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October 29, 2025

Consolidated Financial Results for the Nine Months Ended September 30, 2025 (Under Japanese GAAP)



Company name: SHIKOKU KASEI HOLDINGS CORPORATION

Listing: Tokyo Stock Exchange

Securities code: 4099

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

President

Director in charge of Corporate Management

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

1. Consolidated financial results for the nine months ended September 30, 2025 (from January 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(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	%
Nine months ended September 30, 2025	52,473	(1.0)	8,275	9.5	8,510	7.9	6,022	(11.0)
September 30, 2024	52,999	13.3	7,555	23.3	7,884	6.4	6,764	3.7

Note: Comprehensive income For the nine months ended September 30, 2025: ¥ 10,585 million [67.1%]
For the nine months ended September 30, 2024: ¥ 6,334 million [(16.5)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2025	136.97	-
September 30, 2024	145.59	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	132,474	89,774	67.1
December 31, 2024	135,827	84,168	61.4

Reference: Equity

As of September 30, 2025: ¥ 88,942 million
As of December 31, 2024: ¥ 83,380 million

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

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2025 (from 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	10,000	2.7	10,400	(3.5)	7,000	(20.6)	159.80

Note: Revisions to the financial result forecast most recently announced: Yes

* Notes

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

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

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

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) 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, 2025	44,869,563 shares
As of December 31, 2024	44,869,563 shares

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

As of September 30, 2025	1,620,337 shares
As of December 31, 2024	176,760 shares

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

Nine months ended September 30, 2025	43,971,539 shares
Nine months ended September 30, 2024	46,460,222 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* 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. For the assumptions underlying the operating results forecasts and cautionary notes concerning their use, please refer to “(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking

Information” under “1. Qualitative Information on Quarterly Financial Results for the Period under Review” on page 3 of the attached documents to the quarterly financial statements.

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1. Qualitative Information on Quarterly Financial Results for the Period under Review

(1) Explanation of Operating Results

The Japanese economy during the nine months ended September 30, 2025 recovered moderately for the most part, driven by a recovery in consumer spending despite impacts from the U.S. trade policy primarily affecting the automobile industry. In overseas economies, capital investment in the U.S., particularly in AI-related sectors, continues to increase moderately, and consumer spending also remains resilient. Regarding the economic outlook, the Company recognizes the need to continue to monitor risks that could halt the economic recovery, such as the potential for the U.S. trade policy to slow the global economy and concerns about a downside risk in consumer spending arising from prolonged inflation in Japan.

Under these circumstances, for the nine months ended September 30, 2025 (from January 1, 2025 to September 30, 2025), the Group posted net sales of ¥52,473 million (down 1.0% year-on-year), operating profit of ¥8,275 million (up 9.5% year-on-year), ordinary profit of ¥8,510 million (up 7.9% year-on-year), and profit attributable to owners of parent of ¥6,022 million (down 11.0% year-on-year). Strong sales in fine chemicals for our Chemicals operations resulted in renewed record highs in terms of operating profit and ordinary profit for the nine months ended September 30.

Operating results by segment are as follows.

1) Chemicals operations

(Inorganic chemicals)

Sales of insoluble sulfur, a material for radial tires, were sluggish and lower than those of the previous year due to intensified sales competition mainly in overseas markets. Sales of carbon disulfide for rayon and cellophane were higher than the previous year due to strong export sales. Sales of sodium sulfate for bath agents and detergents were also higher than the previous year, due to progress in price pass-through.

(Organic chemicals)

Regarding chlorinated isocyanurates for disinfectants, sales exceeded those of the previous year in the domestic market due to solid sales for household sanitary use and other purposes. Sales in the U.S. market were lower than those of the previous year, mainly due to the absence of year-earlier strong sales.

(Fine chemicals)

Regarding electronic chemicals, sales of the chemical adhesion process GliCAP were strong due to an increase in the number of orders for use in server boards overseas. Sales of advanced & specialty chemicals exceeded those of the previous year owing to an increase in demand for epoxy resin curing agent (imidazoles) and resin modifier (glycoluril derivatives, etc.). As for sales of semiconductor process materials, we saw progress in customer evaluations and the acquisition of new prototype production orders.

As a result, net sales for the Chemicals operations segment were ¥38,253 million (down 0.6% year-on-year) and segment profit was ¥7,915 million (up 18.2% year-on-year), with a decrease in net sales but an increase in profit.

2) Housing Materials operations

As housing-related demand has fallen amid the continued decline in the number of new housing starts, particularly for owned houses, due to a surge in construction costs and other factors, we have poured our efforts into expanding landscape exterior products for non-residential purposes, which is one of our strengths. Nevertheless, sales were down on the previous year. In addition, although we implemented measures to improve revenue, including price revisions, profit was down on the previous year mainly due to the soaring prices of aluminum ingots and other raw materials and the increase in distribution costs.

As a result, net sales for the Housing Materials operations segment were ¥13,359 million (down 2.6% year-on-year) and segment profit was ¥151 million (down 76.0% year-on-year), resulting in a decrease in both net sales and profit.

Reference information

[Overseas net sales]

	Nine months ended September 30, 2024 (from January 1, 2024 to September 30, 2024)		Nine months ended September 30, 2025 (from January 1, 2025 to September 30, 2025)	
	Net sales (Million yen)	Overseas net sales to consolidated net sales (%)	Net sales (Million yen)	Overseas net sales to consolidated net sales (%)
Asia	6,158	11.6	7,758	14.8
North America	14,381	27.1	10,520	20.1
Other regions	1,415	2.7	1,525	2.9
Total	21,955	41.4	19,805	37.7
Consolidated net sales	52,999		52,473	

(2) Explanation of Financial Position

(Status of assets, liabilities and net assets)

Total assets decreased by ¥3,352 million from the end of the previous fiscal year to ¥132,474 million. Major increases were ¥3,406 million in investment securities and ¥2,651 million in machinery, equipment and vehicles, net, while major decreases were ¥5,217 million in cash and deposits, ¥3,312 million in securities, and ¥2,644 million in construction in progress.

Liabilities decreased by ¥8,959 million from the end of the previous fiscal year to ¥42,700 million. The major increase was ¥2,242 million in deferred tax liabilities, while major decreases were ¥4,789 million in long-term borrowings and ¥3,500 million in short-term borrowings.

Net assets increased by ¥5,606 million from the end of the previous fiscal year to ¥89,774 million. Major increases were ¥4,718 million in valuation difference on available-for-sale securities and ¥3,797 million in retained earnings, while the major decrease was ¥2,758 million in treasury shares.

As a result, equity ratio rose to 67.1% from 61.4% at the end of the previous fiscal year.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The Company has revised its full-year financial results forecast announced in the Consolidated Financial Results for the Six Months Ended June 30, 2025, disclosed on July 30, 2025, described as follows.

1. Revision of the consolidated financial results forecast for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

	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
Previously announced forecast (A)	70,000	9,400	9,800	6,500	146.79
Revised forecast (B)	70,000	10,000	10,400	7,000	159.80
Change (B - A)	-	600	600	500	
Change (%)	-	6.4	6.1	7.7	

2. Reason for the revision

The Company's full-year net sales forecast remains unchanged, as sales in organic chemicals of the Chemicals operations and the Housing Materials operations are projected to be lower than expected, while those in fine chemicals of the Chemicals operations are projected to exceed expectations.

Meanwhile, highly profitable fine chemicals have been performing strongly. Therefore, operating profit, ordinary profit, and profit attributable to owners of parent are all expected to exceed the previously announced forecast.

Assumptions for the exchange rates of major currencies are ¥145 to U.S. dollar and ¥165 to Euro.

(Note) The above financial results forecasts are based on information currently available to the Company as of the date of this report. Actual results may differ significantly from these forecasts due to a wide range of factors.

Quarterly Consolidated Financial Statements and Primary Notes
Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2024	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	33,789	28,571
Notes receivable - trade	368	84
Electronically recorded monetary claims - operating	3,281	3,174
Accounts receivable - trade	14,215	15,030
Securities	14,619	11,306
Merchandise and finished goods	8,317	8,304
Work in process	46	123
Raw materials and supplies	4,498	4,474
Other	1,154	1,344
Allowance for doubtful accounts	(3)	(3)
Total current assets	80,288	72,411
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,239	6,913
Machinery, equipment and vehicles, net	6,921	9,572
Land	8,793	9,087
Construction in progress	4,245	1,600
Other, net	789	763
Total property, plant and equipment	26,989	27,938
Intangible assets	589	785
Investments and other assets		
Investment securities	24,023	27,429
Deferred tax assets	1,821	1,836
Retirement benefit asset	967	1,018
Other	1,147	1,054
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	27,960	31,338
Total non-current assets	55,539	60,063
Total assets	135,827	132,474

(Millions of yen)

	As of December 31, 2024	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,142	7,404
Electronically recorded obligations - operating	589	427
Short-term borrowings	5,500	2,000
Current portion of long-term borrowings	8,391	7,908
Accrued expenses	1,541	2,150
Income taxes payable	2,109	1,193
Accrued consumption taxes	163	155
Notes payable - facilities	37	3
Electronically recorded obligations-facilities	857	73
Other	3,182	2,740
Total current liabilities	30,516	24,058
Non-current liabilities		
Long-term borrowings	16,664	11,875
Deferred tax liabilities	2,122	4,365
Deferred tax liabilities for land revaluation	998	1,029
Provision for retirement benefits for directors (and other officers)	70	59
Retirement benefit liability	515	520
Asset retirement obligations	371	371
Provision for share awards	77	92
Other	323	327
Total non-current liabilities	21,143	18,641
Total liabilities	51,659	42,700
Net assets		
Shareholders' equity		
Share capital	6,867	6,867
Capital surplus	5,711	5,711
Retained earnings	62,851	66,649
Treasury shares	(238)	(2,996)
Total shareholders' equity	75,192	76,231
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,944	9,662
Revaluation reserve for land	2,274	2,249
Foreign currency translation adjustment	499	350
Remeasurements of defined benefit plans	470	448
Total accumulated other comprehensive income	8,187	12,710
Non-controlling interests	788	832
Total net assets	84,168	89,774
Total liabilities and net assets	135,827	132,474

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income (For the nine months)

(Millions of yen)

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025
Net sales	52,999	52,473
Cost of sales	32,055	30,208
Gross profit	20,943	22,264
Selling, general and administrative expenses		
Transportation and storage costs	4,874	4,869
Advertising expenses	720	749
Salaries	2,018	2,139
Retirement benefit expenses	98	77
Provision for retirement benefits for directors (and other officers)	12	6
Research and development expenses	1,286	1,534
Other	4,377	4,612
Total selling, general and administrative expenses	13,388	13,989
Operating profit	7,555	8,275
Non-operating income		
Interest income	215	256
Dividend income	305	420
Miscellaneous income	22	39
Total non-operating income	544	716
Non-operating expenses		
Interest expenses	47	105
Foreign exchange losses	150	360
Donations	10	5
Miscellaneous losses	6	10
Total non-operating expenses	214	481
Ordinary profit	7,884	8,510
Extraordinary income		
Gain on sale of non-current assets	-	5
Gain on sale of investment securities	1,895	147
Subsidy income	58	32
Total extraordinary income	1,953	186
Extraordinary losses		
Loss on sale of non-current assets	-	10
Loss on retirement of non-current assets	20	42
Loss on sale of investment securities	87	-
Total extraordinary losses	108	53
Profit before income taxes	9,730	8,643
Income taxes	2,903	2,576
Profit	6,826	6,066
Profit attributable to non-controlling interests	62	44
Profit attributable to owners of parent	6,764	6,022

Quarterly Consolidated Statement of Comprehensive Income (For the nine months)

(Millions of yen)

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025
Profit	6,826	6,066
Other comprehensive income		
Valuation difference on available-for-sale securities	(509)	4,718
Revaluation reserve for land	-	(29)
Foreign currency translation adjustment	3	(148)
Remeasurements of defined benefit plans, net of tax	15	(22)
Total other comprehensive income	(491)	4,518
Comprehensive income	6,334	10,585
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,272	10,541
Comprehensive income attributable to non-controlling interests	62	44

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes in the case of significant changes in shareholders' equity)

(Purchase of treasury shares)

The Company resolved, on April 25, 2025, to purchase its treasury shares pursuant to the provisions of the Articles of Incorporation, as set forth in Article 459, Paragraph 1 of the Companies Act, and purchased 1,460,000 shares of treasury shares. As a result, during the nine months ended September 30, 2025, treasury shares increased by ¥2,794 million.

(Accounting policies adopted specially for the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

The Company makes a reasonable estimate of the effective tax rate after the application of tax effect accounting to profit before income taxes for the current fiscal year, including the third quarter under review, and multiplies profit before income taxes for the quarter by the estimated effective tax rate.

Income taxes - deferred are included in income taxes.

(Changes in accounting policies)

(Application of "Accounting Standard for Current Income Taxes", etc.)

The Company has adopted the "Accounting Standard for Current Income Taxes" (Accounting Standards Board of Japan [ASBJ] Statement No. 27, October 28, 2022; hereinafter referred to as the "2022 Revised Accounting Standard") from the beginning of the first quarter of the current fiscal year.

The amendments to the classification of income taxes (taxation on other comprehensive income) are in accordance with the transitional treatment set forth in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment set forth in the proviso to Paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022, hereinafter referred to as the "2022 Revised Guidance"). This change in accounting policy has no impact on the quarterly consolidated financial statements.

In addition, the Company has applied the 2022 Revised Guidance from the beginning of the first quarter of the current fiscal year to the revision related to the review of the treatment in the consolidated financial statements in the case of tax deferral of the gains and losses arising from the sale of shares of subsidiaries among consolidated companies. This change in accounting policy has been retrospectively applied to the quarterly consolidated financial statements and consolidated financial statements for the previous fiscal year. This change in accounting policy had no effect on the quarterly consolidated financial statements for the third quarter of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

(Additional information)

(Amendments to the amounts of deferred tax assets and deferred tax liabilities due to the change in the tax rate for income taxes)

In accordance with the "Act Partially Amending the Income Tax Act, etc." (Act No. 13 of 2025), which was enacted by the Diet on March 31, 2025, "tax measures to secure financial resources for strengthening defense capabilities (special defense corporation tax)" will be imposed starting from the consolidated fiscal years beginning on or after April 1, 2026.

In conjunction with this, deferred tax assets and deferred tax liabilities related to temporary differences expected to be eliminated in the fiscal years beginning on or after January 1, 2027, are calculated using the statutory effective tax rate of 31.4% compared to the previous rate of 30.5%.

The impact of this tax rate change is immaterial.

(Segment information, etc.)

I. For the nine months ended September 30, 2024 (from January 1, 2024 to September 30, 2024)

1. Information on net sales and profit (loss) by reportable segment and information on composition of revenue

(Million yen)

	Reportable segment			Other (Note) 1	Total	Adjustment (Note) 2	Amount recorded in quarterly consolidated statements of income (Note) 3
	Chemicals operations	Housing Materials operations	Total				
Net sales							
Inorganic chemicals	11,180	-	11,180	-	11,180	-	11,180
Organic chemicals	17,947	-	17,947	-	17,947	-	17,947
Fine chemicals	9,364	-	9,364	-	9,364	-	9,364
Interior, exterior finishes and paving materials	-	919	919	-	919	-	919
Exterior products	-	12,794	12,794	-	12,794	-	12,794
Other	-	-	-	775	775	-	775
Revenue from contracts with customers	38,491	13,714	52,206	775	52,981	-	52,981
Other revenue	-	-	-	17	17	-	17
Net sales to outside customers	38,491	13,714	52,206	792	52,999	-	52,999
Inter-segment net sales or transfers	5	2	7	204	211	(211)	-
Total	38,497	13,716	52,213	997	53,210	(211)	52,999
Segment profit	6,695	630	7,325	86	7,412	142	7,555

(Notes) 1. The “Other” category represents business segments not included in the reportable segments and includes the IT systems operations and food operations.

2. The adjustment for segment profit of ¥142 million includes profit (loss) and others not allocated to each reportable segment.

3. Segment profit is adjusted with operating profit on the quarterly consolidated statements of income.

II. For the nine months ended September 30, 2025 (from January 1, 2025 to September 30, 2025)

1. Information on net sales and profit (loss) by reportable segment and information on composition of revenue

(Million yen)

	Reportable segment			Other (Note) 1	Total	Adjustment (Note) 2	Amount recorded in quarterly consolidated statements of income (Note) 3
	Chemicals operations	Housing Materials operations	Total				
Net sales							
Inorganic chemicals	10,815	-	10,815	-	10,815	-	10,815
Organic chemicals	14,395	-	14,395	-	14,395	-	14,395
Fine chemicals	13,041	-	13,041	-	13,041	-	13,041
Interior, exterior finishes and paving materials	-	953	953	-	953	-	953
Exterior products	-	12,405	12,405	-	12,405	-	12,405
Other	-	-	-	842	842	-	842
Revenue from contracts with customers	38,253	13,359	51,613	842	52,455	-	52,455
Other revenue	-	-	-	18	18	-	18
Net sales to outside customers	38,253	13,359	51,613	860	52,473	-	52,473
Inter-segment net sales or transfers	11	2	14	195	209	(209)	-
Total	38,264	13,362	51,627	1,055	52,683	(209)	52,473
Segment profit	7,915	151	8,066	78	8,145	129	8,275

(Notes) 1. The “Other” category represents business segments not included in the reportable segments and includes the IT systems operations and food operations.

2. The adjustment for segment profit of ¥129 million includes profit (loss) and others not allocated to each reportable segment.

3. Segment profit is adjusted with operating profit on the quarterly consolidated statements of income.

(Notes to statements of cash flows)

No quarterly consolidated statements of cash flows were prepared for the nine months ended September 30, 2025. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the nine months ended September 30 are as follows.

(Million yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Depreciation	2,219	2,456
Amortization of goodwill	-	152