment securities	24,023	25,389
Deferred tax assets	1,821	1,813
Retirement benefit asset	967	992
Other	1,147	1,087
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	27,960	29,281
Total non-current assets	55,539	57,844
Total assets	135,827	128,600

(Millions of yen)

	As of December 31, 2024	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,142	6,983
Electronically recorded obligations - operating	589	481
Short-term borrowings	5,500	2,000
Current portion of long-term borrowings	8,391	7,876
Accrued expenses	1,541	1,813
Income taxes payable	2,109	1,637
Accrued consumption taxes	163	137
Notes payable - facilities	37	1
Electronically recorded obligations-facilities	857	416
Other	3,182	3,075
Total current liabilities	30,516	24,421
Non-current liabilities		
Long-term borrowings	16,664	11,556
Deferred tax liabilities	2,122	3,544
Deferred tax liabilities for land revaluation	998	1,029
Provision for retirement benefits for directors (and other officers)	70	56
Retirement benefit liability	515	513
Asset retirement obligations	371	371
Provision for share awards	77	89
Other	323	320
Total non-current liabilities	21,143	17,481
Total liabilities	51,659	41,903
Net assets		
Shareholders' equity		
Share capital	6,867	6,867
Capital surplus	5,711	5,711
Retained earnings	62,851	65,441
Treasury shares	(238)	(2,996)
Total shareholders' equity	75,192	75,024
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,944	7,854
Revaluation reserve for land	2,274	2,249
Foreign currency translation adjustment	499	285
Remeasurements of defined benefit plans	470	454
Total accumulated other comprehensive income	8,187	10,843
Non-controlling interests	788	828
Total net assets	84,168	86,696
Total liabilities and net assets	135,827	128,600

Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Net sales	35,225	34,172
Cost of sales	21,349	19,653
Gross profit	13,875	14,518
Selling, general and administrative expenses		
Transportation and storage costs	3,266	3,223
Advertising expenses	515	560
Salaries	1,338	1,418
Retirement benefit expenses	64	51
Provision for retirement benefits for directors (and other officers)	9	5
Research and development expenses	839	1,000
Other	3,005	3,005
Total selling, general and administrative expenses	9,040	9,264
Operating profit	4,835	5,253
Non-operating income		
Interest income	148	183
Dividend income	241	368
Foreign exchange gains	737	-
Miscellaneous income	16	22
Total non-operating income	1,143	574
Non-operating expenses		
Interest expenses	28	71
Foreign exchange losses	-	536
Donations	10	5
Miscellaneous losses	4	9
Total non-operating expenses	42	622
Ordinary profit	5,936	5,205
Extraordinary income		
Gain on sale of non-current assets	-	5
Gain on sale of investment securities	-	146
Subsidy income	0	-
Total extraordinary income	0	152
Extraordinary losses		
Loss on sale of non-current assets	-	5
Loss on retirement of non-current assets	5	39
Loss on sale of investment securities	47	-
Total extraordinary losses	53	45
Profit before income taxes	5,883	5,312
Income taxes	1,802	1,542
Profit	4,081	3,769
Profit attributable to non-controlling interests	48	40
Profit attributable to owners of parent	4,032	3,729

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Profit	4,081	3,769
Other comprehensive income		
Valuation difference on available-for-sale securities	959	2,910
Revaluation reserve for land	-	(29)
Foreign currency translation adjustment	280	(214)
Remeasurements of defined benefit plans, net of tax	14	(15)
Total other comprehensive income	1,254	2,651
Comprehensive income	5,335	6,421
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,286	6,380
Comprehensive income attributable to non-controlling interests	48	40

Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	5,883	5,312
Depreciation	1,442	1,473
Increase (decrease) in retirement benefit liability	(34)	(2)
Decrease (increase) in retirement benefit asset	(3)	(38)
Interest and dividend income	(389)	(552)
Interest expenses	28	71
Loss (gain) on sale of investment securities	47	(146)
Subsidy income	(0)	-
Loss on retirement of property, plant and equipment	5	39
Loss (gain) on sale of property, plant and equipment	-	0
Decrease (increase) in trade receivables	(1,454)	(68)
Decrease (increase) in inventories	456	69
Increase (decrease) in trade payables	(430)	(1,247)
Increase (decrease) in accrued consumption taxes	(40)	220
Other, net	(194)	575
Subtotal	5,317	5,707
Interest and dividends received	389	566
Interest paid	(28)	(74)
Subsidies received	0	-
Income taxes refund (paid)	(2,564)	(1,949)
Net cash provided by (used in) operating activities	3,114	4,250
Cash flows from investing activities		
Purchase of securities	(13,207)	-
Proceeds from redemption of securities	-	2,000
Purchase of property, plant and equipment	(2,089)	(2,680)
Proceeds from sale of property, plant and equipment	-	12
Payments for retirement of property, plant and equipment	(5)	(38)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(106)
Purchase of investment securities	(4,919)	(5)
Proceeds from sale and redemption of investment securities	894	3,720
Other, net	19	(84)
Net cash provided by (used in) investing activities	(19,309)	2,816
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,500	(3,500)
Proceeds from long-term borrowings	8,600	3,300
Repayments of long-term borrowings	(3,070)	(9,153)
Purchase of treasury shares	(10,221)	(2,794)
Dividends paid	(709)	(1,120)
Other, net	(0)	(2)
Net cash provided by (used in) financing activities	(3,902)	(13,270)
Effect of exchange rate change on cash and cash equivalents	577	(338)
Net increase (decrease) in cash and cash equivalents	(19,520)	(6,541)
Cash and cash equivalents at beginning of period	43,597	33,739
Cash and cash equivalents at end of period	24,076	27,197