

The 100th Annual General Meeting of Shareholders

June 22, 2022

SEKISUI CHEMICAL CO., LTD.

Audit Report

Matters for Reporting

Net sales

FY2020 Results

JPY

1,056.5bn

FY2021 Results

JPY

1,157,9bn

(+101.3bn)

Operating profit

FY2020 Results

JPY

67.3bn

FY2021 Results

JPY

88.8bn

(+21.5bn)

Ordinary profit

FY2020 Results

JPY

62.6bn

FY2021 Results

JPY

97.0bn

(+34.3bn)

Profit attributable to owners of the parent

FY2020 Results

JPY

41.5bn

FY2021 Results

JPY

37.0bn

(-4.4bn)

- Recovered orders for new housing construction and housing renovation
- Contributed to the Town and Community Development business and Real Estate business
- Expansion of sales volume and cost reduction even with the effects of high material costs



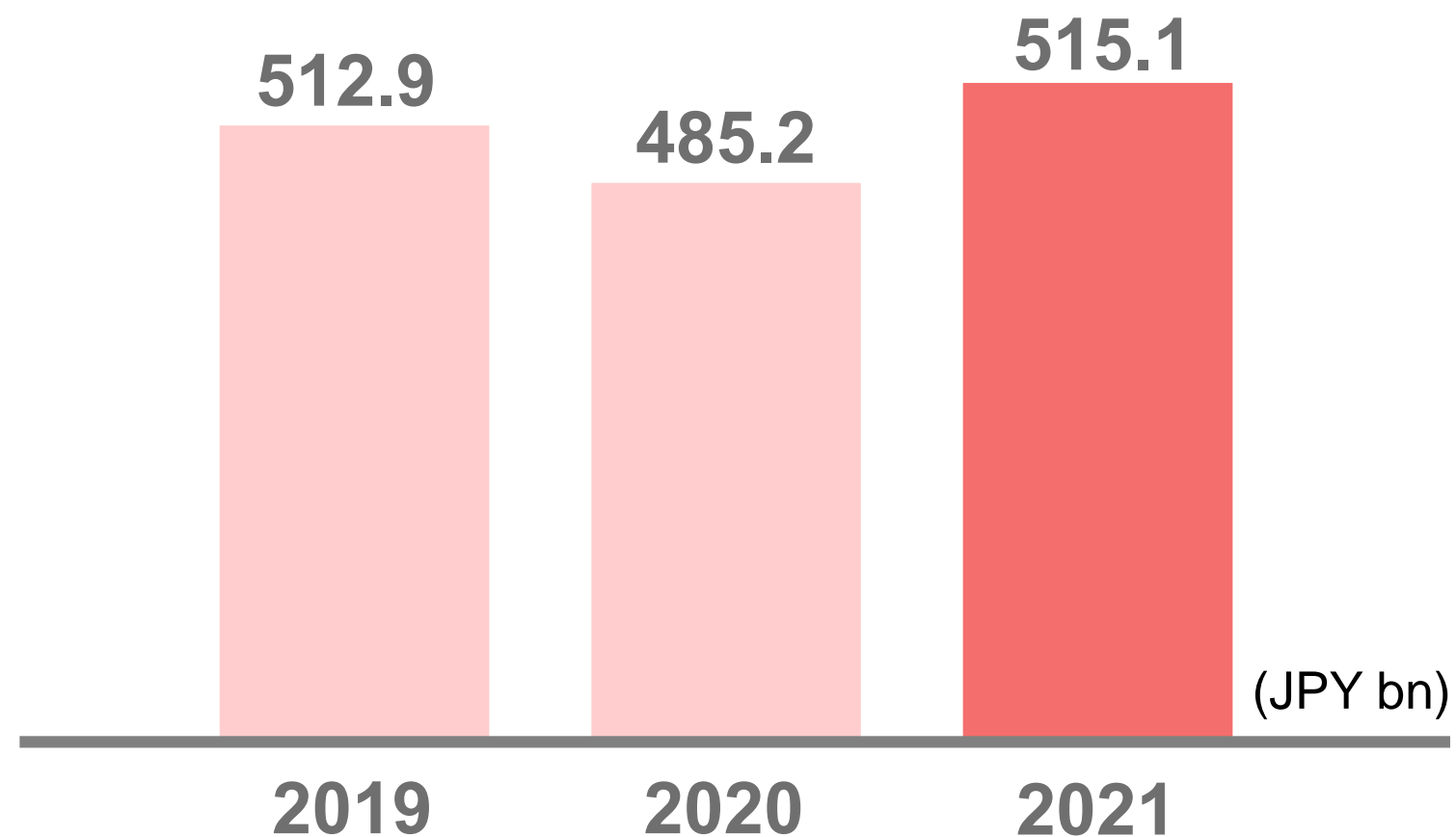
SMART HEIM



Periodic diagnosis

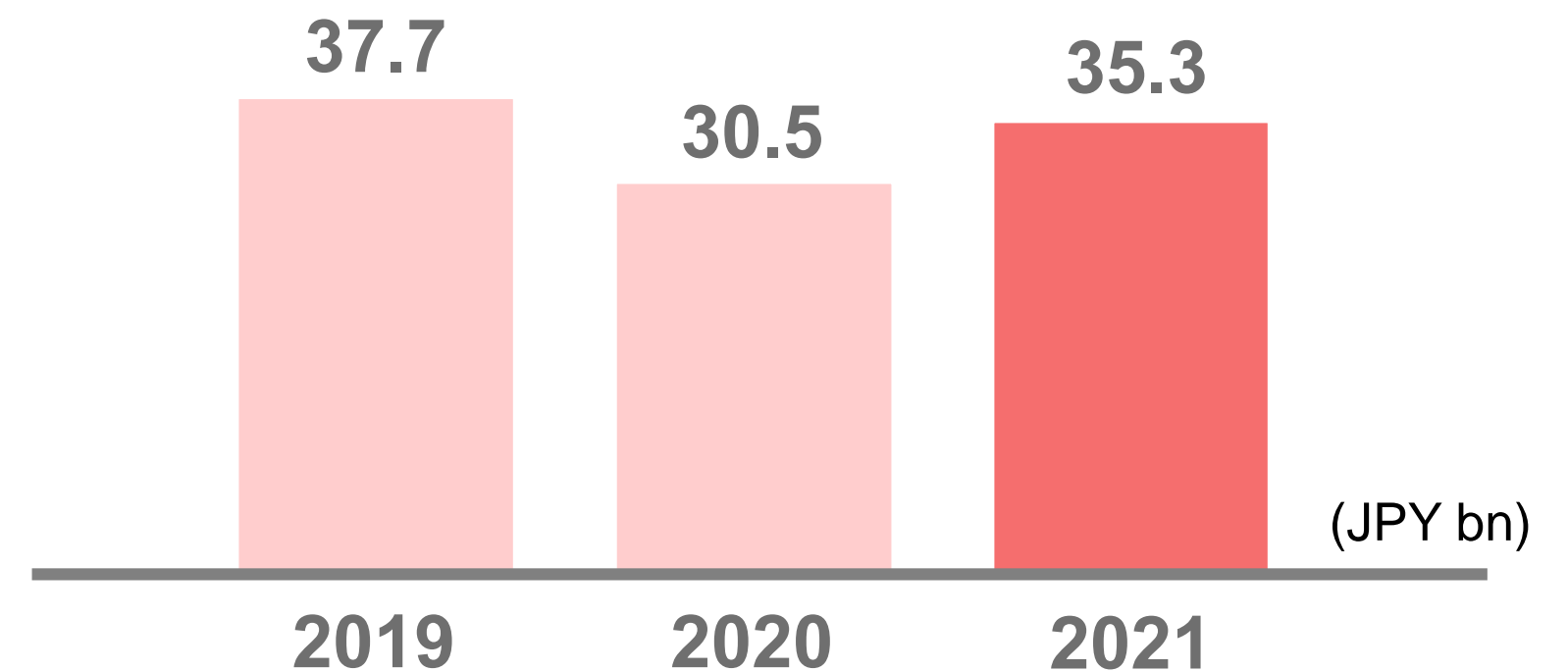
Net sales

JPY
515.1bn
(+29.9bn)



Operating profit

JPY
35.3bn
(+4.7bn)



- The effect of sluggish building market conditions such as for domestic office buildings or the like, and property delays overseas
- Even with the effects of high material costs, firm domestic housing market and strong demand for capital investment domestic and overseas
- Expansion of sales volume and selling price improvement

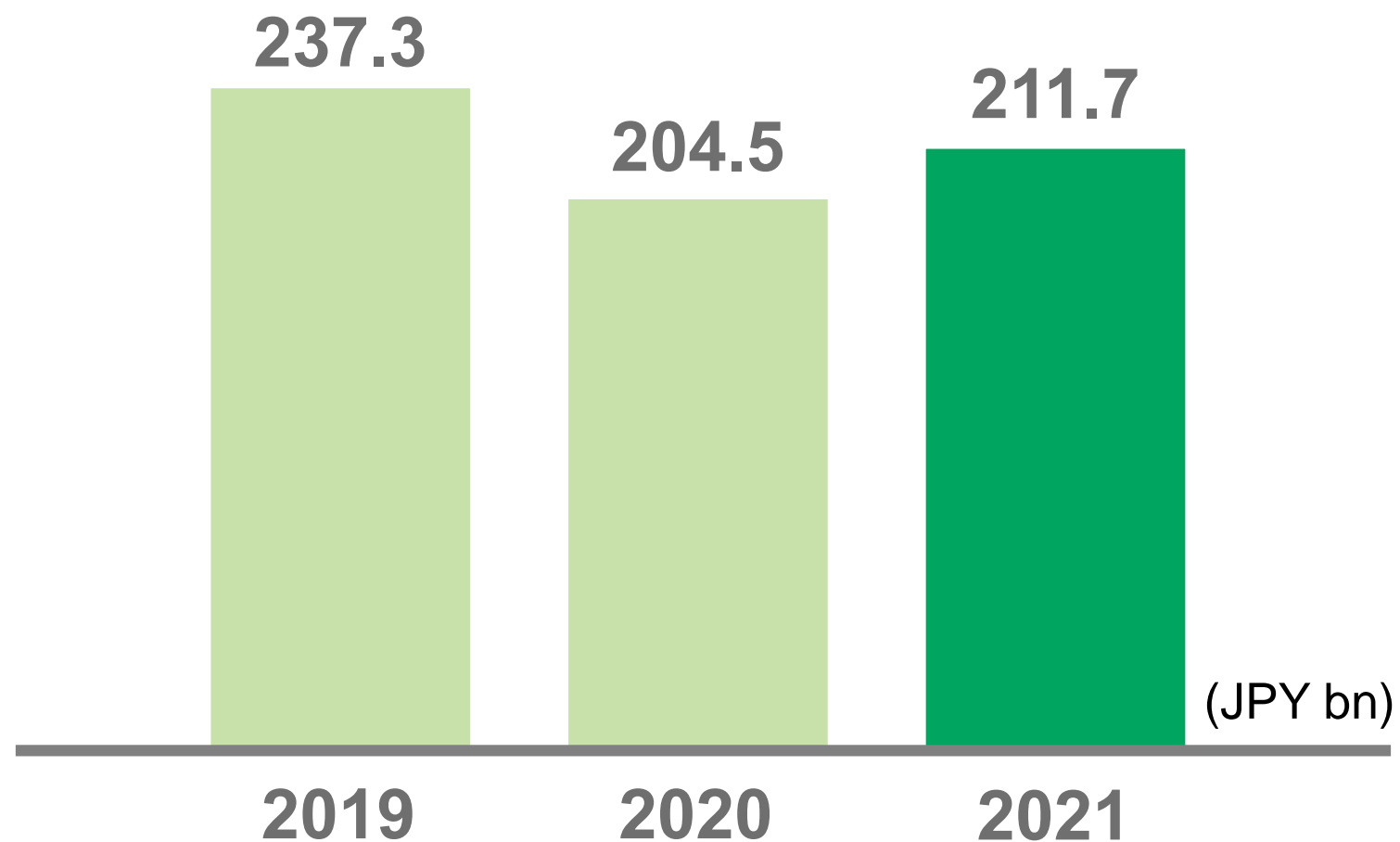


Earthquake-resistant high-performance
polyethylene pipes

Eslon Plant Hyper BK

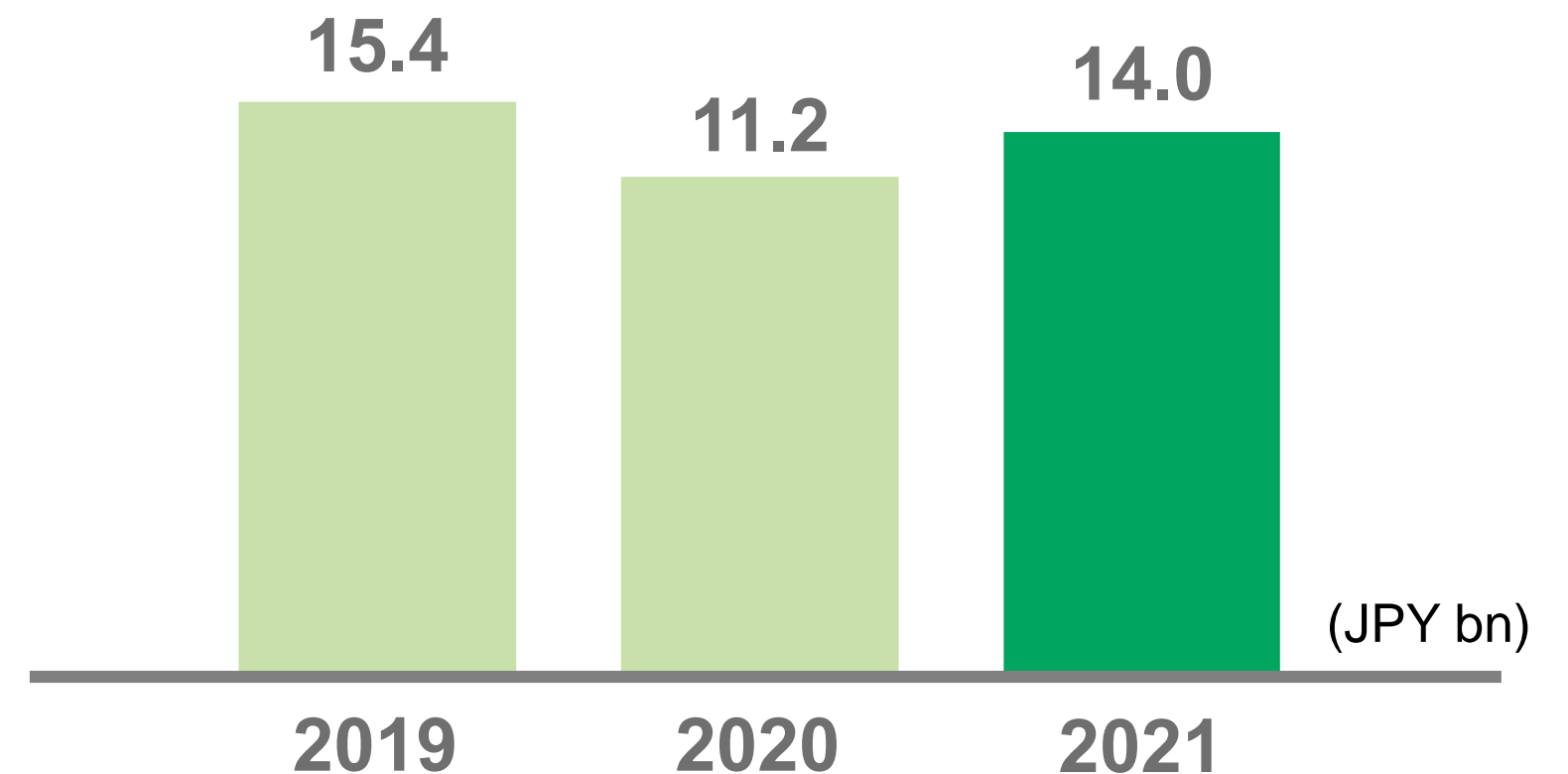
Net sales

JPY
211.7bn
(+7.1bn)



Operating profit

JPY
14.0bn
(+2.8bn)



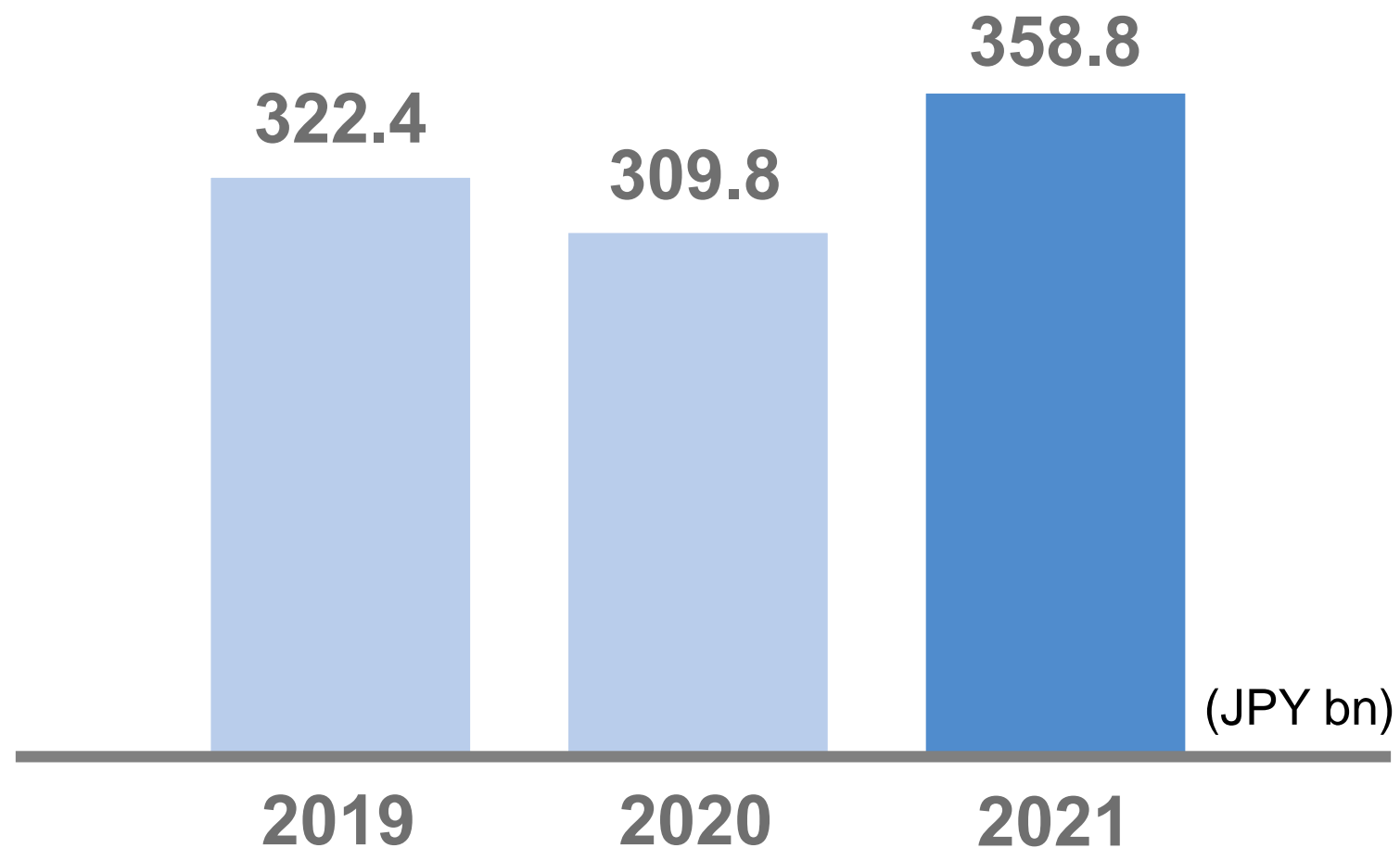
- **Shortages in the supply of semiconductors and transport containers**
- **Effect of high raw material costs that are significantly higher than expected**
- **Recovered by expanding sales volume of high-performance products, improving selling prices, and reducing costs**



High-performance interlayer films

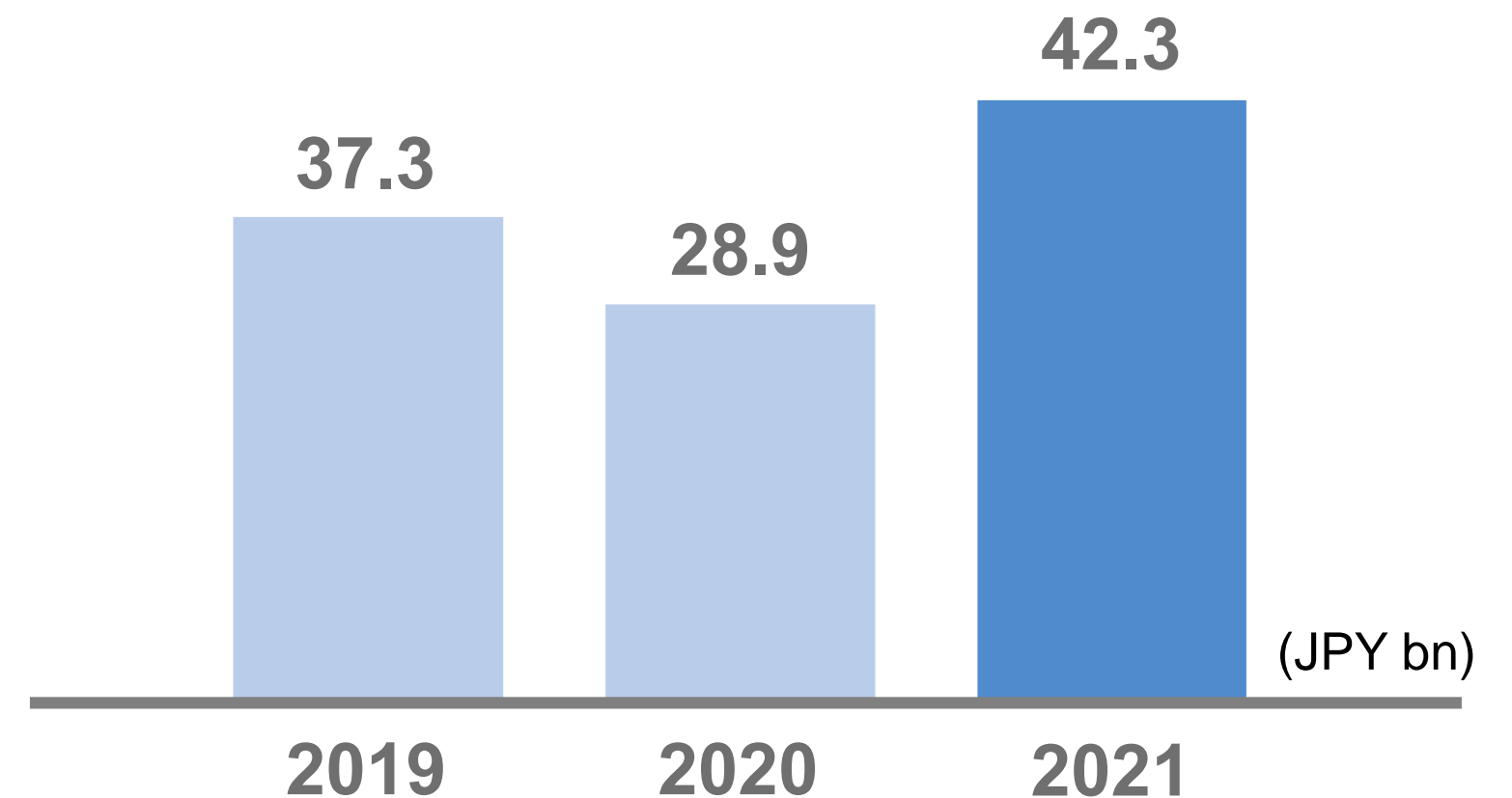
Net sales

JPY
358.8bn
(+48.9bn)



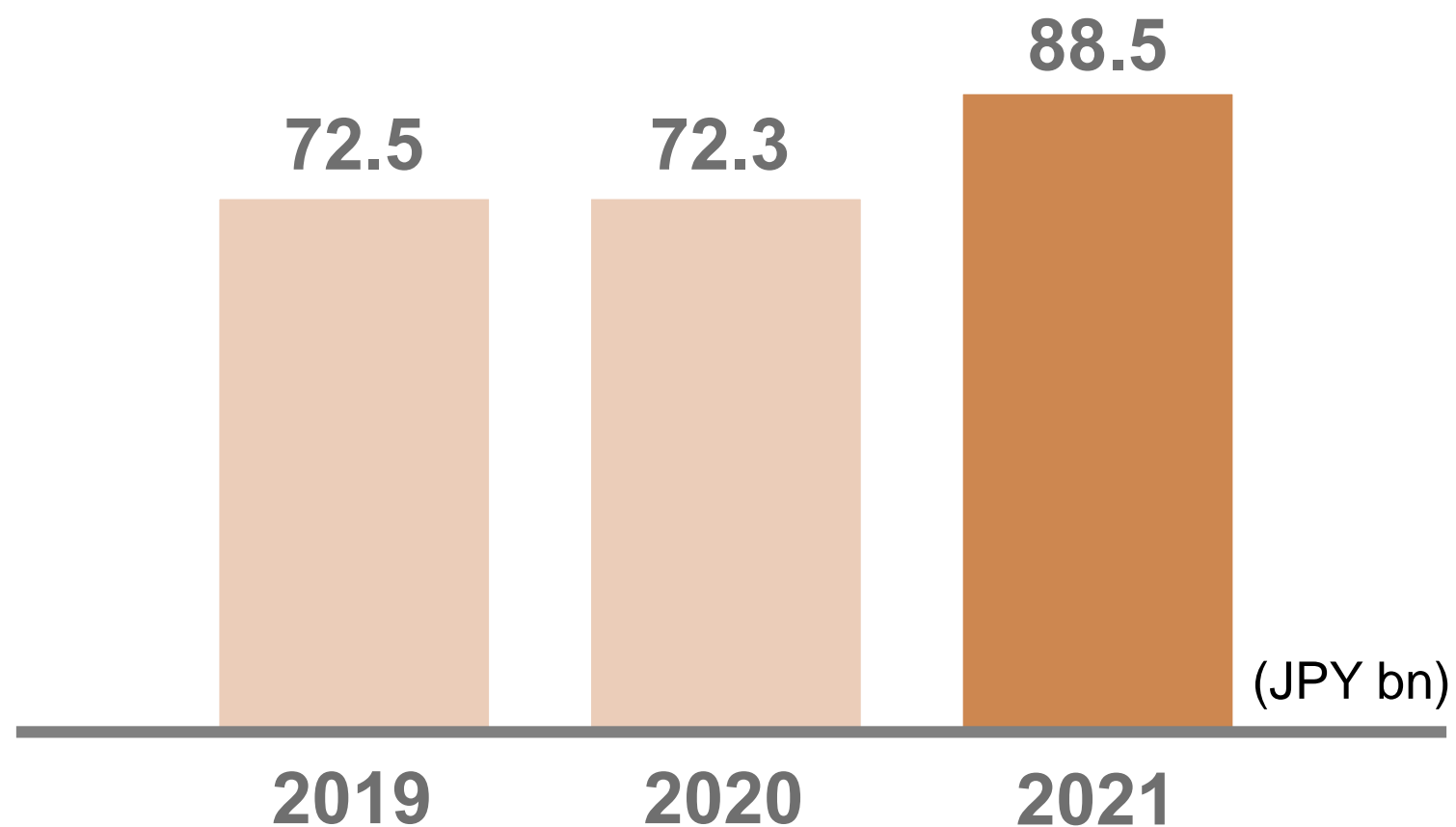
Operating profit

JPY
42.3bn
(+13.4bn)



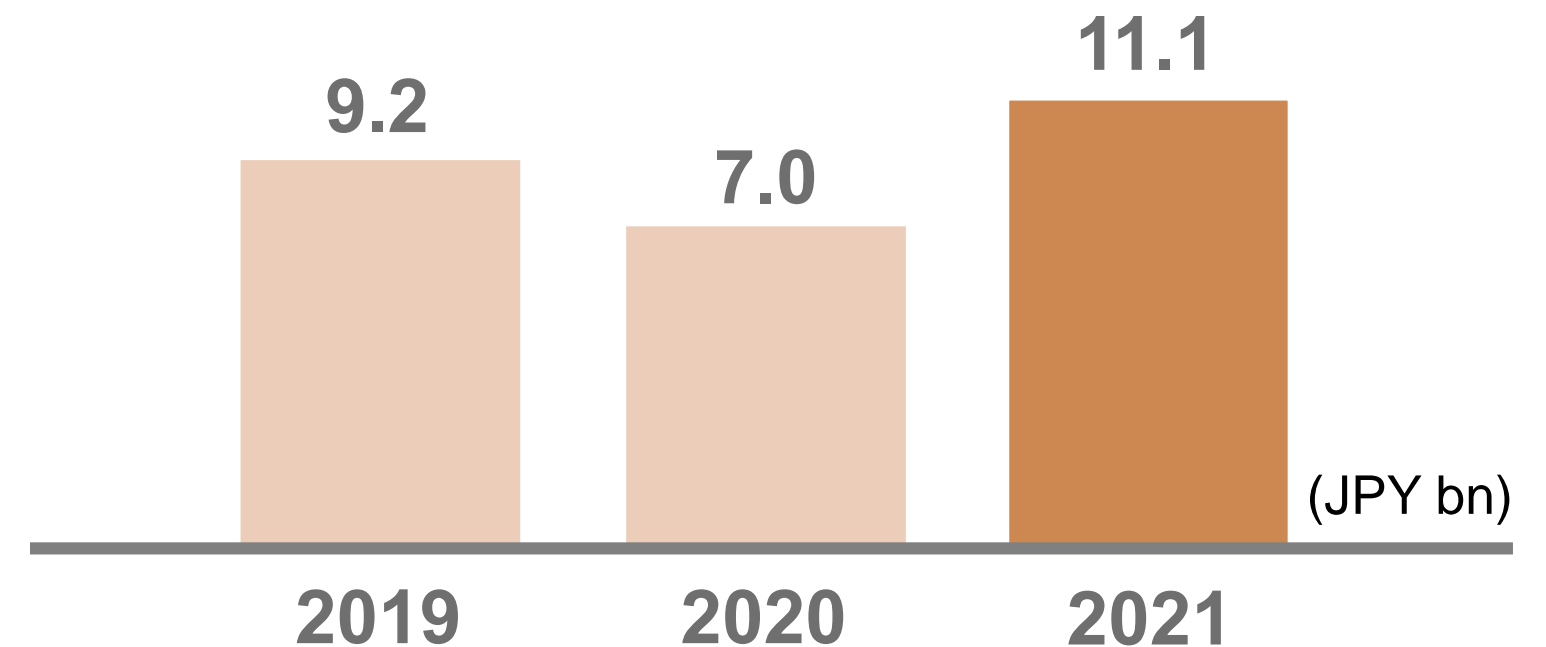
Net sales

JPY
88.5bn
(+16.1bn)



Operating profit

JPY
11.1bn
(+4.1bn)



(JPY bn)	FY2021 Results	FY2022 Plan	YoY
Net sales	1,157.9	1,241.6	+83.6
Operating profit	88.8	100.0	+11.1
Ordinary profit	97.0	100.0	+2.9
Profit attributable to owners of the parent	37.0	66.5	+29.4

**Increase revenue and profit in all segments,
to highest profit update**

- Strengthening web marketing and promoting the development of experience-based facilities
- Launch of products corresponding to the new normal and expansion of subdivision and ready-build houses sales
- Expansion of the purchase and resale brand "Be HEIM"



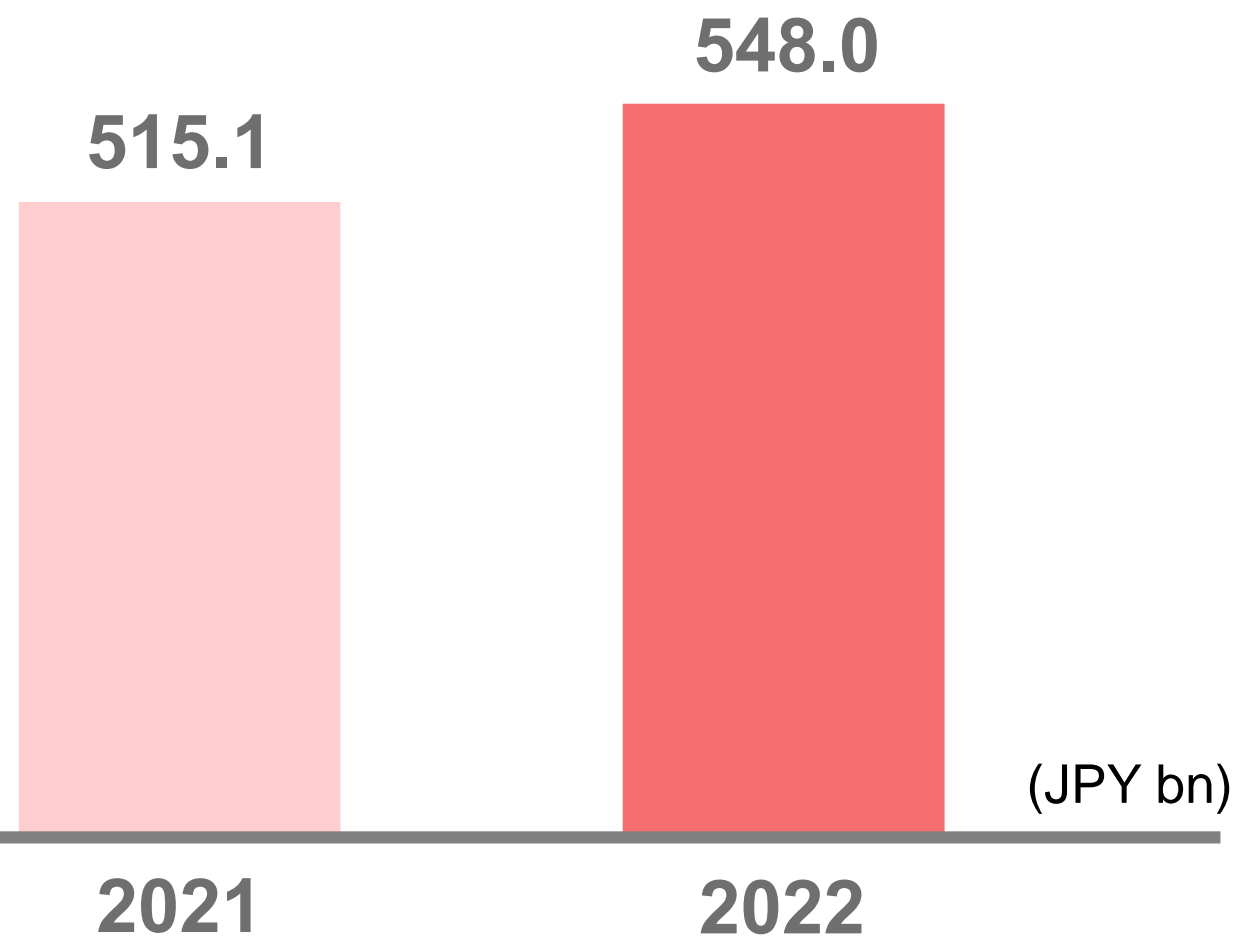
**Experience-based facility
Heim unit VR**



Resilience 100 STAY & WORK model TS

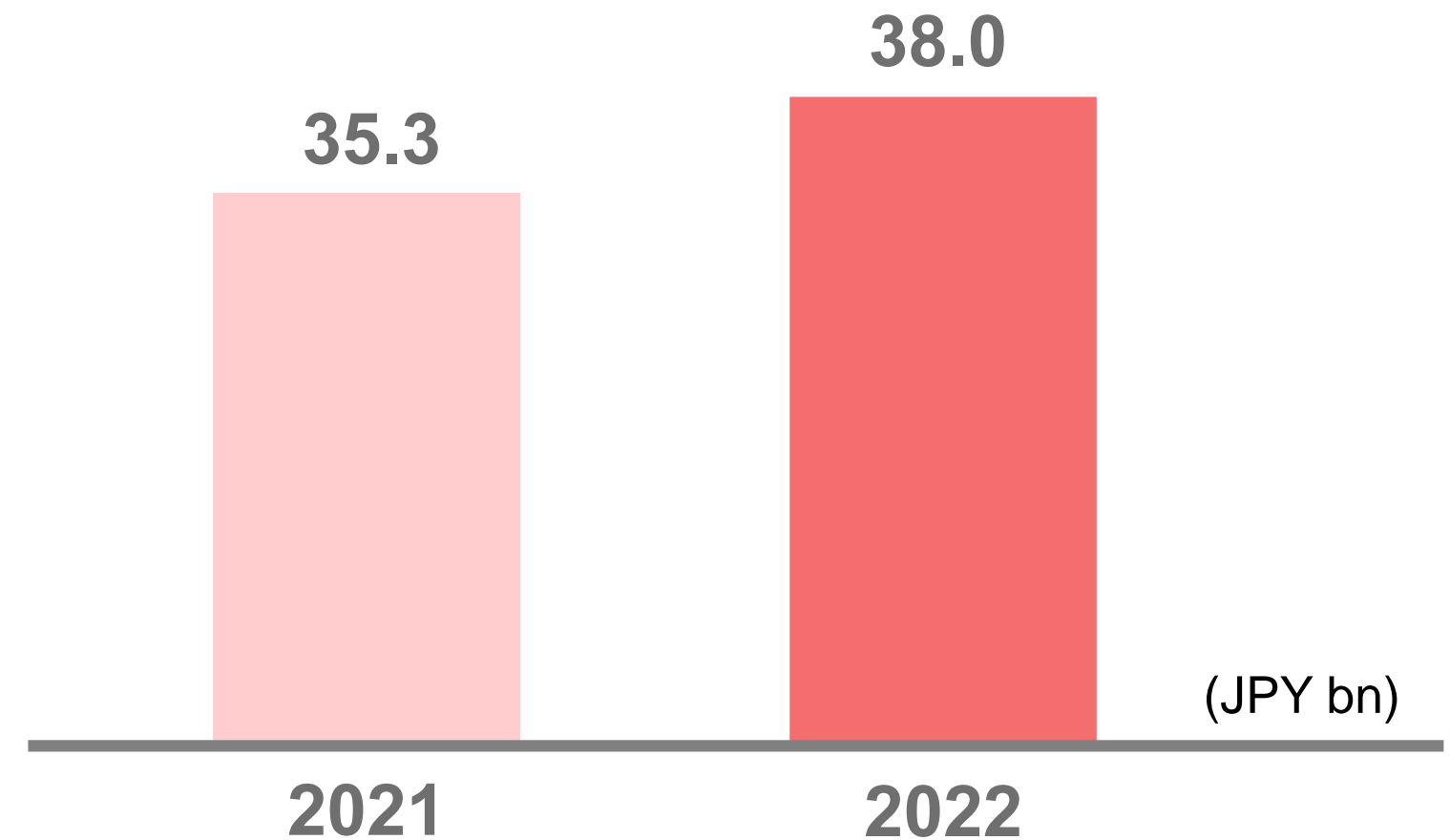
Net sales

JPY
548.0bn
(+32.8bn)



Operating profit

JPY
38.0bn
(+2.6bn)



Launching the Sustainable Town and Community Development Project

— From design, development and operation, handled total in-house by our company —

第30回
地球環境大賞
Since 1992

Above ground: **Energy self-sufficient**
energy-saving housing

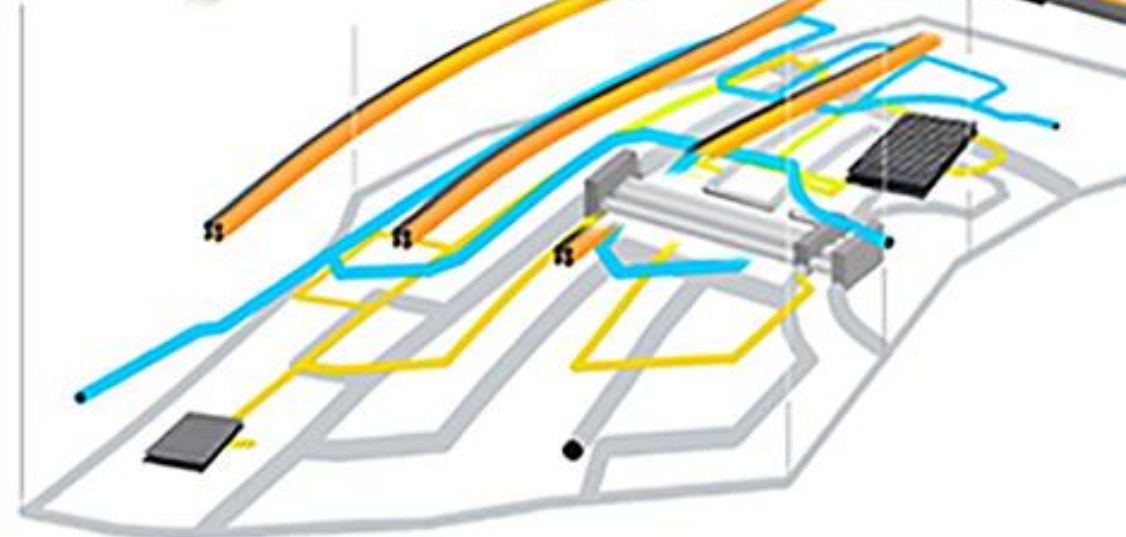
Detached houses
and condominiums

Underground:
Build **infrastructure**
to handle for
natural disaster

Land, electricity,
water and
gas infrastructure

Operation and management:
Development of a town and
community where **diverse**
people and nature coexist

Town management



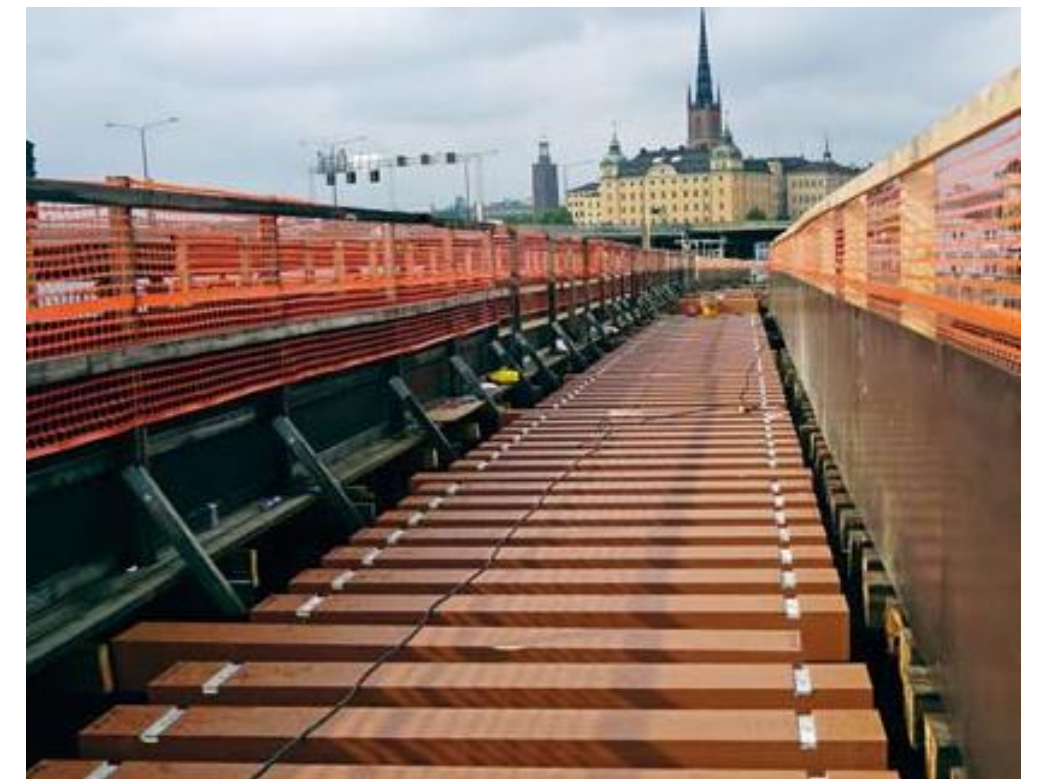
- Expanded sales of prioritized products and new products
- Expansion of overseas business and improving selling prices
- Improved productivity through DX and production automation



**SPR sewerage pipeline
rehabilitation method**



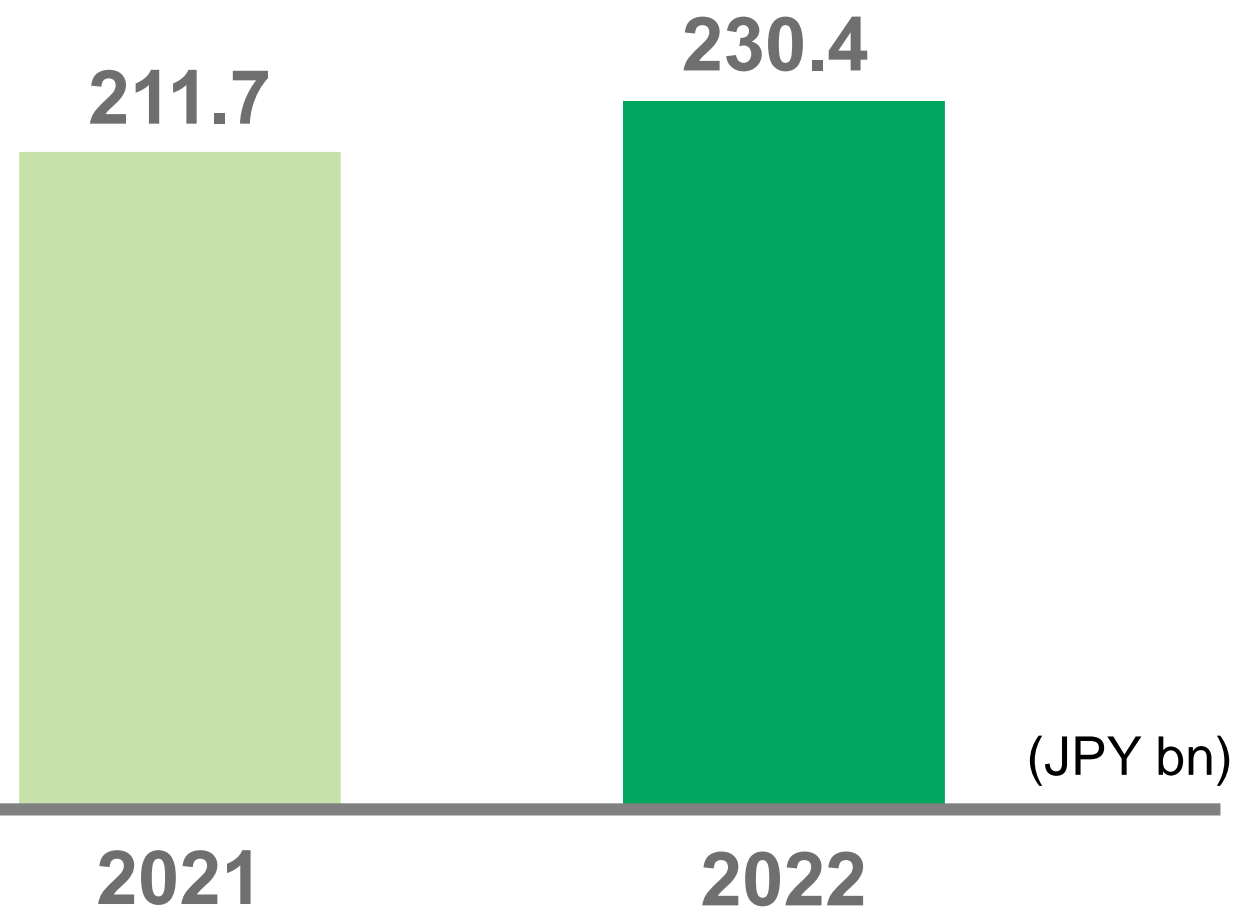
**Earthquake-resistant
high-performance polyethylene pipes**



**Synthetic railway sleepers
(FFU)**

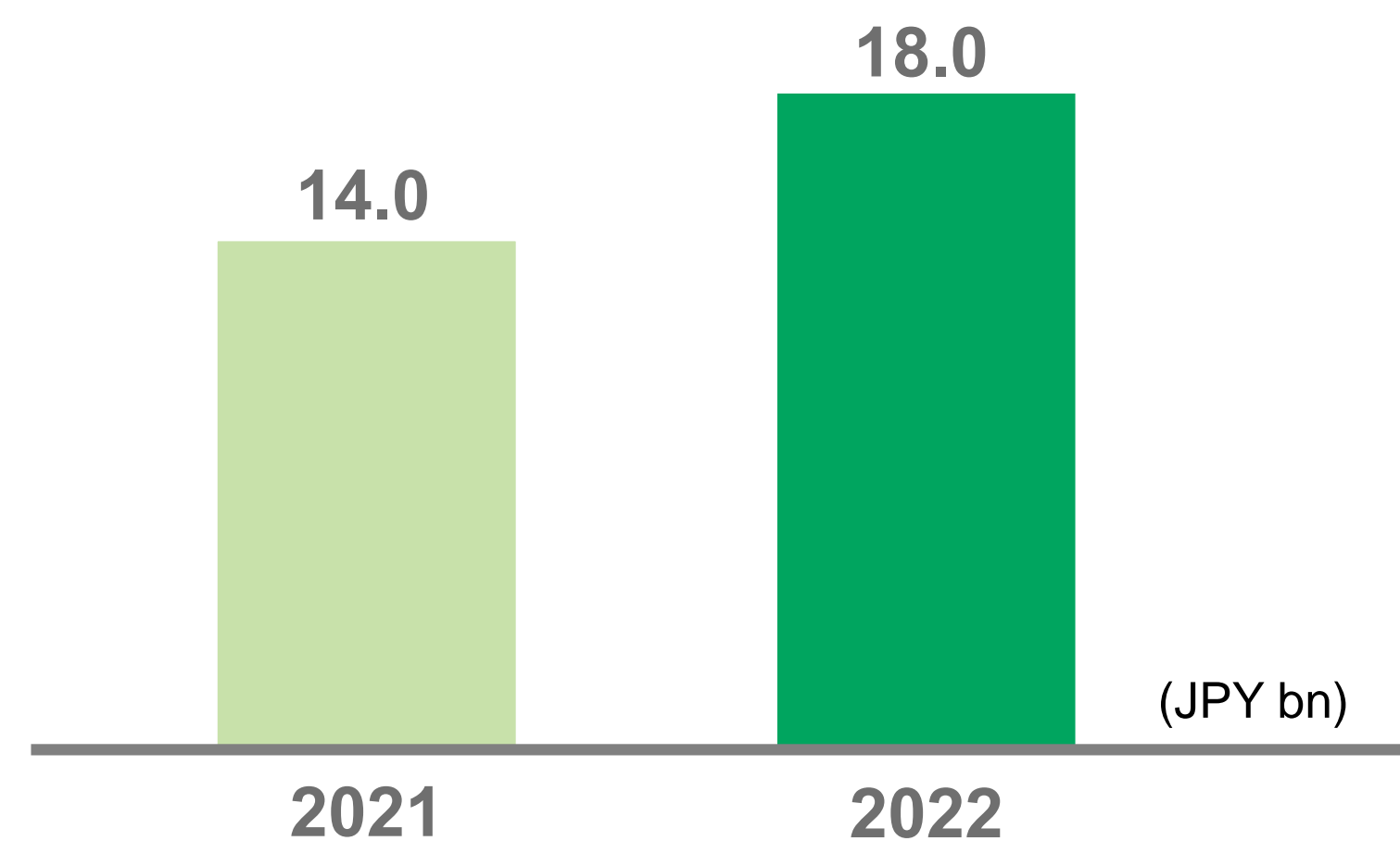
Net sales

JPY
230.4bn
(+18.6bn)



Operating profit

JPY
18.0bn
(+3.9bn)



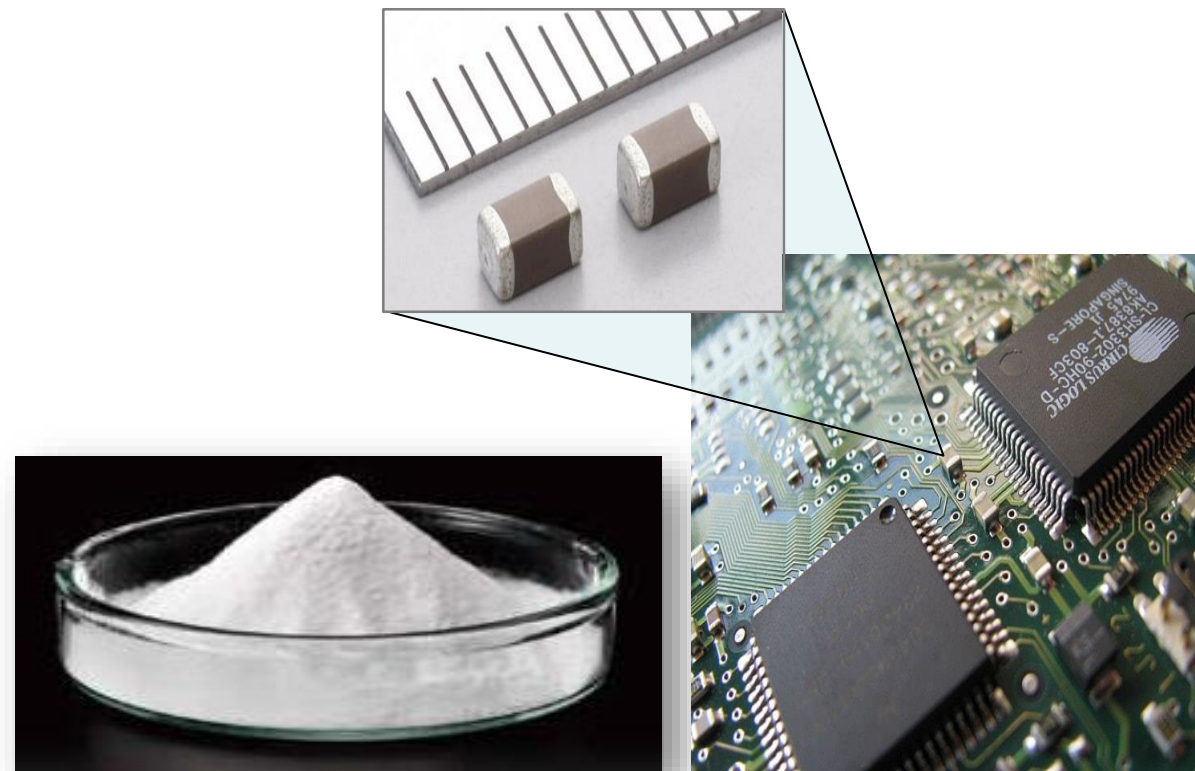


Chiba Solution Center appearance



**Thermal expansion and contraction
testing lab**

- Shift to growth measures in strategic fields
- Accelerating sales in the non-LCD field and expanding sales of high-performance interlayer film
- Expansion of the fire-resistant materials business



Semiconductor processing material



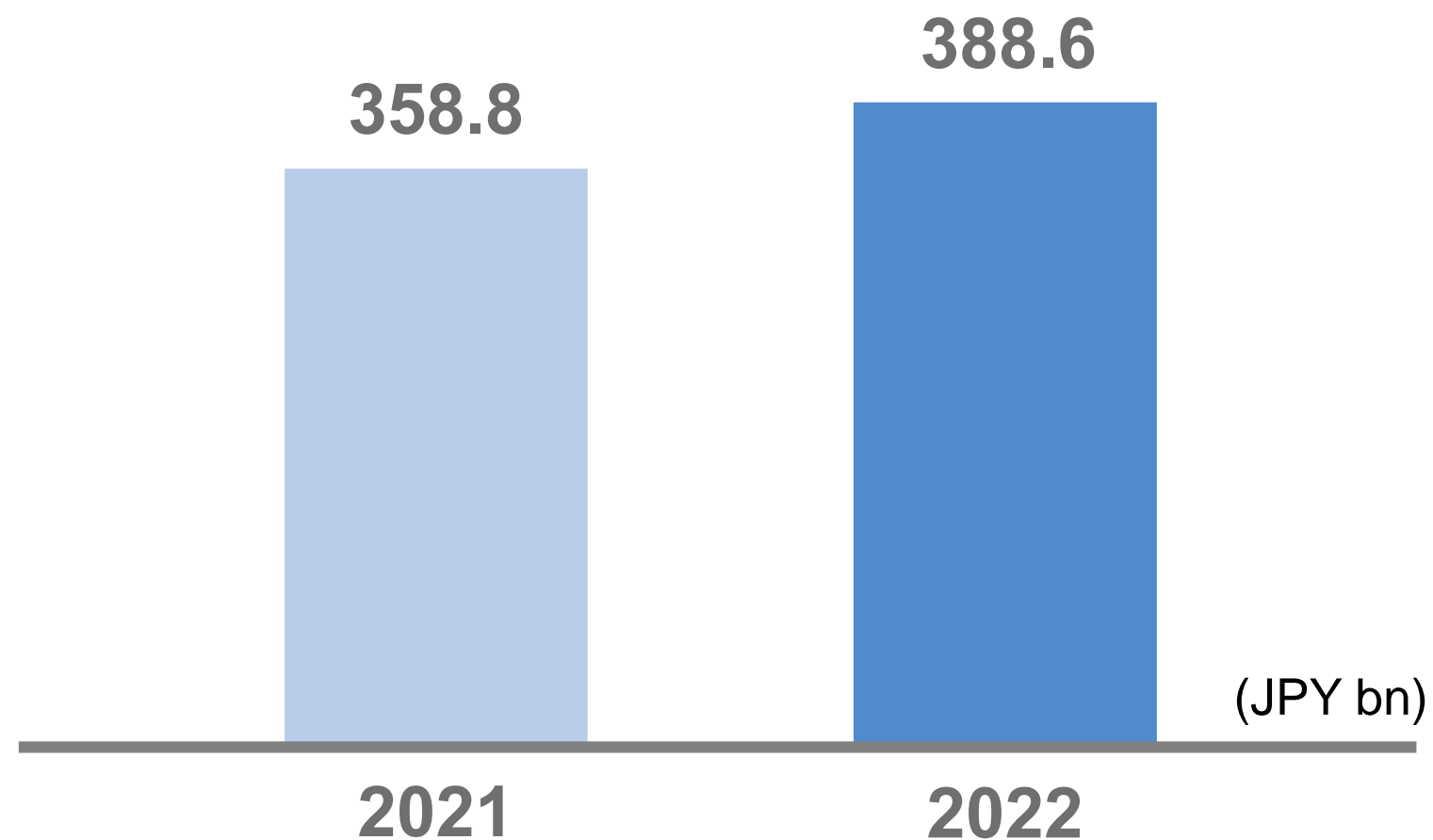
High-performance interlayer films



Thermal insulating urethane foam material for onsite use

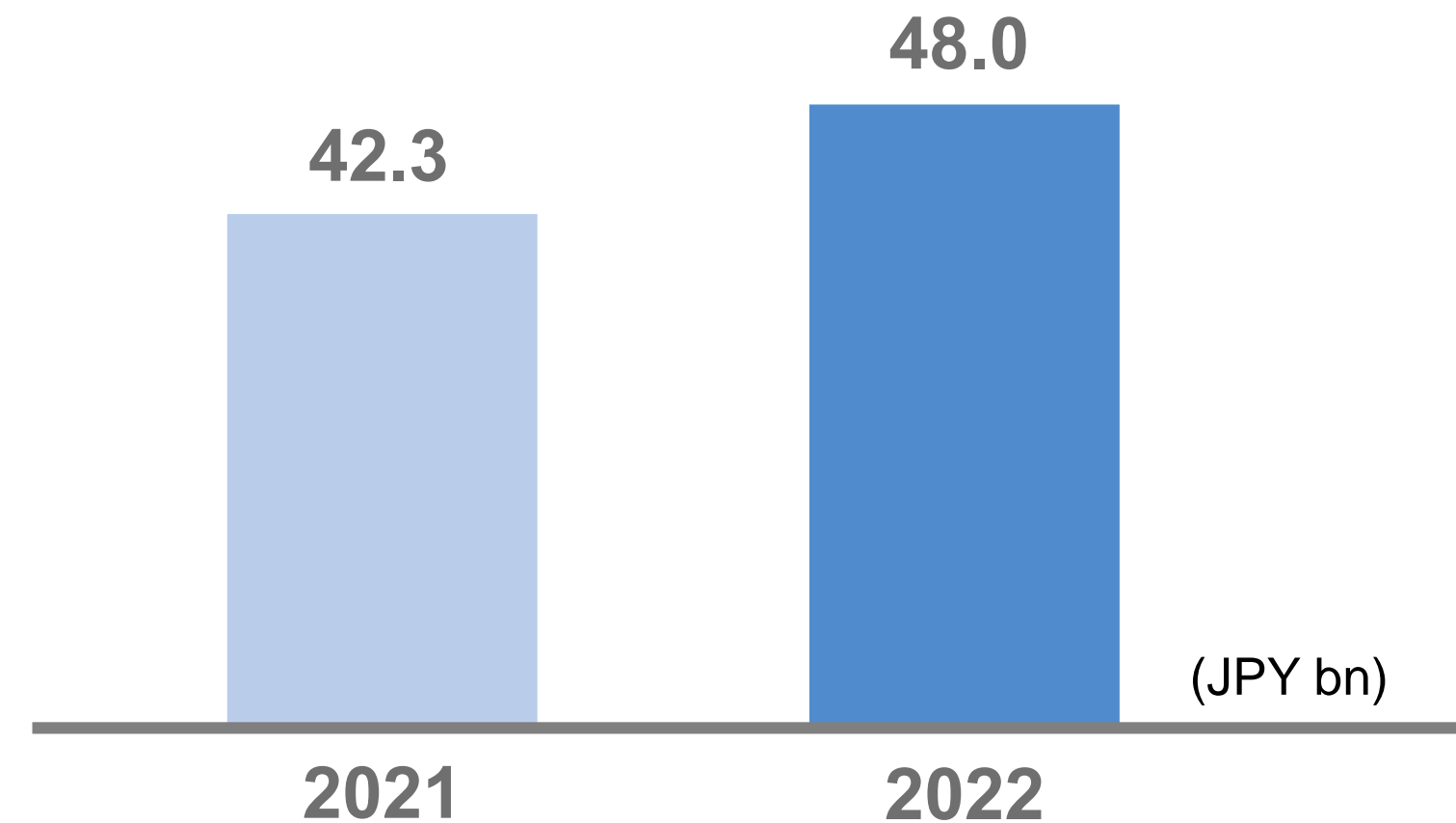
Net sales

JPY
388.6bn
(+29.7bn)

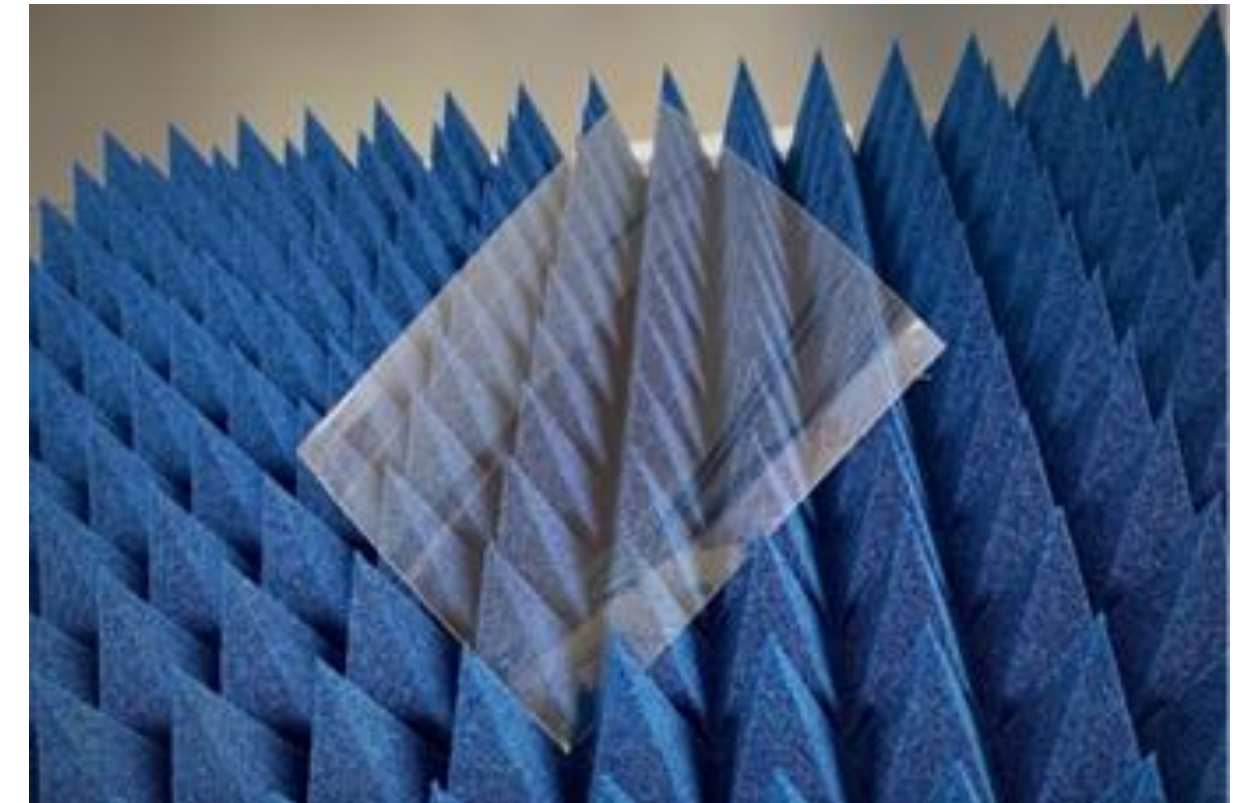
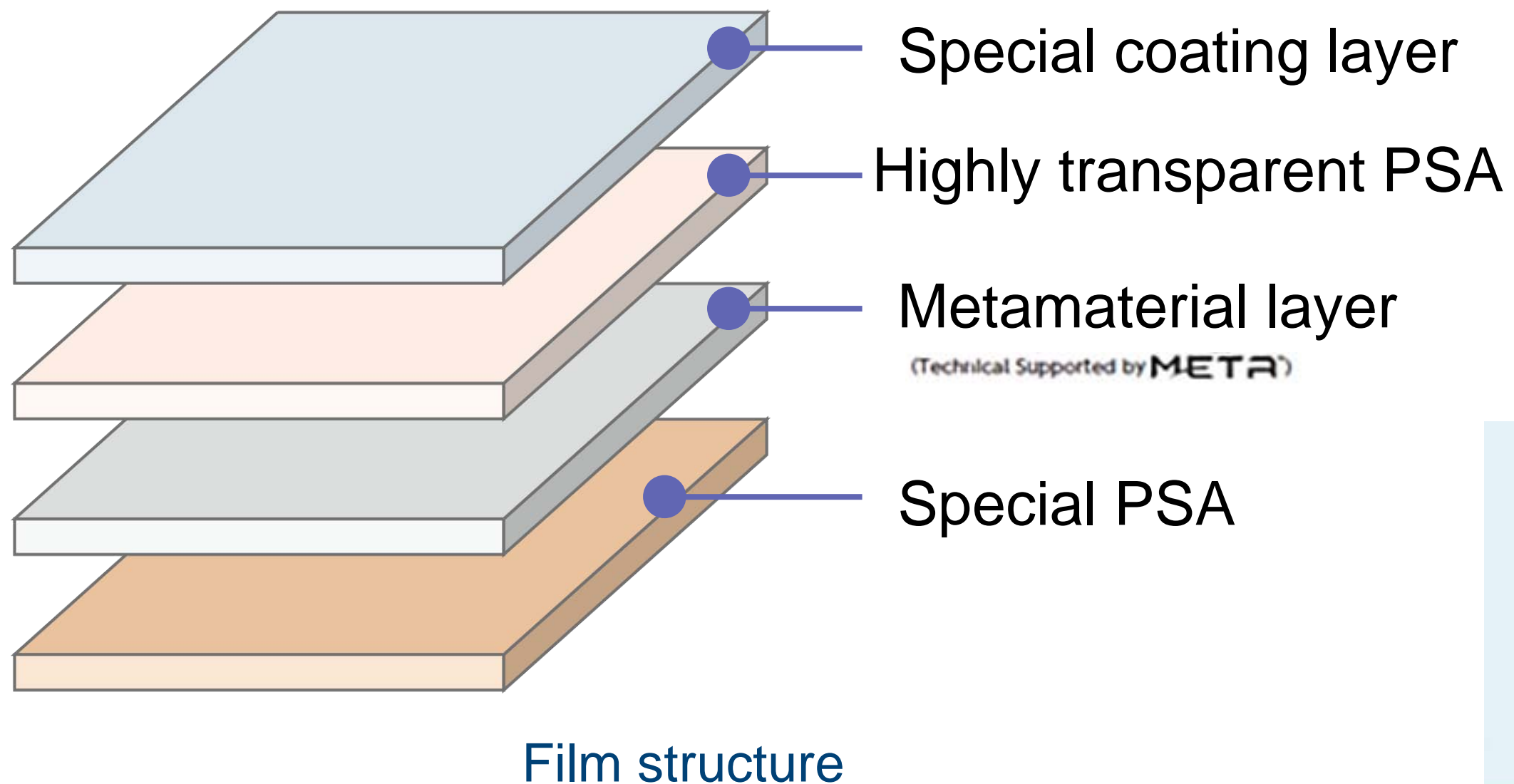


Operating profit

JPY
48.0bn
(+5.6bn)



Transparent and Flexible Radio Wave Reflection Film for 5G Communication



- Expanded sales of new blood coagulation analyzers and high-value-added products
- Sales promotion of new APIs and new orders for drug development solutions



**New blood coagulation
analyzers**



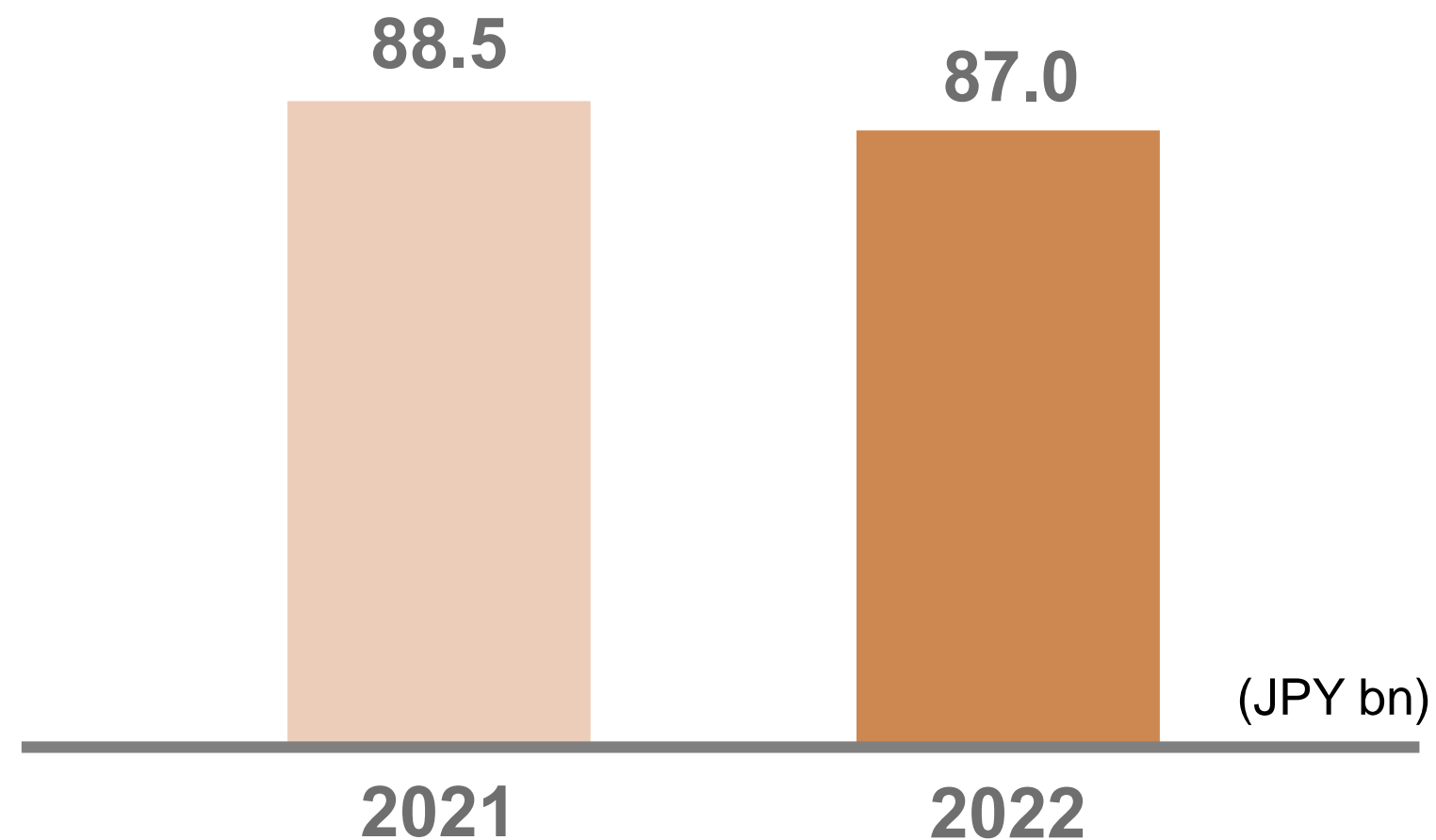
Reagents for cholesterol test



Rapid infection test kit

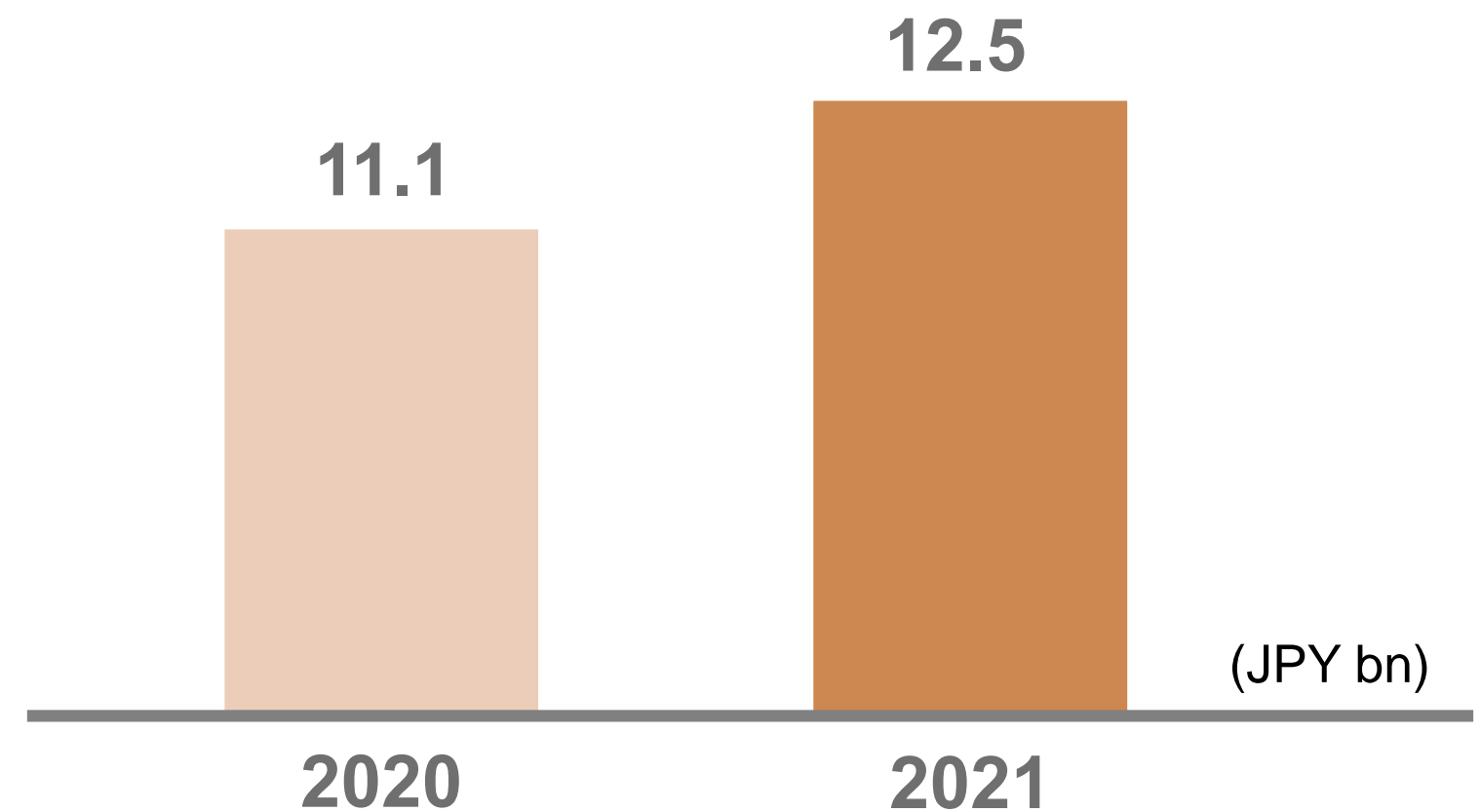
Net sales

JPY
87.0bn
(-1.5bn)

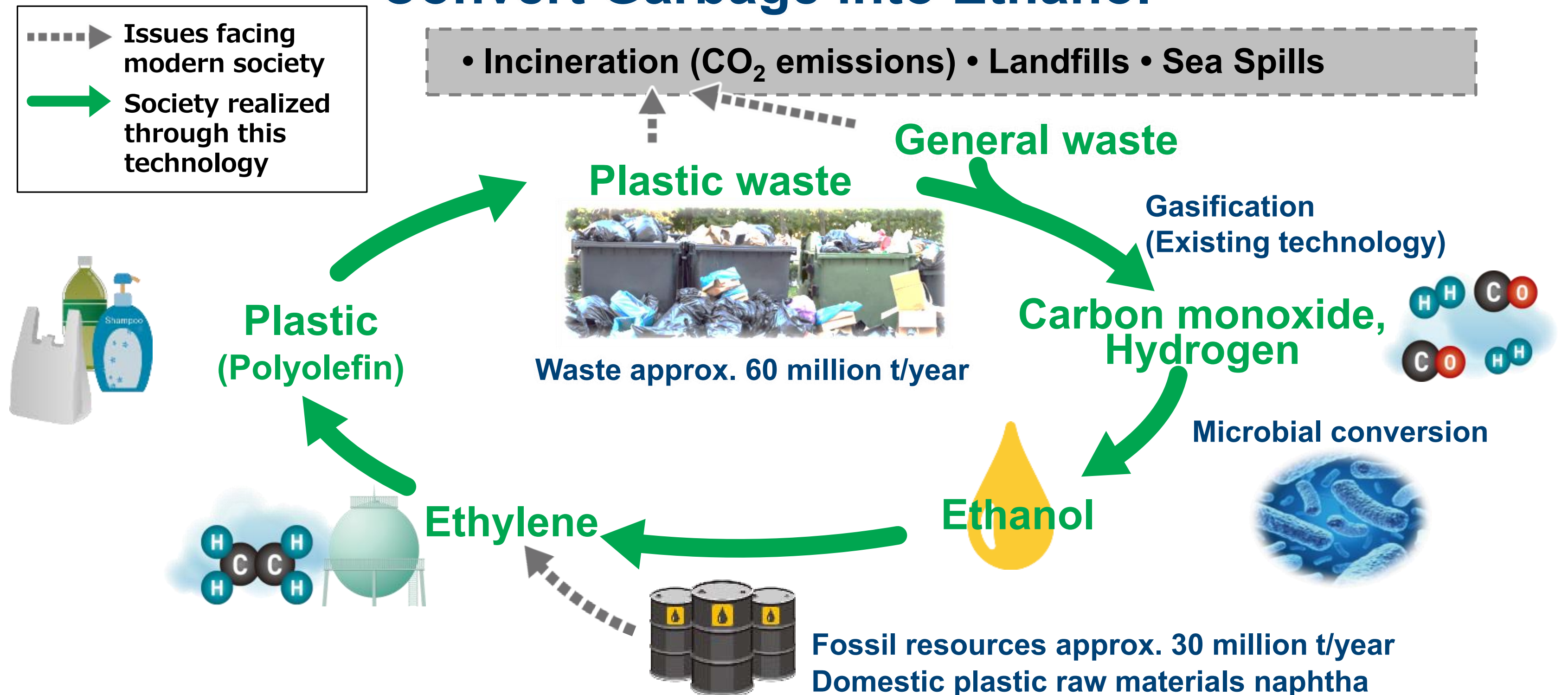


Operating profit

JPY
12.5bn
(+1.3bn)



Bio-refinery (BR), the World's First Technology to Convert Garbage into Ethanol



R&D Initiatives and Progress

(1) Bio-refinery



Demonstration plant
Aerial photograph

R&D Initiatives and Progress

(1) Bio-refinery

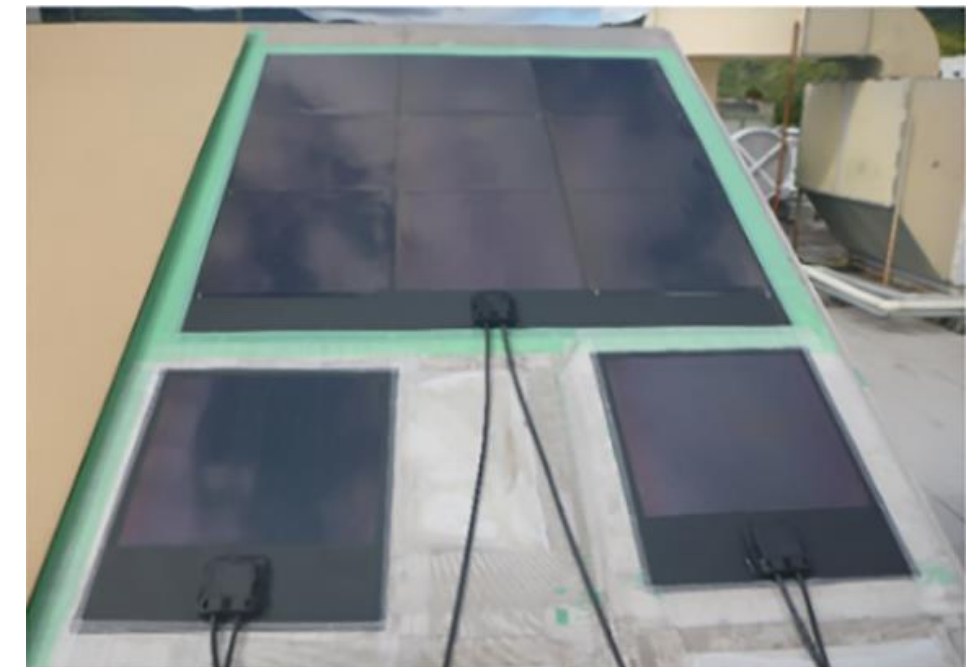
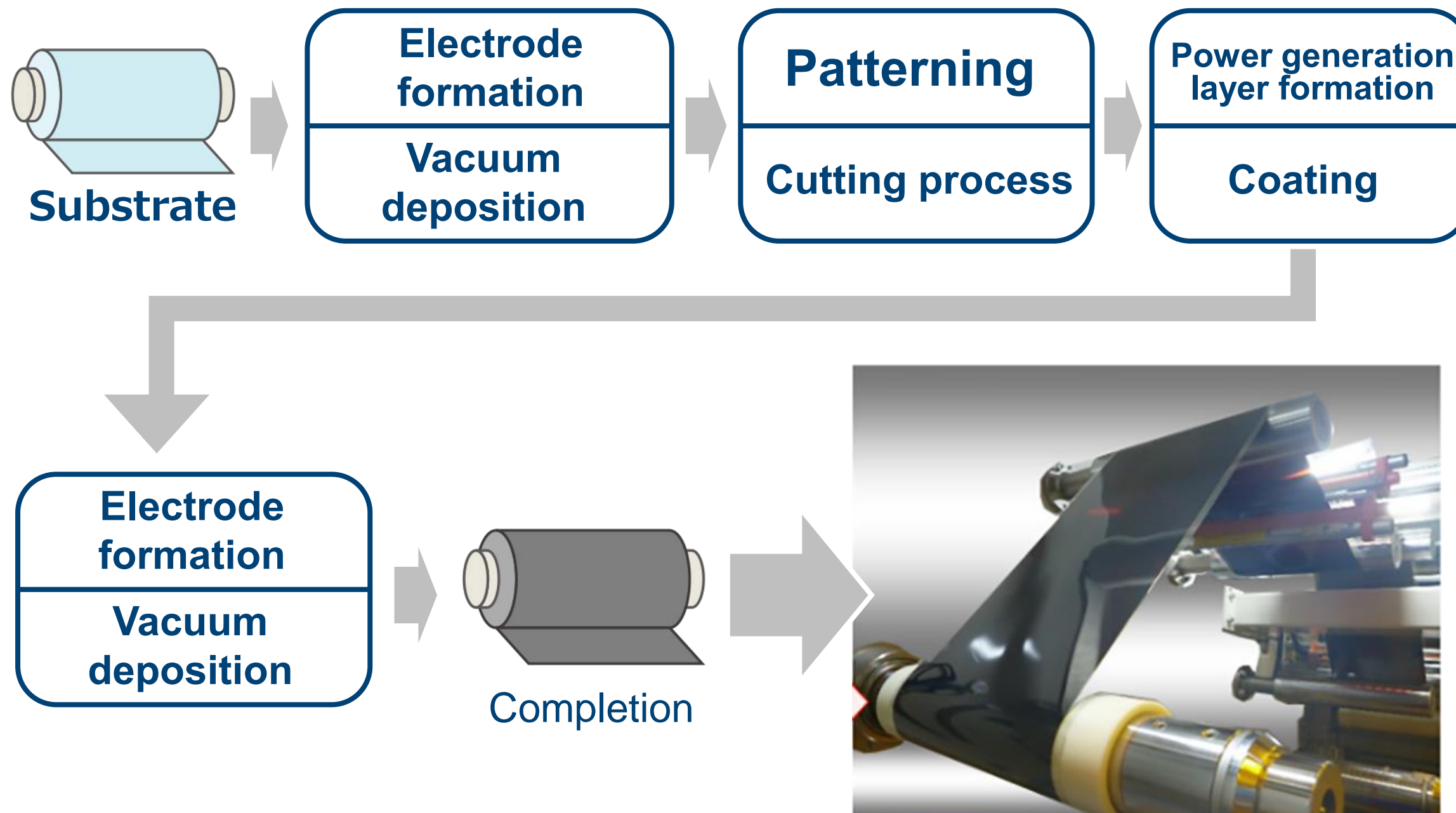


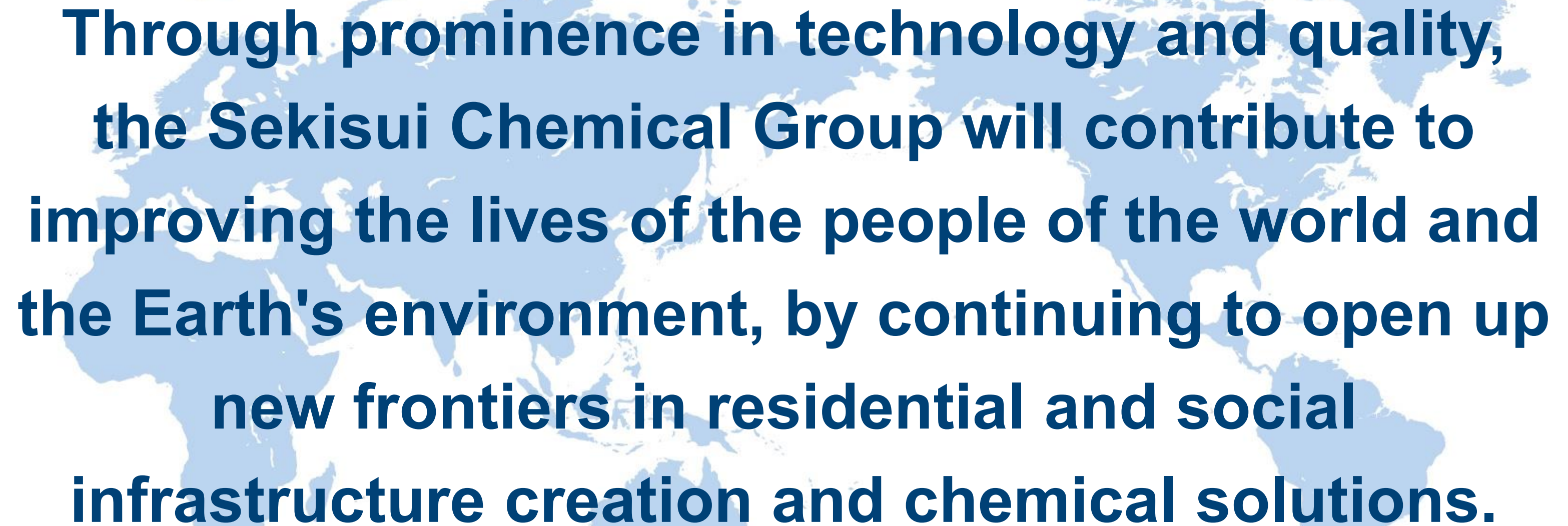
R&D Initiatives and Progress

(2) Film-type Perovskite Photovoltaic Battery

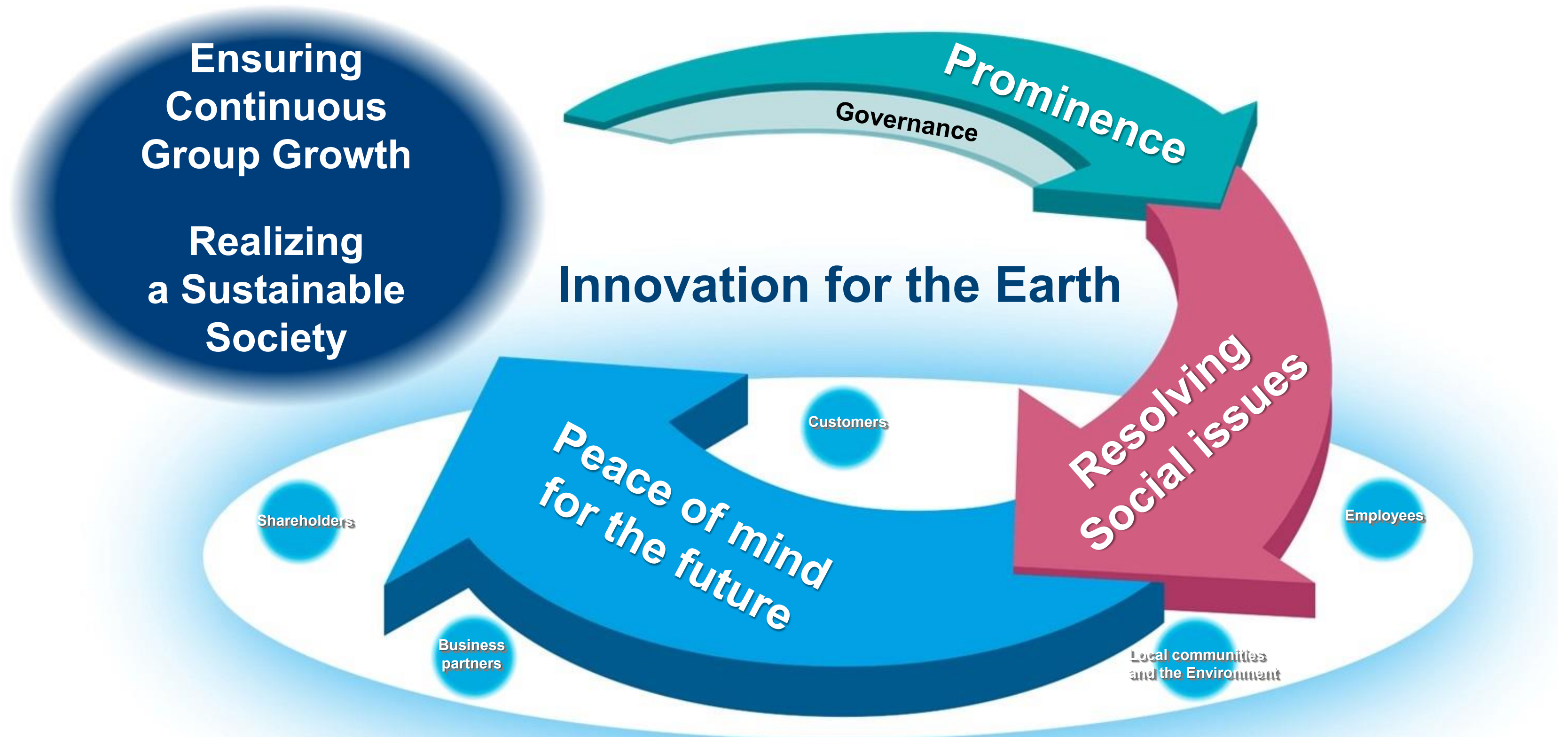
**Building a Roll to Roll Manufacturing Process with
a Width of 30 cm**

**Durability Confirmation to
the Equivalent of 10 Years
Outdoors**

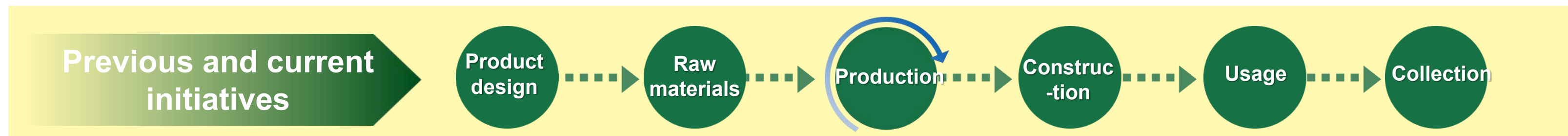
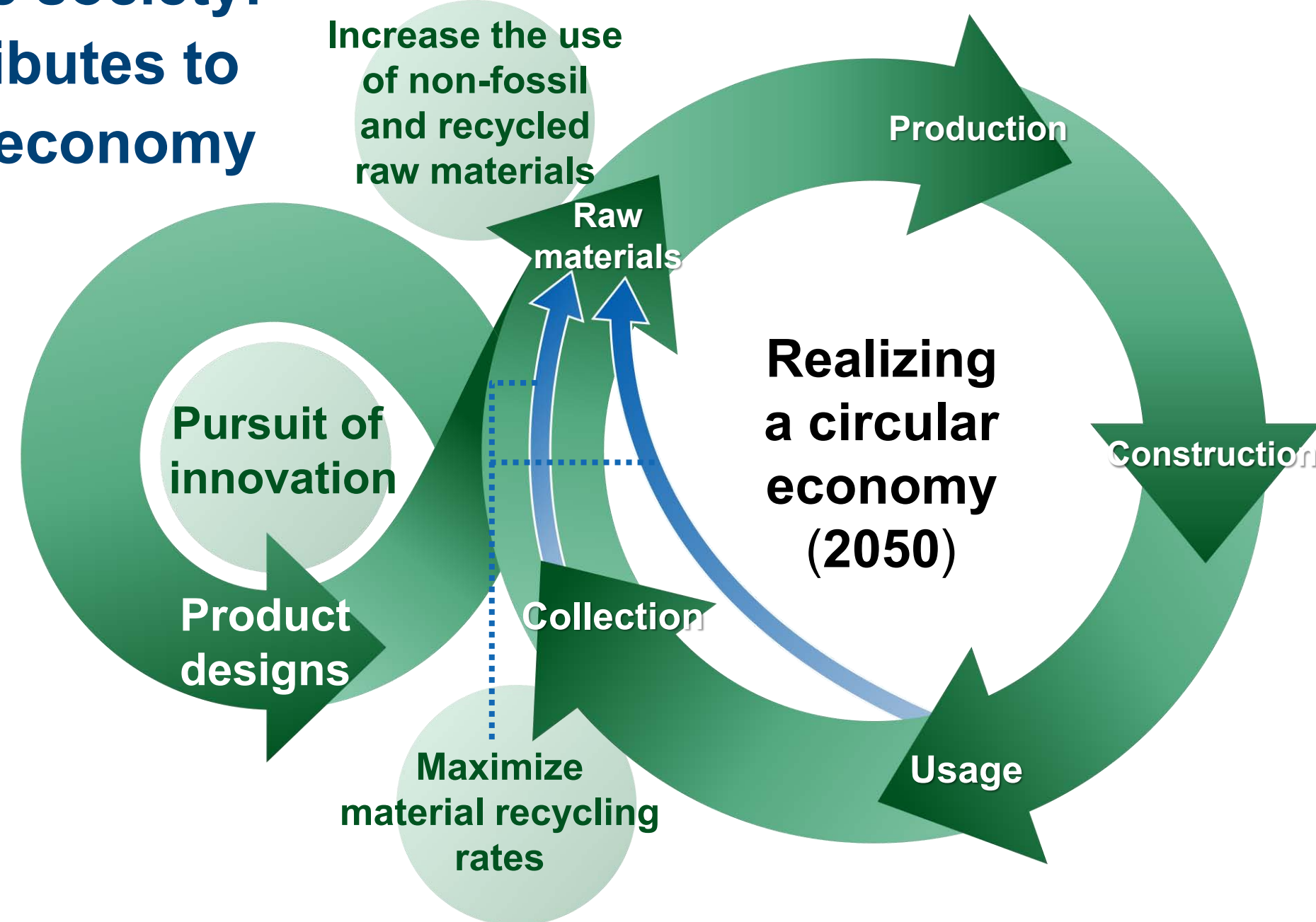


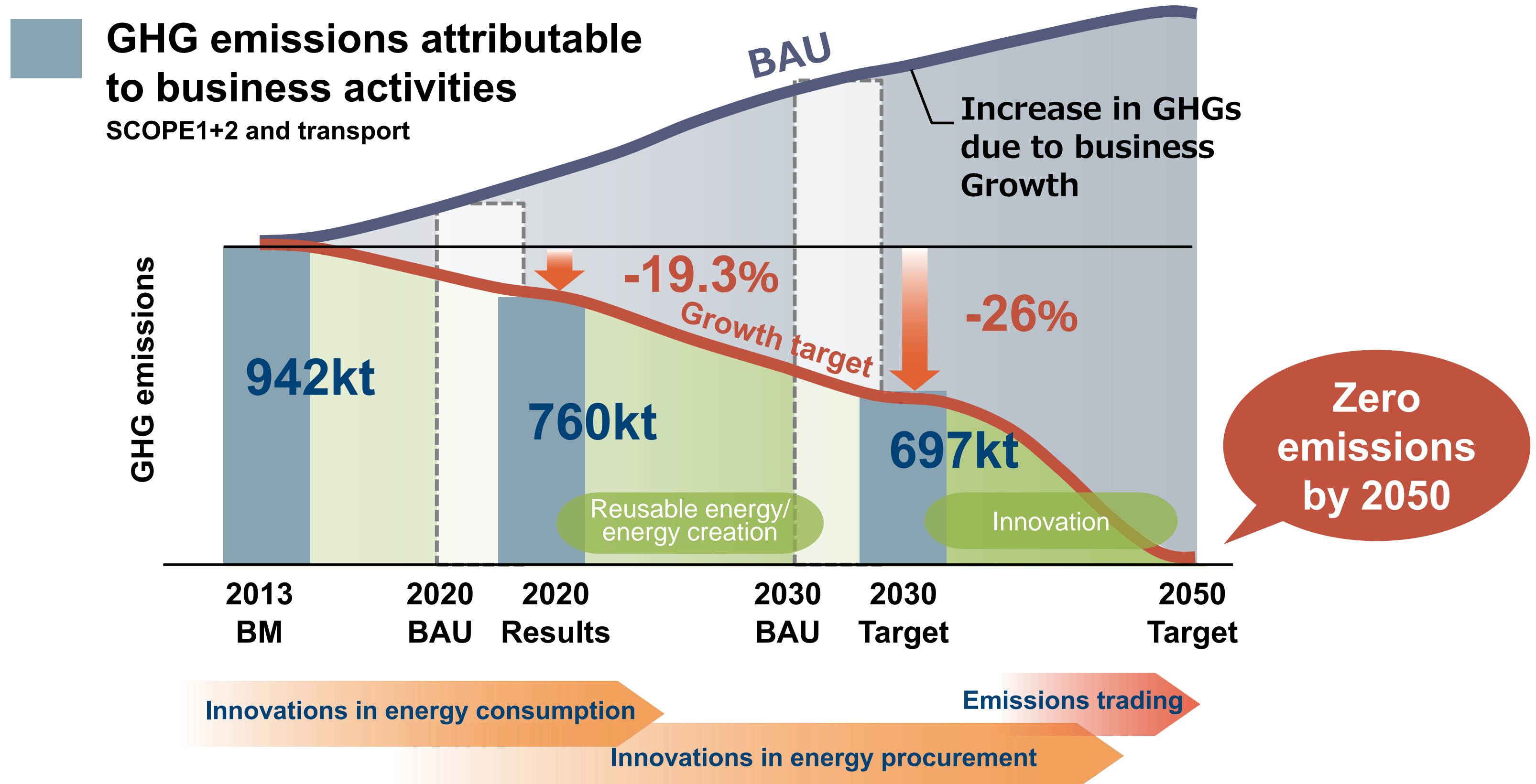
A faint, light blue world map is visible in the background of the text area, showing the continents and major landmasses.

**Through prominence in technology and quality,
the Sekisui Chemical Group will contribute to
improving the lives of the people of the world and
the Earth's environment, by continuing to open up
new frontiers in residential and social
infrastructure creation and chemical solutions.**

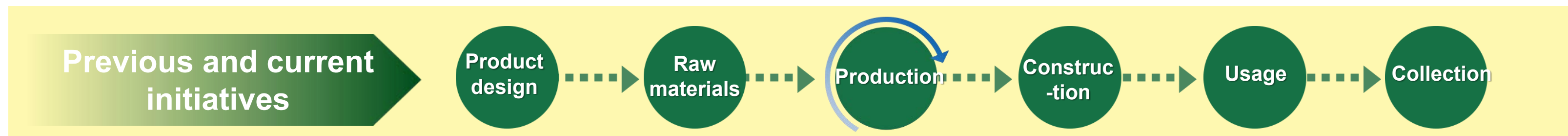
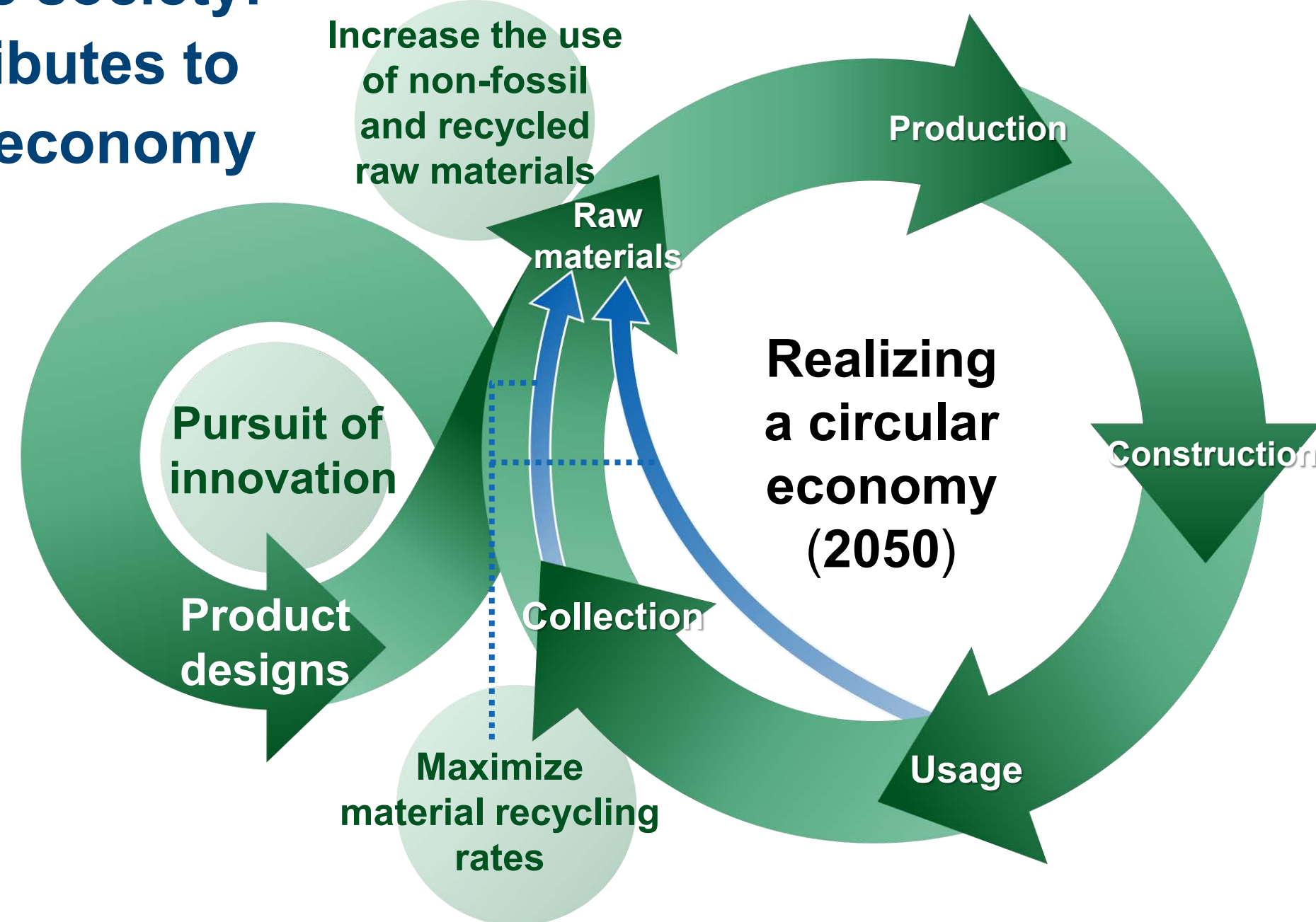


Creating a more sustainable society:
SEKISUI significantly contributes to
the realization of a circular economy





Creating a more sustainable society:
SEKISUI significantly contributes to
the realization of a circular economy



E **Environment**

Products to Enhance Sustainability



ZEH specification housing



Sound insulation/
Solar control interlayer film



Blood coagulation analyzers



SPR sewerage pipeline
rehabilitation method

Products to Enhance Sustainability Sales to Total Sales
FY2022 Target: 66%

S Social

Initiatives to unite the overall strengths of the Group, with the goal of creating a safe, secure, environmentally friendly and sustainable Town and Community Development



Sapporo Hiragishi Lead Town
Conceptual view



Town & Community Development
Conceptual view



Board of directors

**Two Outside
Directors**

Audit & Supervisory Board

**Three Outside
Audit &
Supervisory
Board Members**

**Statements
of opinions
and advice**

Nomination and Remuneration Advisory Committee



Chairman
(Outside Director)



Committee Member
(Outside Director)



Committee Member
(Outside Audit and Supervisory Board
Member)



Committee Member
(Chairman of the Board and Director)



Committee Member
(President and Director)

Contribute to SDGs (Sustainable Development Goals) through the business

SUSTAINABLE DEVELOPMENT GOALS



100 of the Most Sustainable Corporations in the World (Global 100) SEKISUI CHEMICAL selected five consecutive years

(January, 2022)



GLOBAL100 2022
THE WORLD'S MOST SUSTAINABLE CORPORATIONS ©

Sustainability Award
Silver Class 2022
S&P Global



CLIMATE WATER



Basic Policy on Dividends from Surpluses

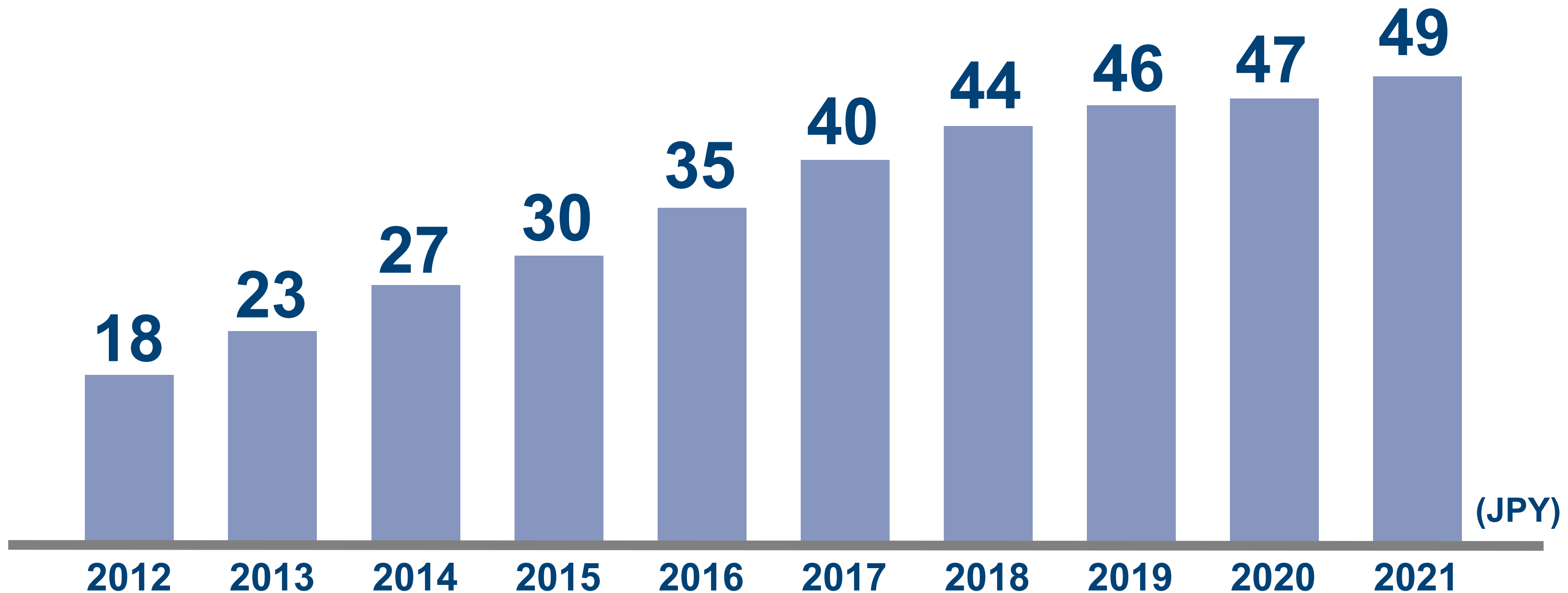
Payout ratio: 35% or higher

DOE: 3% or higher

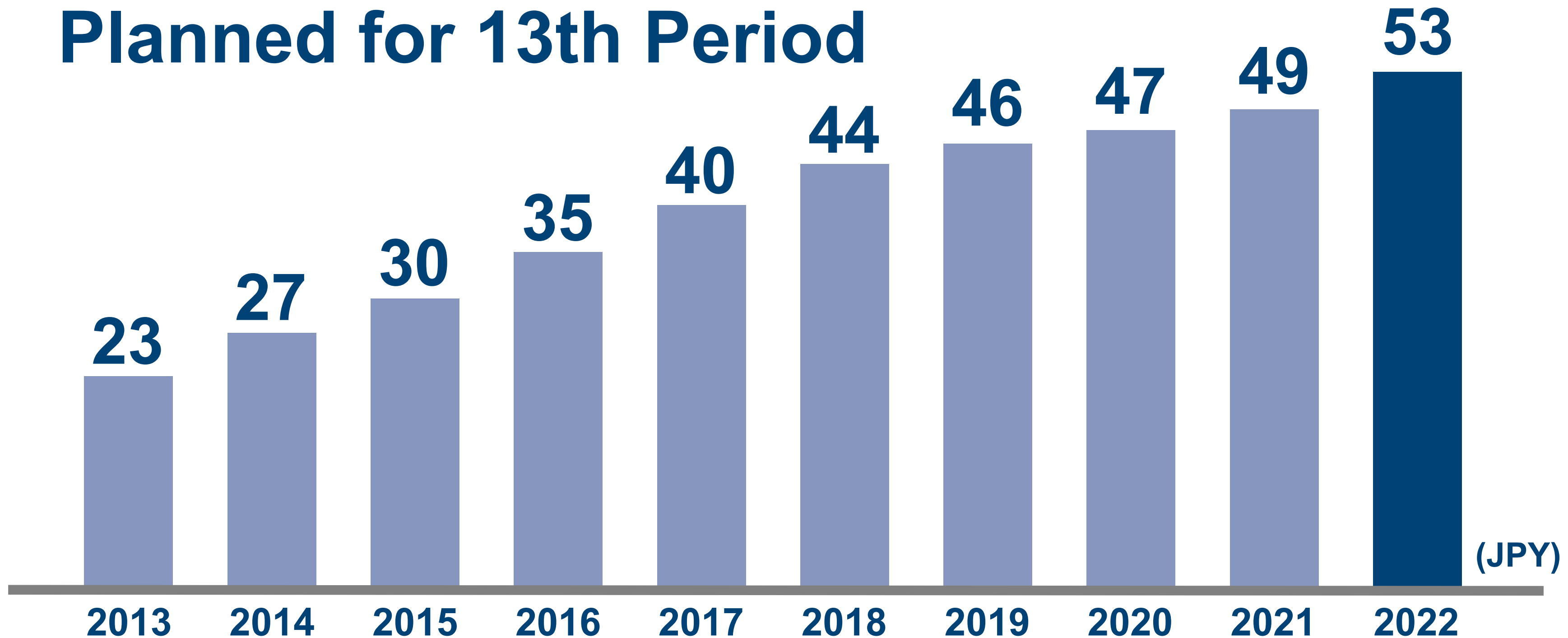
Total return ratio: 50% or higher

**Implement stable dividends and improve
stock value in the medium and long term**

Fiscal Year-end Dividend is ¥25 per Share



Continuous Dividend Increase Planned for 13th Period



Purchase of Treasury Shares

Total number of shares to be acquired:

Up to 8,000,000 shares

Total acquisition cost: 16 billion yen (maximum)

(Resolution of the Board of Directors; April 27, 2022)

Cancellation of Treasury Shares

Number of shares canceled: 8,000,000 shares

(Resolution of the Board of Directors; April 27, 2022)

I would like to thank the
shareholders for
their continuing and generous support.

Submission of Resolution Items

First Item of Business

Appropriation of Surplus

Second Item of Business

Partial Amendments to the Articles of Incorporation

Third Item of Business

Election of Twelve (12) Directors

**Teiji Koge, Keita Kato, Futoshi Kamiwaki, Yoshiyuki Hirai,
Toshiyuki Kamiyoshi, Ikusuke Shimizu, Kazuya Murakami,
Yutaka Kase, Hiroshi Oeda, Haruko Nozaki, Miharuru Koezuka,
Machiko Miyai**

Forth Item of Business

Election of One (1) Audit & Supervisory Board Member

Yoshikazu Minomo

Fifth Item of Business

Election of Accounting Auditor

KPMG AZSA LLC

A new frontier, a new lifestyle.

SEKISUI CHEMICAL Group

– produce a better world with creative technologies.

The logo for SEKISUI, featuring the word "SEKISUI" in a bold, blue, sans-serif font. A small red dot is positioned between the "C" and "K" in "SEKISUI".

SEKISUI

First Item of Business

Appropriation of Surplus

Second Item of Business

Partial Amendments to the Articles of Incorporation

Third Item of Business

Election of Twelve (12) Directors

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Forth Item of Business

Election of One (1) Audit & Supervisory Board Member

Yoshikazu Minomo

Fifth Item of Business

Election of Accounting Auditor

KPMG AZSA LLC

Introduction of Newly Appointed Board Members

**Thank you very much
for your attendance**

This slide presentation may contain forward-looking statements. Such forward-looking statements are based on current expectations and beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements due to changes in global economic, business, competitive market and regulatory factors.

* The numerical values expressed in 100 million yen units in this document are rounded down to the nearest 100 hundred million yen.