



JSR Corporation

Business Status Briefing

for the Fiscal Year Ending March 31, 2025

May 20, 2025

0 Disclaimer



The purpose of this report is to describe the business conditions of JSR Corporation.

We are not responsible for any decisions made by your company based on the use of this report.

Today's materials and information contain so-called "forward-looking statements. These statements are based on current expectations, forecasts, and assumptions that are subject to risks and uncertainties that could cause actual results to differ materially from those described.

These risks and uncertainties include general industry and market conditions, and general national and international economic conditions such as interest rate and currency exchange fluctuations. Risks and uncertainties are particularly present in forward-looking information related to our products. Product risks and uncertainties include, but are not limited to, technological advances, acquisition of patents by competitors, completion of research and development, claims or concerns regarding product safety and efficacy, obtaining regulatory approvals, domestic and international market trends, government laws and regulations affecting domestic and international operations, and challenges associated with new product development. These include, but are not limited to.

In addition, with respect to approved products, there are manufacturing and marketing risks, including, but not limited to, situations where we lack the ability to build manufacturing capacity to meet demand, difficulty in obtaining raw materials, or market demand is not available.

We are under no obligation to update or revise the Forward-Looking Statements, even if new information or future events arise in the future.

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Our social media corporate accounts

Our corporate accounts are listed below. All other accounts are not authorized by us.

JSR LinkedIn: <https://www.linkedin.com/company/jsr-corporation/>

0 What we want to tell you today

1. Financial Highlights
2. Full-year results
for the fiscal year ending March 31, 2025
3. Segment Information
4. Finally.

Notes:

Digital Solution Business : DS
Semiconductor Materials : SEMI
Metal Oxide Resist : MOR
Display Material : DISP
OLED display : OLED
Edge computing materials: EC
Life Science Business : LS
Plastics : PLA



1-1 FY24 Financial Highlights



FY24 Financial Results

- FY24 Results
 - Revenue 405.0 billion yen
 - Core operating profit 0.2 billion yen
 - Net profit (loss) -217.7 billion yen
- In terms of core operating profit, DS expanded its earnings but LS posted a significant loss.
 - DS: Revenue and profits increased in all businesses, with SEMI expanding revenue by 30% YoY and recording its highest profit.
 - LS: Negative impact of the shutdown of CDMO's new plant. Biotech industry remained sluggish.
 - PLA: Flat profit YoY; slow recovery in the auto industry.
- Impairment loss of 157.6 billion yen on LS business, etc., 40.5 billion yen in amortization of PPA after TOB, and other business restructuring costs 12.0 billion (impairment and PPA amortization are non-cash).
- Announced the signing of a share transfer agreement for the IVD business (share value of 82 billion yen, not yet reflected in FY24 results).

*In order to facilitate year-on-year comparisons, core operating profit in this document excludes impairment losses on the LS business and amortization of PPA.

1-2 Financial Highlights



FY25 Forecast

- Core operating profit is expected to exceed 30 billion yen. In addition, a gain on business transfer is expected, eliminating LS's one-time loss.
 - DS: Market growth is expected to continue, including AI-related markets; SEMI is stepping up upfront investment. SEMI will continue to hold a high market share.
 - LS: Operation of the new CDMO plant has already resumed. Stable operation continues. Market conditions are recovering.
 - PLA: Expect profit growth by continuing to strengthen sales and improve cost efficiency.
 - The company plans to record gains related to the announced divestitures of ETEC and IVD.
- Although the direct impact of the U.S. tariffs is limited, the impact on overall demand will be closely monitored in each segment.

1-3 Financial Highlights



Future Policies

- Launched mid-term plan with DS's 3 businesses (SEMI, DIS, EC) as growth drivers, aiming to achieve core OP of 100 billion yen by 2030.
- PLA will strengthen its shift to high value-added products.
- LS will be a non-core business and continue to explore all options. At the same time, the financial structure will be improved.
- For the time being, priority is placed on self-sustaining growth. There is no change in the policy of aiming for a re-listing with the reorganization of the semiconductor materials industry in the future.
- The company will increase its presence as one of the top global advanced technology companies.

2-1 Fiscal Year Ending March 31, 2025 Results



- DS: Sales and profit increased in all businesses; SEMI posted record profits.
- PLA: Almost the same level as the previous year. Sales volume declined, but spreads improved.

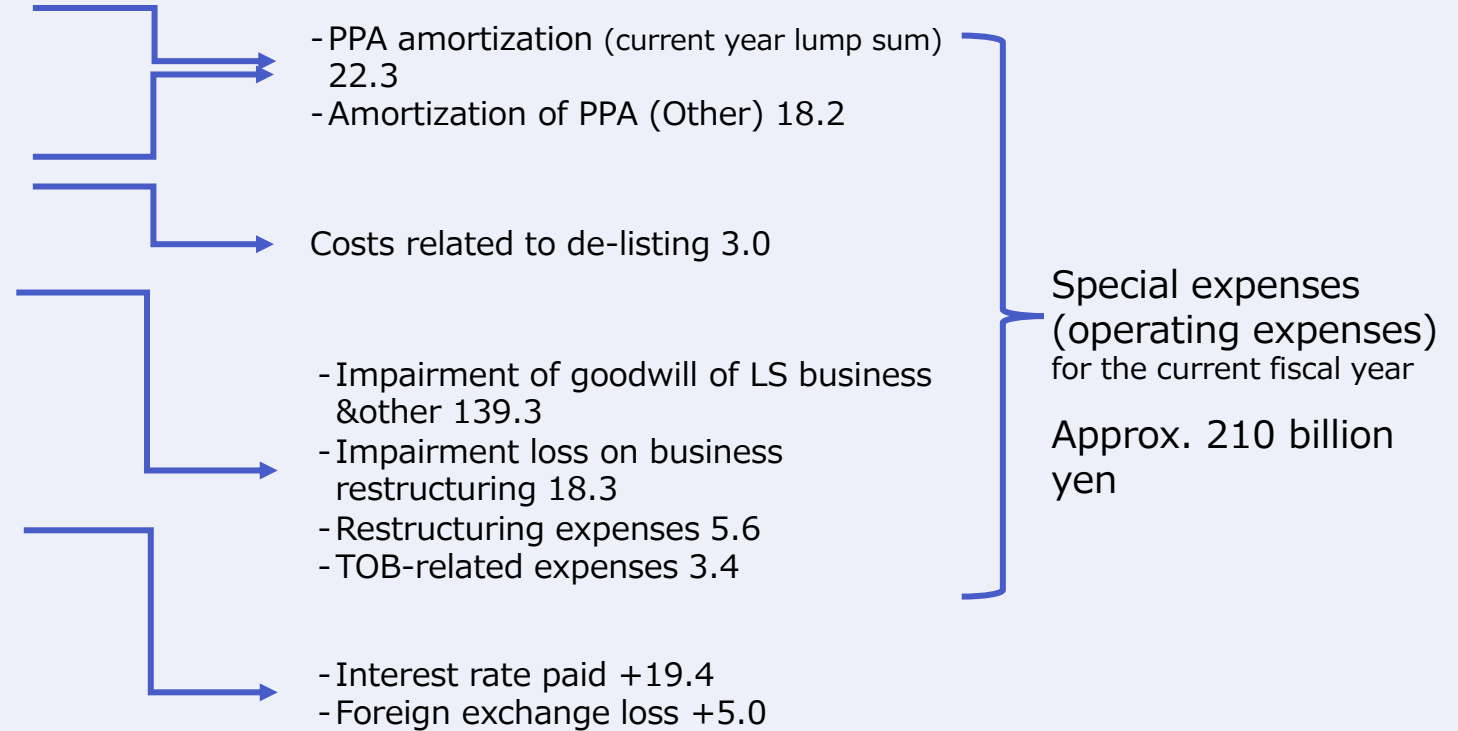
- LS: Sales and profit down due to partial revenue cancellation of the new CDMO plant, suspension of operations for repairs, and detached IVD test kit sales.

		FY23	FY24	YoY	
(Billions of yen)				Amount	%
Consolidated	Revenue	404.6	405.0	+0.4	+0%
	Core OP	8.3	0.2	-8.1	-97%
	OP	3.6	-209.1	-212.8	-
	EBITDA	37.2	-138.6	-175.8	-
	Net Profit	-4.5	-217.7	-213.2	-
DS	Revenue	168.1	215.7	+47.6	+28%
	Core OP	20.3	43.1	+22.9	+113%
LS	Revenue	129.7	80.9	-48.8	-38%
	Core OP	-7.7	-38.7	-31.0	-
PLA	Revenue	92.8	93.3	+0.5	+1%
	Core OP	1.5	1.3	-0.2	-13%
Other+ Adjustment	Revenue	14.0	15.0	+1.1	+8%
	Core OP	-5.6	-5.5	+0.2	-
FX	USD/JPY	144.6	152.6	+8	+6%

2-2 Statements of P/L

(Billion yen)	FY23	FY24	+/-
Revenue	404.6	405.0	+0%
Cost of sales	269.8	289.5	+7%
Gross profit	134.9	115.5	-14%
Selling, general and administrative expenses	125.7	161.3	+28%
Other operating income	2.7	2.6	-
Other operating expenses	8.3	165.9	-
Share of profit of investments accounted for using equity method	0.1	0.1	-
Operating Profit	3.6	-209.1	-
Finance income	2.6	5.2	+100%
Finance cost	6.4	30.8	+381%
Income taxes	4.3	-17.0	-
Profit from continuing business	0.0	0.0	-
Profit from discontinued business	0.0	0.0	-
Net profit	-4.5	-217.7	-
Net profit, attributable to owners of parent	-5.6	-217.5	-
Net profit, attributable to non-controlling interests	1.1	-0.2	-
Average FX rate(USD/JPY)	145	153	+6%

Major Increases/Decreases (Current Year Special Expenses)



2-3 Statement of Financial Position

(Billion yen)	FY23E	FY24E	+/-
Current assets	309.9	253.3	-56.6
Cash and cash equivalents	100.6	52.9	-47.7
Trade and other receivables	87.9	82.7	-5.2
Inventories	103.9	96.7	-7.2
Others	17.5	21.0	+3.5
Non-current assets	461.4	888.7	+427.3
Property, plant and equipment	174.9	180.0	+5.1
Goodwill	153.1	294.7	+141.6
Other intangible assets	49.5	353.7	+304.2
Others	83.9	60.3	-23.6
Total Assets	771.4	1,142.1	+370.7
Current liabilities	215.8	162.5	-53.3
Trade and other payables	79.7	81.1	+1.4
Bonds and borrowings	97.6	40.4	-57.2
Others	38.5	41.0	+2.5
Non-current liabilities	153.1	609.9	+456.8
Bonds and borrowings	81.5	478.6	+397.1
Others	71.6	131.3	+59.7
Total Liabilities	368.9	772.4	+403.5
Equity attributable to owners of parent	375.8	338.6	-37.2
Non-controlling interests	26.6	31.1	+4.5
Total Equity	402.4	369.7	-32.7

Overview of FY24 Results

- Reflects TOB and merger of JICC-02. Equity ratio decreased.
- Increase in debt and equity through merger.
- Goodwill and PPA-based intangible assets are also recorded.
- Decrease in retained earnings due to the current fiscal year's business results.

	FY23E	FY24E
Net debt	78.5	466.1
Equity ratio	48.7%	29.6%

FY25 Forecast

- We expect the equity ratio to improve to approx. 40%.
- Improvement in Core OP (+30.0 billion yen)
- Gain on sale of assets from ETEC (stock value: 7.2 billion yen) in 1Q and transfer of IVD business (stock value: 82.0 billion yen) in 3Q in FY25.
- Increase in retained earnings and reduction of debt.

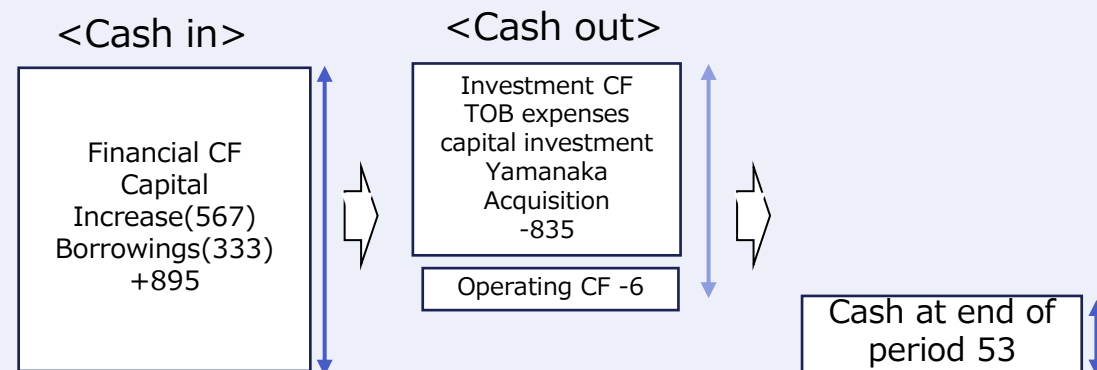
2-4 Statements of Cash Flows

	(Billion yen)	FY23	FY24
Cash flows from operating activities		60.0	-6.2
Income before taxes		-0.1	-234.7
Depreciation and amortization		33.5	52.7
Impairment loss		2.2	157.6
Change in working capital		23.6	7.7
Decrease (increase) in trade receivables		-5.5	2.0
Decrease (increase) in inventories		21.0	5.8
Increase (decrease) in trade payables		8.1	-0.1
Others		0.8	10.5
Cash flows from investing activities		-40.2	-834.6
Purchase of tangible and intangible assets		-40.1	-25.0
Acquisition of shares of subsidiaries and affiliate		0.0	-813.1
Sales of shares of subsidiaries and affiliates		0.0	0.0
Others		-0.1	3.5
FCF		19.8	-840.8
Cash flows from financing activities		3.4	894.7
Debt Increase/Decrease		15.1	333.3
Disposal of treasury stock/Issuance of new shares		0.0	567.1
Cash dividends paid		-7.7	-2.0
Others		-4.0	-3.7
Effect of exchange rate changes on cash and cash equivalents		4.8	-0.8
Increase (decrease) in cash and cash equivalents		28.0	53.2
Cash and cash equivalents at beginning of period		72.6	0.0
Cash and cash equivalents included in assets held for sale		0.0	-0.3
Cash and cash equivalents at end of period		100.6	52.9

* 1

* 1

Summary of FY24 results (including TOB and merger of JICC-02)



* 1: FY24 Beginning Cash is zero due to the absorption merger. FY23 Ending Cash (100.6 bn yen) is included in the Cost of acquiring shares in subsidiaries/affiliates.

FY25 Forecast

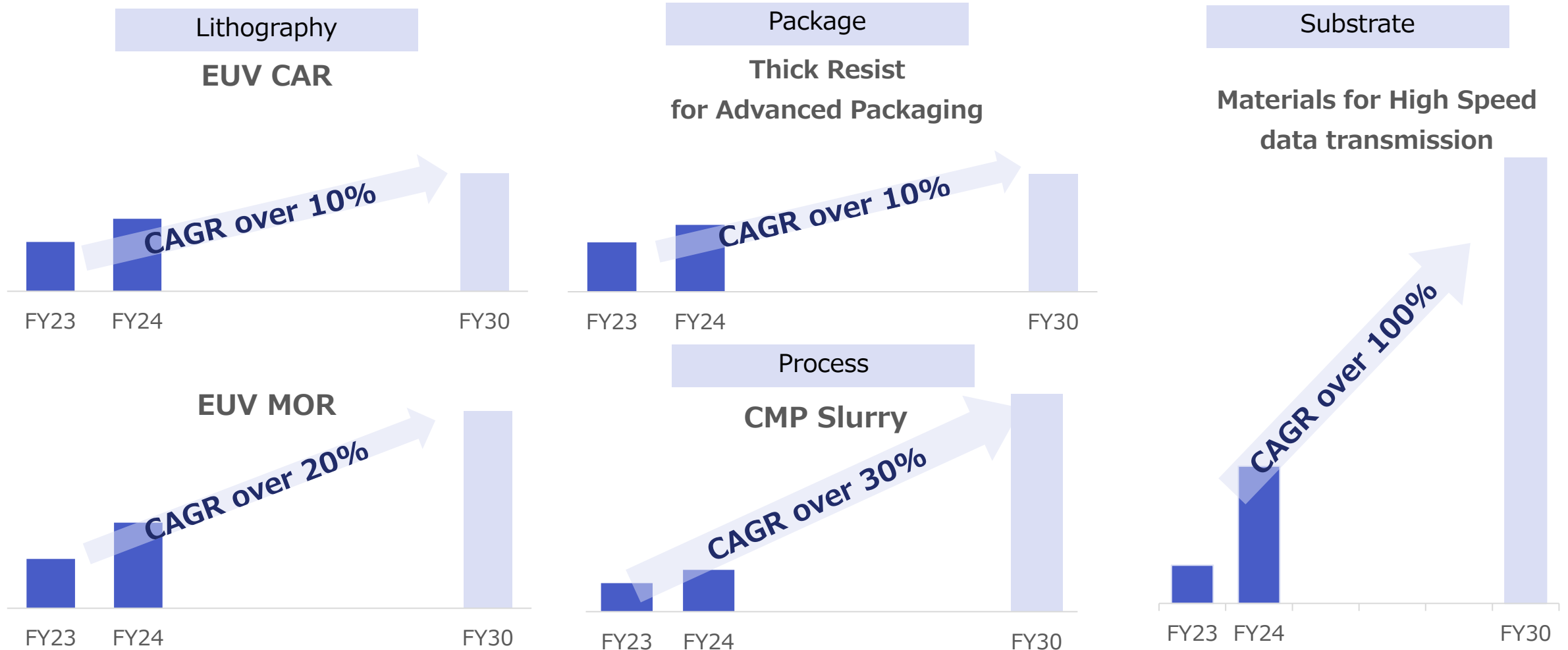
- CF is expected to improve compared to FY24.
- Operating CF: Core OP improved (+30.0 bn yen) and Reduction of TOB-related and restructuring costs incurred in FY24.
- Investment CF: Gain on sale of assets (see previous page).
- FCF : Expect a large surplus.
- Financing CF: Repayment of debt with profit and proceeds from sale of business.

3-1 Segment Information - SEMI



Using the expansion of the generative AI market as a growth engine, the Company will accelerate business growth through its diverse product lineup for related devices.

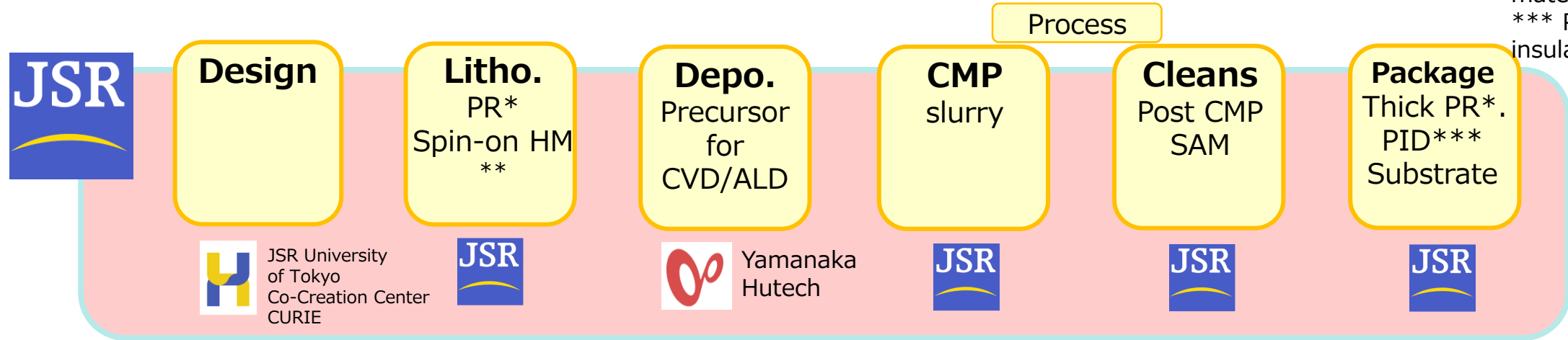
Sales forecast for JSR products used in leading-edge semiconductors (CAGR with FY23 as 1)



3-2 Segment Information - SEMI

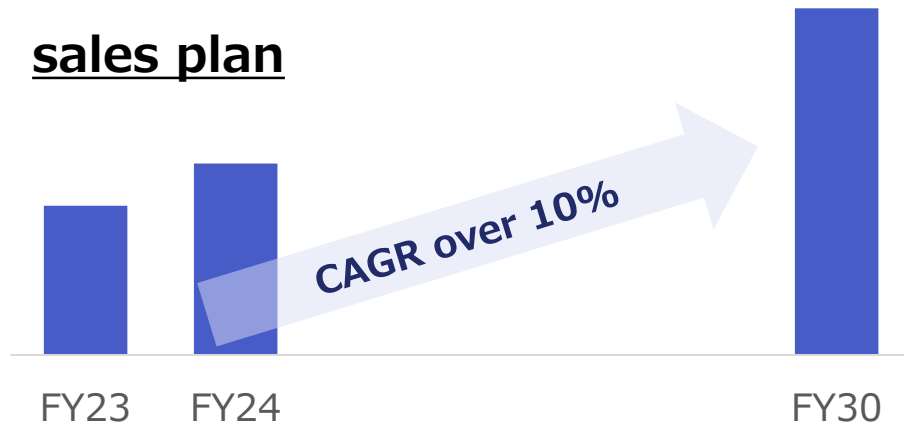
We already have a product line that covers a wide range of processes related to semiconductor manufacturing,
We will continue to promote further product portfolio expansion and lineup enhancement toward FY2030.

Semiconductor Development and Manufacturing Processes and JSR's Product Portfolio

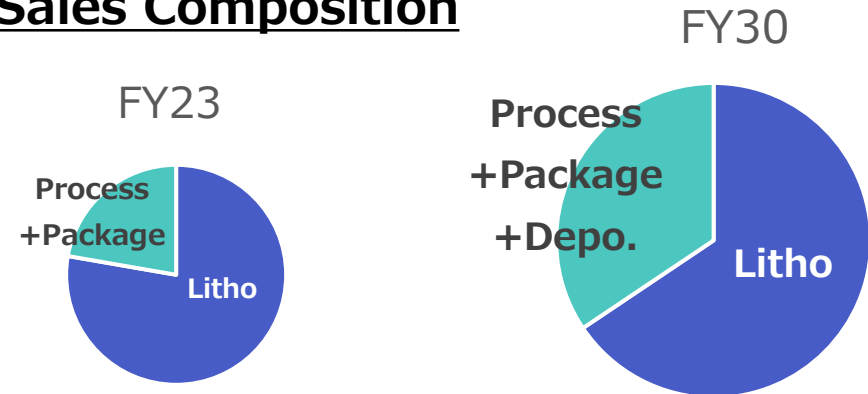


*Photoresist
**Multilayer materials
*** Photosensitive insulating film

sales plan



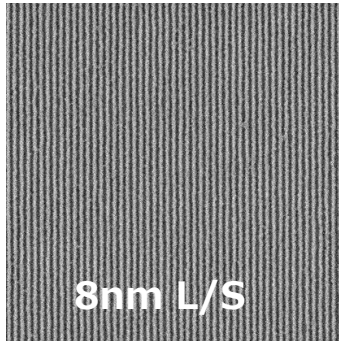
Sales Composition



3-3 Segment Information - SEMI

As a company that handles chemical substances, we will contribute to the realization of a sustainable global environment and society. As part of this effort, we are accelerating the development and market introduction of PFAS-free materials and are already deploying products at a practical level.

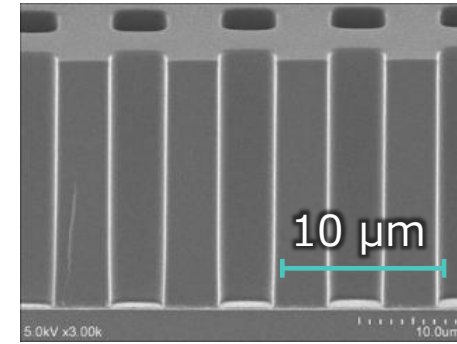
EUV Metal Oxide Resist



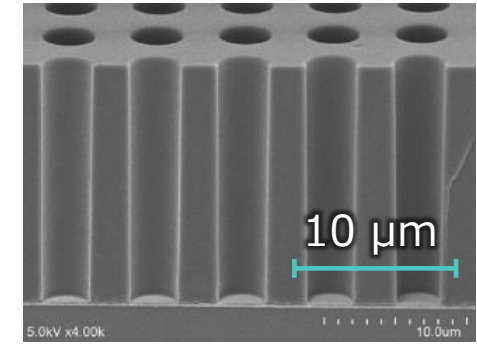
Eop: 48mJ/cm²
EXE5000@High
NA Lab

umec

Thick film resist for plating

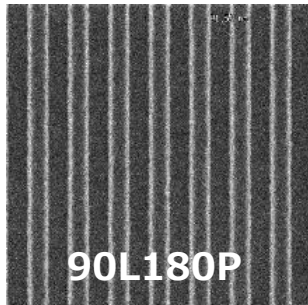


5 μm SQ / 25 μm FT



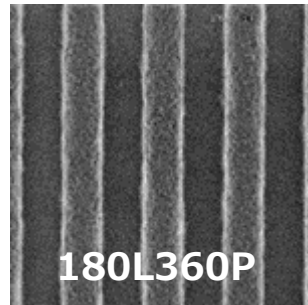
3 μm CH / 18 μm FT

ArF Dry Resist



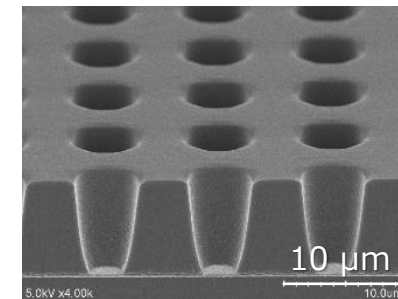
Film thickness:
200 nm
Eop:
23.4mJ/cm²
LWR: 5.23nm

KrF resist

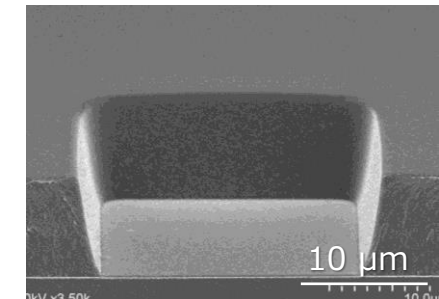


Eop: 33.3mJ/cm²
EL: 19.7
DOF: 1000nm

Photosensitive insulating film



2.5 μm-SQ



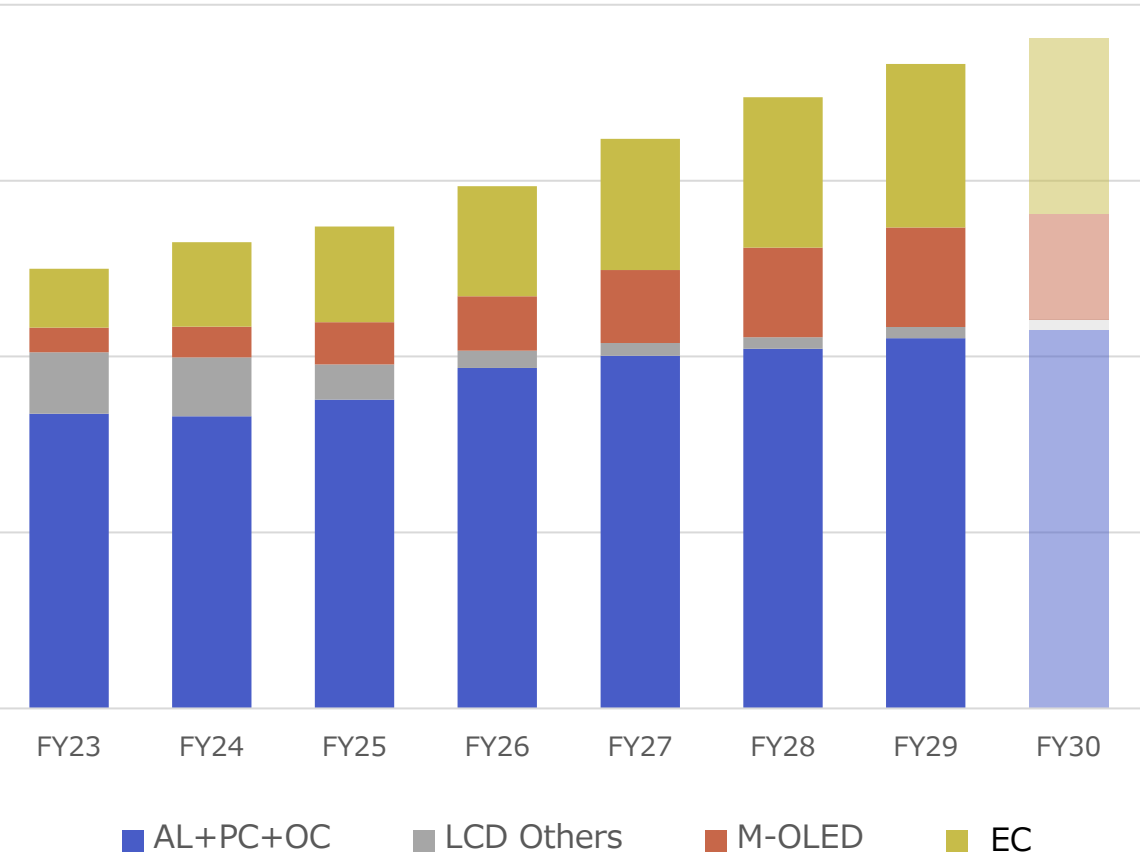
20 μm-SQ

7.5 μm

3-4 Segment Information - DIS / EDGE

Expand sales toward FY30 through stable growth with top share products in the large- to small-sized display market and by expanding market share with products for OLEDs and edge devices. Contribute to the digital society by providing innovative solutions to the industry.

sales plan

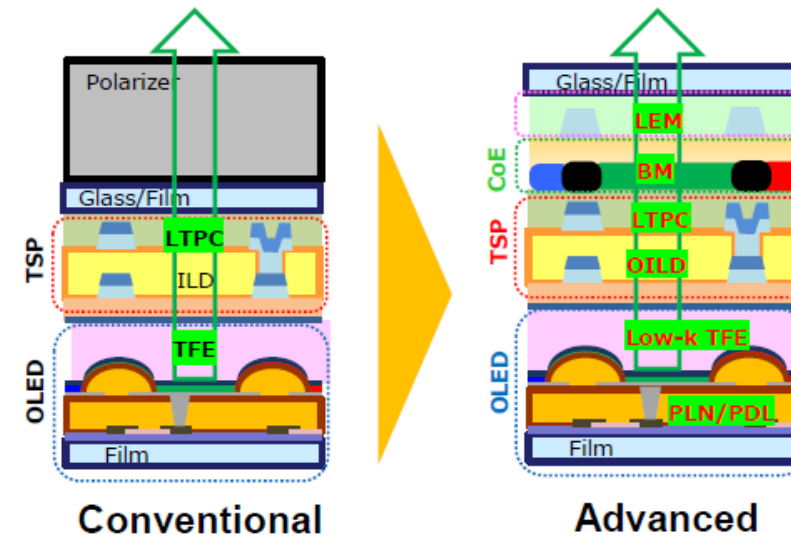


Our Product Line		
LCD Materials	Alignment film (AL), Passivation coat (PC), Over coat (OC)	No. 1 in world market share
M-OLED Materials	See below	Product portfolio expanded
EC	ARTON Resin Infrared Cut Filter (NIR)	ARTON for large panel applications, NIR growth for smartphone cameras and sensors

Mobile-OLED Structure and Our Products

TAM: 100-oku@FY24

TAM: 300-oku@FY28



LEM:
Light Extraction Materials

BM: Black Matrix

LTPC:
Low Temperature Passivation Coating

OILD:
Organic Inter Layer Dielectric

TFE: TFE
Thin film encapsulation

PDL: (in Japanese)
Pixel Defining Layer

PLN:
Planarization Layer

3-5 Segment Information - PLA

As the top manufacturer in Japan, we have secured a high market share in the field of special ABS resins. Responding to changes in the business environment, including the automotive industry, the company will accelerate its shift to high value-added fields while optimizing its cost structure.

growth strategy

1 Expand sales of high value-added products

► Strategic Products:

HUSHLLOY
VIVILLOY
PLATZON

Existing products + products
with new functions

► New product lines:

New products for industrial
materials
(Comfortable materials,
support for sustainers, etc.)

2 Client Portfolio Expansion

► Chinese Automobile
Manufacturer

► Indian Automobile Market

► North American Industrial
Materials Market

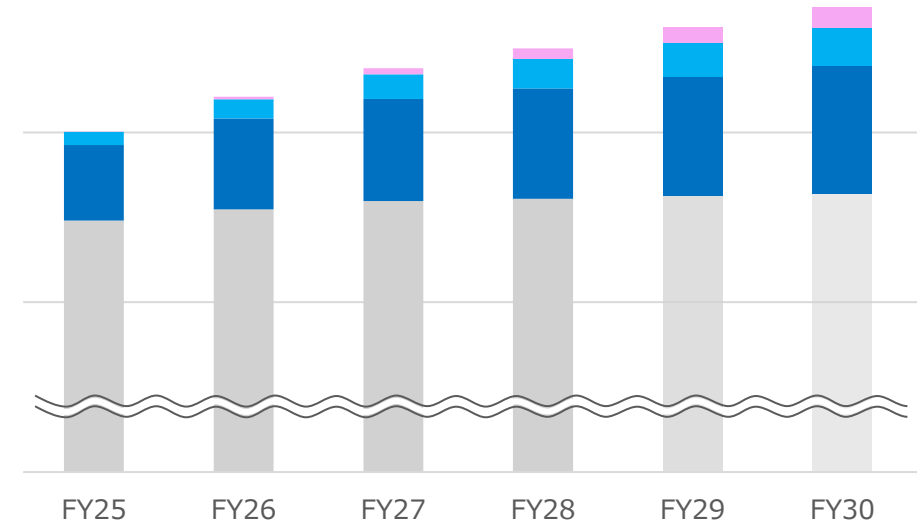
3 New Market Development

► Robotics related

- service robot
- Cooperative robots,
etc.

4 Optimization of cost structure

sales plan



- Base
- Developing New Markets
- Client Portfolio Expansion
- Expand sales of high value-added products

Future Policies

- Launched mid-term plan with DS's 3 businesses (SEMI, DIS, EDGE) as growth drivers.
- PLA will strengthen its shift to high value-added products.
- There is no change in the policy of aiming for a re-listing with the reorganization of the semiconductor materials industry in the future.

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Thank you.

