

# Data Section



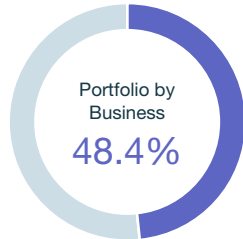
## Ten-Year Summary

Million yen						Million yen						Thousands of U.S. dollars	
JGAAP For the year:	FY2012	FY2013	FY2014	FY2015	FY2016	IFRS For the year:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2021
Net sales	¥ 371,487	¥ 394,309	¥ 404,073	¥ 386,709	¥ 390,599	Revenue	¥ 388,455	¥ 421,930	¥ 495,354	¥ 471,967	¥ 312,000	¥ 340,997	\$ 2,786,154
Costs and expenses	(336,281)	(358,247)	(366,005)	(352,301)	(358,228)	Costs, other income and expenses	(352,512)	(378,360)	(450,093)	(439,083)	(277,767)	(297,237)	(2,428,608)
Operating profit	35,206	36,062	38,068	34,408	32,370	Operating profit (loss)	35,943	43,569	45,261	32,884	34,233	43,760	357,546
Interest and dividends income	809	916	1,390	1,380	1,369	Finance income	3,045	3,659	2,499	1,929	822	3,415	27,904
Interest expenses	(126)	(142)	(345)	(527)	(699)	Finance costs	(694)	(1,022)	(1,352)	(2,184)	(1,744)	(1,655)	(13,518)
Profit before income taxes	42,847	36,956	41,069	27,367	38,327	Profit (loss) before tax	38,294	46,206	46,408	32,629	33,310	45,521	371,931
Profit attributable to owners of parent	30,278	25,173	29,919	24,069	30,078	Profit (loss) attributable to owners of parent	30,243	33,230	31,116	22,604	(55,155)	37,303	304,789
Capital expenditures	27,608	21,499	35,157	24,276	31,785	Capital expenditures	31,377	42,408	35,981	45,880	40,188	41,851	341,950
Depreciation	19,145	18,096	17,407	18,508	14,676	Depreciation	14,793	16,973	21,790	26,343	19,074	22,482	183,688
Year-end financial position						Year-end financial position							
Total assets	482,935	501,320	534,592	516,360	576,016	Total assets	578,484	647,699	691,435	677,713	672,773	809,371	6,613,048
Long-term loans payable	6,626	11,069	20,387	22,249	38,381	Bonds and Borrowings (non-current liabilities)	38,381	53,456	50,777	52,684	81,406	48,737	398,214
Total liabilities	167,202	164,060	169,918	154,006	199,302	Total liabilities	202,120	236,084	251,075	240,301	302,036	394,631	3,224,377
Equity	308,641	331,284	358,303	353,145	361,394	Total equity attributable to owners of parent	361,889	393,499	401,998	396,793	333,995	376,011	3,072,237
Current ratio (times)	2.3	2.5	2.5	2.7	2.5	Current ratio (times)	2.5	2.3	1.97	2.05	1.95	1.52	1.52
Return on assets (%)	6.6	5.1	5.8	4.6	5.5	Return on assets (%)	5.5	5.4	4.7	3.3	(8.2)	4.9	4.9
Return on equity (%)	10.3	7.9	8.7	6.8	8.4	Return on equity (%)	8.5	8.8	7.8	5.7	(15.1)	10.5	10.5
Equity ratio (%)	63.9	66.1	67.0	68.4	62.7	Equity ratio (%)	62.6	60.8	58.1	58.5	49.6	46.5	46.5
Per share of common stock (Yen and U.S. Dollars)						Per share of common stock (Yen and U.S. Dollars)							
Profit attributable to owners of parent	¥ 126.13	¥ 106.10	¥ 128.19	¥ 105.87	¥ 134.43	Profit (loss) attributable to owners of parent	¥ 135.17	¥ 149.32	¥ 140.62	¥ 104.38	¥ (256.73)	¥ 173.49	\$ 1.42
Cash dividends	34.00	38.00	40.00	50.00	50.00	Cash dividends	50.00	50.00	60.00	60.00	60.00	70.00	0.57
Equity	1,299.77	1,409.06	1,557.08	1,565.45	1,624.14	Equity attributable to owners of parent	1,626.36	1,767.81	1,823.69	1,848.01	1,554.17	1,748.25	14.28

(Notes) 1. Amounts in U.S. dollars are translated from yen, provided for convenience only, at the exchange rate of 1.00 U.S. dollar = 122.39 Japanese yen; the prevailing rate on March 31, 2022. 2. The Group has adopted International Financial Reporting Standards (IFRS) as from the fiscal year ended March 2018. 3. ROA = Under Japanese GAAP, return on total assets. Under IFRS, return on equity attributable to owners of parent. 4. ROE = Under Japanese GAAP, return on equity. Under IFRS, return on equity attributable to owners of parent. 5. The Elastomers Business has been categorized as a discontinued business from FY2021. Certain data for FY2020 is presented after reclassification.

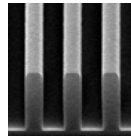
## At a Glance

### Digital Solutions Business



### Semiconductor Materials Business

We feature a wide lineup of products to meet the needs of the world's semiconductor manufacturers, including lithography materials to support semiconductor production processes (photoresists, multilayer materials), CMP\* materials, cleaning solutions, and advanced packaging materials used in device packages.



#### Lithography Materials

Used for miniaturization of electronic elements and circuits on substrates in semiconductor production processes, these photosensitive materials help to shrink semiconductor chips while boosting their performance.

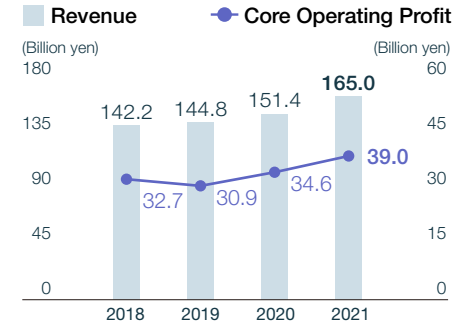
### Display Materials Business

We offer Alignment Layer and Passivation Coat used in liquid crystal display panels for smartphones, LCD TVs, etc.; Passivation Coat and Planarization Layer for OLED displays; and other materials meeting the need for lightweight, power-saving devices with excellent picture quality.

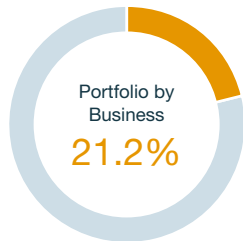


#### LCD Materials

Materials used in liquid crystal displays to achieve power savings and excellent picture quality.



### Life Sciences Business



JSR Group's drug discovery and development services operate a contract development and manufacturing organization (CDMO) for biologics and a contract research organization (CRO). We also provide materials and



#### Drug Discovery and Development Services

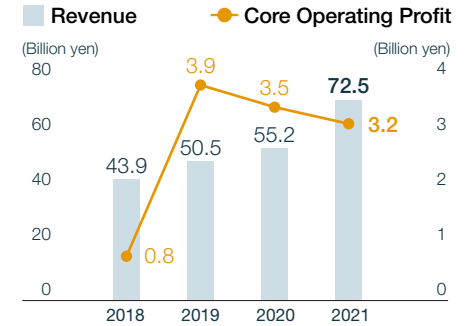
We have a global support system covering all aspects from drug discovery to manufacturing, which increases the probability of successful drug development and shortens development times.

services using the latest technology, such as diagnostic reagents that contribute to more advanced disease diagnosis and preventive diagnosis, and bioprocess materials used to purify antibodies and drugs.

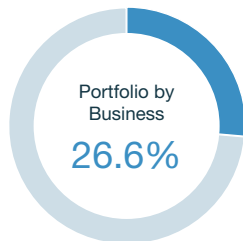


#### Bioprocess Materials Diagnostic and Research Reagents

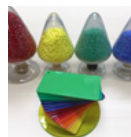
Materials for the isolation and purification of biomaterials like proteins and cells and in vitro diagnostic reagents for diagnosing disease, which are key to personalized medicine. Materials that support the optimization of biologics manufacturing processes.



### Plastics Business



Offering anti-squeak materials, non-coated high colorable materials, and plating materials for automobiles, with a primary focus on ABS resins used for a wide range of purposes, including automobile parts, household appliances and building materials. Using JSR Group



#### ABS Resin

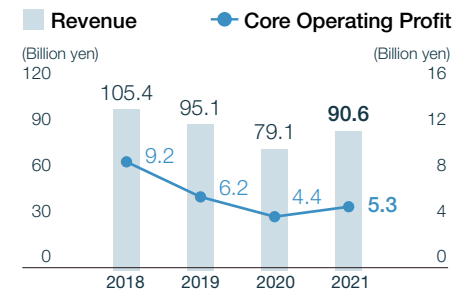
Providing heat- and weather-resistant grades of ABS used in automobile and building materials, with high resistance in practical use, impact resistance, workability, and weather resistance.

technological capabilities flexible enough to meet a variety of needs to develop unique products and design components that combine multiple desirable characteristics, providing users around the world with products of consistently high quality and added value.



#### HUSHLLOY™ Anti-Squeak Material

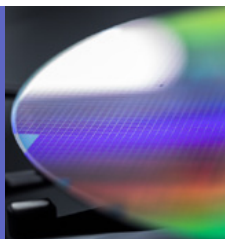
Prevents unpleasant squeaking when parts rub against each other; the anti-squeaking effect lasts for the lifetime of the product and helps to lower parts costs.



\* Chemical and mechanical planarization

## Digital Solutions Business

### Semiconductor Materials Business



#### Contribution to Solving Social Issues

As society becomes increasingly dependent on information, semiconductor chips must evolve to offer faster processing, lower energy consumption, and higher capacity. JSR will further develop its already powerful nanotechnology and develop leading-edge semiconductor materials offering greater performance at smaller sizes while using less energy. In this way, we will help to realize a smart society that runs on technologies like IoT and AI.

#### Overview of FY2021

In the semiconductor market, demand continued to grow for 5G mobile communications systems (5G), computers, and data centers, and materials for memory and logic semiconductors also performed well. To strengthen our position as a leader in the advanced lithography field, we made Inpria Corporation, a world leader in EUV lithography metal oxide photoresist design, development and manufacturing, a wholly owned subsidiary. We also established affiliates in Singapore and Taiwan to bolster our marketing and customer response. We also started building a new advanced lithography materials factory at our core Yokkaichi Plant and added metal oxide

photoresists, a technology for the future, to our EUV photoresist product portfolio. Sales are also strong especially for advanced photoresists, in part because major customers are launching advanced devices. Packaging materials for major customers are also launching smoothly. We aim to monetize cleaning solutions quickly by adopting their use as next-generation products at our U.S.-based facility and expanding our market share. Overall revenue and core operating profit were higher than in the previous fiscal year.

#### Management Policies

- Aim to grow sales by double the amount of market growth and maintain high share in ArF and multilayer materials.
- Capture demand from full-scale launch of products using EUV photoresists.
- Work to grow sales of CMP materials (for chemical and mechanical planarization), cleaning solutions, and packaging materials.

#### Going Forward

The semiconductor market, supported by demand for digital infrastructure, is growing powerfully as an essential business that society cannot live without. Our aim is to grow sales by twice the amount of growth in this market, and we will continue to focus on materials for advanced processes. In particular, we will emphasize EUV photoresists for semiconductors of the 3nm and beyond generation and for memory and work to maintain and expand our share in the global market for

lithography materials. We will also expand peripheral materials like CMP materials, cleaning solutions, and packaging materials and grow sales to ensure we capture the growth in demand for semiconductor chips. Although a delay in the launch of our U.S. cleaning solutions plant, which began operating in FY2020, resulted in an impairment, it is now operating well. We will work to expand local production and optimize costs to stabilize earnings as soon as possible. The aim going forward is to use the U.S. plant to expand the cleaning solutions business in the global market.

#### TOPICS

##### Received the “Excellent Performance Award”

Taiwan Semiconductor Manufacturing, the world’s largest dedicated semiconductor foundry, honored JSR Group with an Excellent Performance Award in December 2021. The company hands out the award to suppliers providing outstanding service, production equipment, and materials. The award given to JSR especially recognized our contribution in materials development, technical support, and the stable supply of high-quality products.



## Digital Solutions Business

### Display Materials Business



#### Contribution to Solving Social Issues

The spread of 8K broadcasting and 5G devices, two new technologies, is fueling demand for LCDs with high resolution and brightness and low power consumption. In the LCD panel market, which we expect will continue expanding, we will keep offering customers solutions that fully capitalize on our new development methods incorporating digitalization technology.

#### Overview of FY2021

In the Chinese market, which we expect to continue growing, we expanded sales focusing on competitive products. Of those, sales of Alignment Layer and Passivation Coat for LCD panels for large TV, which we are particularly focusing our efforts, expanded in China.

At the same time, as production of LCDs shifts from South Korea and Taiwan to China, we have been closing or downsizing local production bases in Taiwan and South Korea as part of a JSR Group realignment. Owing to the rising costs associated with the realignment, revenue and core operating profit were lower than in the previous fiscal year.

#### Management Policies

- Maximize cash flow in the LCD panel materials business through strategically focused business realignment.
- Capture growth in markets for new types of displays.

#### Going Forward

We have a high market share in the Display Materials Business. Here, our strength is in Alignment Layer and Passivation Coat, which help determine the performance of LCD panels. We particularly expect strong growth in the LCD panel market in China thanks to the growing number of 4K and 8K TVs sold. Therefore, we will especially promote sales of competitive Alignment Layer and Passivation Coat for large LCD panels.

As part of this, we will leverage the business management functions transferred from Japan to China to practice efficient information gathering and quick decision-making at the frontline of that market. We will also reinforce our sales and technical service structure at sales bases located around China. Additionally, part of the production of Over Coat, Passivation Coat, and other products from closed and downsized plants in Taiwan and South Korea was transferred at the end of March 2022 to JSR Micro (Changshu) Co., Ltd., which has expanded its own production of display materials. In March 2022, the Shanghai Technical Center (STC), our base for providing technical services for display materials in China, relocated to a different part of the city and expanded. Using the basic technology and experience we have acquired with LCD panel materials, we will also strengthen technical services in the field of OLED panel

materials. In addition, as part of our global realignment, we moved the laboratory functions of JSR Micro Taiwan to STC and consolidated our technical service functions.

We will continue to carry out structural reforms in line with changes in our customers' industries and strategically realign the product portfolio and focus markets. We will work for stable, long-term cash generation through cost optimization and aim for steady profit growth.

#### TOPICS

##### Expansion of Technical Service Center

In March of 2022, JSR's technical center in Shanghai moved to a different district of the city, expanding in the process. The center provides technical services on display materials in China. It was already offering various technical services backed by the fast, one-stop customer responsiveness of its excellent Chinese staff. Now, it can provide technical services on OLED materials with its wealth of basic technology and experience, as well as various technical services using laboratory functions transferred from Taiwan and consolidated in Shanghai. The relocated center has also put in various new evaluation equipment and small scale production equipment.



## Life Sciences Business



### Contribution to Solving Social Issues

We deliver materials and support services for the entire biopharmaceutical process, from drug discovery through development and manufacturing. Our advanced framework can provide pharmaceutical companies, biotechnology companies, and academic and research institutions with services and products that help increase the efficacy of biologics and boost the probability of successful development, while shortening development periods, thereby helping to bring advanced healthcare to market sooner.

### Overview of FY2021

With our U.S. headquarters, JSR Life Sciences, guiding strategies for the entire business segment, the Group has worked to expand revenue primarily from biomedical drug discovery support, production process development, and contract manufacturing, in addition to business from materials developed in-house.

There was an increase in projects in the pipelines of the CRO business operated by Crown Bioscience International and the CDMO business operated by KBI Biopharma, Inc.

MEDICAL & BIOLOGICAL LABORATORIES CO., LTD. (MBL) contributed to revenue with its diagnostic

reagent business growing steadily. Also, bioprocess materials began to be used in commercial production and contributed to sales revenue. However, core operating profit was lower than the previous fiscal year, in part because of rising advance costs resulting from growth investment.

### Management Policies

- Achieve revenue of more than 100 billion yen and core operating profit margin of 20% or more at a growth rate greater than that of the market.
- In addition to pursuing strategies in each business, strengthen the strategic synergies across the Life Sciences group and aim for growth above and beyond targets.

### Going Forward

While the CDMO market is attracting an increasing number of entrants, Group company KBI Biopharma, Inc.'s business has some unique characteristics. It has completed a new plant in North Carolina and is further building its production capacity in the U.S. with the expectation to increase commercial production. Meanwhile, KBI and Selexis SA are newly enlarging their facilities in Geneva, Switzerland as JSR Group expands our business in Europe with its large market for biologics. The CRO business similarly taps its distinctive technological capabilities as the source of competitive strength. In this business, we are working to further increase revenue and profit ratios, primarily by expanding services from Crown Bioscience.

In addition, we aim to accelerate growth in Japan by strengthening the diagnostics business of Medical & Biological Laboratory (MBL) and establishing a joint venture with Crown Bioscience to provide advanced preclinical services. At the same time, research activities are proceeding at JSR Bioscience and informatics R&D center (JSR BiRD) and JSR-Keio University Medical and Chemical Innovation Center (JKiC), among others. By tapping into the synergy of the whole Group working together, we are building a powerful business that will achieve sales growth that is at least 20% greater than the market's own growth rate.

## TOPICS

### Stronger Support for Cell Culturing Business

U.S. subsidiary KBI Biopharma opened a new plant in April 2022. Located in a state-of-the-art commercial manufacturing facility in North Carolina's Research Triangle Park, the plant supports the manufacture of mammalian-based products for late-stage clinical and commercial programs. As such, it is helping to expand the mammalian cell culturing business in the U.S.



## Plastics Business



### Contribution to Solving Social Issues

We continue to offer products that meet customers' increasingly diverse needs and help to solve problems. Among the needs we address: high-performance ABS resin and plating materials; squeak-reducing materials that meet the demand for low in-vehicle noise in line with increasing use of electric vehicles (EVs); and unpainted materials that reproduce the advantages of paint, hold down costs, and reduce environmental impact by eliminating the need for solvents.

### Overview of FY2021

We captured some of the demand that is recovering from a slump, particularly in the automobile industry. Sales volume and revenue both exceeded that of the previous fiscal year, and core operating profit surpassed that of the previous fiscal year thanks to recovery in sales volume. As a result of the above, revenue from the Plastics Business was 90,606 million yen (up 14.5% year on year) and core operating profit was 5,323 million yen (up 20.2% year on year).

### Going Forward

The automobile industry, the chief market for our plastics, is undergoing profound changes thanks to technological

progress. As such, manufacturers are demanding lighter and more multifunctional vehicle bodies than ever before. For example, with the increasing use of EVs, customers want less in-vehicle noise. Moreover, with rising awareness of the need to conserve the environment and respond to stronger laws and regulations, reducing environmental impact has become a big issue for the automobile industry. At the same time, there is the need to reduce costs. Together with other issues, these mean that customer needs are increasingly diverse. We are committed to meeting these diverse needs through our Plastics Business. We will continue to offer materials that help transform the automobile industry.

One such material is HUSHLLOY™ styrene thermoplastic. Where plastic parts are joined together, rubbing between the parts can cause unpleasant squeaking noises. The noise, caused by frictional vibration on the contact surface between plastic parts, is a major design consideration. HUSHLLOY™ styrene thermoplastic has revolutionary properties that prevent such squeaking to maintain a quiet vehicle interior. It can not only help reduce the cost of anti-squeak materials but also help lower environmental impact, since its effects last for the lifetime of the product.

Meanwhile, VIVILLOY™ is a highly colorable material for paint-less applications. We developed it based on proprietary polymer technology cultivated over many years of selling and supplying weather-resistant materials (in the DIALAC™ series) and composite plastic alloys around the globe. Though no paint is used, this product features color depth and vividness closely resembling

paint for components with intricate shapes. Moreover, bypassing the painting process can contribute to lower overall cost. JSR Group previously worked with a customer to implement closed-loop recycling of plastic in office equipment, and now we will use that experience to study recycling of unpainted automobile components. The Group works to expand sales of our distinctive and differentiated products, particularly in overseas markets.

## TOPICS

### Used in Various Applications from Automotive to Daily Goods

HUSHLLOY™, which reduces squeaking between plastic components, is a widely varied line of products built for specific applications. For example, some products are meant to withstand heat and some to be non-glossy, while others contain glass fiber or consist of a PC alloy. Each product offers the excellent physical properties balance and formability of ABS resin while maintaining a stable molding shrinkage rate. Thanks to these advantages, the line is used in a wide range of applications, including automotive components, electronics components, and home appliances. Automotive components that use HUSHLLOY™



include center cluster panels, air conditioner retainers, cup holders, and meter housing. Electronics components that use it include car navigation systems, while home appliances include air conditioner components.

Center cluster panel

## Main Group Enterprises (As of July 31, 2022)

### Head Office

#### JSR Corporation

Shiodome Sumitomo Bldg. 1-9-2, Higashi-Shimbashi,  
Minato-ku, Tokyo 105-8640 Japan

### Branch Office

#### Taiwan Branch

5F.-1, No. 30, Taiyuan St., Zhubei City, Hsinchu County  
302082, Taiwan, R.O.C.

### Plants/Business Sites/Laboratories

#### Yokkaichi Plant/Yokkaichi Research Center

100, Kawajiricho, Yokkaichi-shi, Mie 510-8552 Japan

#### Tsukuba Site/Tsukuba Research Laboratories

25, Miyukigaoka, Tsukuba-shi, Ibaraki 305-0841 Japan

#### JSR-Keio University Medical and Chemical Innovation Center

35, Shinanomachi, Shinjuku-ku, Tokyo 160-8582 Japan

#### JSR Bioscience and informatics R&D center

3-103-9 Tonomachi, Kawasaki-ku, Kawasaki, Kanagawa  
210-0821 Japan

## JAPAN

### Digital Solutions Business

#### Emulsion Technology Co., Ltd.

Compounding and sales of crude latex

#### D-MEC Ltd.

3D model generation, analysis by CAE and sales of solid  
modeling system and optically hardened resins

#### JSR Micro Kyushu Co., Ltd.

Production of semiconductor materials and display materials

#### JSR ARTON Manufacturing Co., Ltd.

Production of edge computing materials

### Life Sciences Business

#### MEDICAL & BIOLOGICAL LABORATORIES CO., LTD.

R&D, manufacture and sales of diagnostic and research  
reagents and companion diagnostics development service

#### LEXI Co., Ltd.

Development, sales, and services of software and devices  
for supporting surgical operations

#### JSR Life Sciences Corporation

Manufacture of life sciences-related materials

### Plastics Business

#### Techno-UMG Co., Ltd.

Production, sales and R&D of ABS resin

#### JAPAN COLORING CO., LTD.

Coloring and sales of synthetic resins

### Other Businesses

#### JEY-TRANS CO., LTD.

Freight forwarding, warehousing, delivery management

#### JN System Partners Co., Ltd.

Computer system design, programming, operation and  
maintenance

#### JSR Business Services Co., Ltd.

Human resources, payroll calculation, welfare, general affairs

#### JSR Logistics & Customer Center Co., Ltd.

Customer service agent and logistics management

#### JSR Active Innovation Fund, LLC

Investment for start-ups and support for developing  
investees' businesses

## Overseas

### Digital Solutions Business

#### EUV Resist Manufacturing & Qualification Center N.V.

Production of EUV photoresists for semiconductors

#### Inpria Corporation

Development and production of EUV metal resist

#### JSR Electronic Materials Korea Co., Ltd.

Sales agency of products such as semiconductor materials

#### JSR Electronic Materials Singapore Pte. Ltd.

Sales agency of semiconductor materials

#### JSR Electronic Materials Taiwan Co., Ltd.

Sales, marketing and R&D activities of semiconductor materials

#### JSR Micro (Changshu) Co., Ltd.

Production of display materials

#### JSR Micro, Inc.

Production and sales of semiconductor materials

#### JSR Micro Korea Co., Ltd.

Design, development, production and sales of display materials

#### JSR Micro N.V.

Production and sales of semiconductor materials and life  
sciences-related materials

#### JSR Micro Taiwan Co., Ltd.

Design, development, production and sales of display materials

#### JSR North America Holdings, Inc.

Management and oversight of JSR Micro, Inc. and JSR Life  
Sciences, LLC's global operations

#### JSR (Shanghai) Co., Ltd.

Sales agency of products such as synthetic rubbers,  
semiconductor materials, LCD materials and performance  
chemicals

### Life Sciences Business

#### Crown Bioscience International

Efficacy testing services for candidates of drugs against  
oncology, inflammation, cardiovascular and metabolic  
disease and development of antibodies for those diseases

#### JSR Life Sciences, LLC

JSR Life Sciences global business headquarters and  
distribution of life sciences products in the US market

#### JSR Micro N.V.

Production and sales of semiconductor materials and life  
sciences related materials

#### JSR North America Holdings, Inc.

Management and oversight of JSR Micro, Inc. and JSR Life  
Sciences, LLC's global operations

#### KBI Biopharma BVBA

Wholly owned KBI subsidiary, focused on delivering  
analytical and formulation services

#### KBI Biopharma, Inc.

Microbial and mammalian, clinical and commercial  
biopharmaceutical contract development and manufacturing  
services

#### KBI Biopharma, SA

Contract development and manufacturing of  
biopharmaceuticals

#### MBL Beijing Biotech Co., Ltd.

Manufacture of in vitro diagnostic raw material platforms and  
provider of complete project solutions for in vitro diagnostic  
industry

#### MBL Hangzhou Biotech Co., Ltd.

Manufacture of clinical diagnostics materials, antibodies and  
intermediates

#### MBL International Corporation

Development, manufacturing and sales of solutions-based  
products for both life science research and clinical diagnostics

#### MBL Shenzhen Biotech Co., Ltd.

Development, manufacture, and sale of diagnostic reagents  
and their raw materials

#### Selexis SA

Cell-line development services

### Plastics Business

#### Techno-UMG America, Inc.

Sales of plastics, technical services related to plastics in  
North America

#### Techno-UMG Asia Co., Ltd.

Sales and technical services of synthetic resin in ASEAN region

#### Techno-UMG Europe GmbH

Sales and technical services of synthetic resin in Europe

#### Techno-UMG Guangzhou Co., Ltd.

Sales and technical services of synthetic resin in Guangzhou  
and neighboring regions

#### Techno-UMG Hong Kong Co., Ltd.

Sales and technical services of synthetic resin in Hong Kong  
and neighboring regions

#### Techno-UMG Shanghai Co., Ltd.

Sales and technical services of synthetic resin in China



## Corporate Data (As of March 31, 2021)

### JSR Corporation

<b>JSR Corporation Established</b>	<b>Capital (Common Stock)</b>
December 10, 1957	23,370 million yen
<b>Employees</b>	<b>Closing date</b>
9,696	JSR books are closed on March 31 each year.

### Shareholders Information

<b>Stock Listing</b>	<b>Number of Shareholders</b>
Tokyo Stock Exchange	15,868

### Number of Shares Issued

226,126,145 shares

### Major Shareholders

Name of Shareholder	% of shares held/voting rights	Number of shares held (thousands)
The Master Trust Bank of Japan, Ltd. (trust account)	15.42	33,162
SSBTC CLIENT OMNIBUS ACCOUNT BRITISH VIRGIN ISLANDS/U.K.	9.71	20,887
Custody Bank of Japan, Ltd. (trust account)	5.84	12,552
GOLDMAN SACHS & CO. REG	4.02	8,644
Bridgestone Corporation	3.03	6,525
MSCO CUSTOMER SECURITIES	3.00	6,449
ML PRO SEGREGATION ACCOUNT	2.15	4,633
Nippon Life Insurance Company	1.73	3,717
Meiji Yasuda Life Insurance Company	1.69	3,631
Mizuho Bank, Ltd.	1.55	3,325

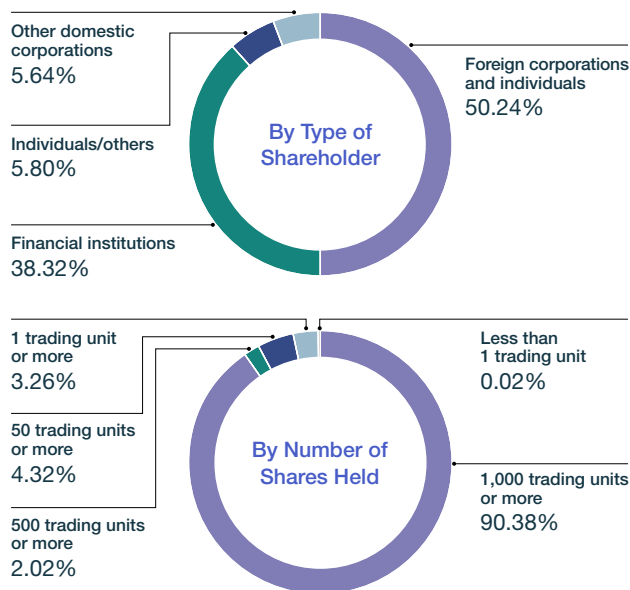
\*1 The numbers in the columns under "Number of shares held" are rounded to thousands of shares.

\*2 The Company is not included in the table above although it holds 11,047,900 treasury shares.

\*3 The shareholding ratio is calculated by using 215,078,245 shares (calculated by deducting number of treasury shares from Total number of issued shares 226,126,145 shares) and rounded to two decimal places.

### Composition of Shareholders

	Shareholder	Shares held (thousands)
Individuals and others	14,891	12,485
Foreign corporations and individuals	660	108,052
Other domestic corporations	205	12,127
Financial institutions	111	82,414
Treasury stock	1	11,048
Total	15,868	226,126



### Ordinary General Meeting of Shareholders

The annual General Meeting of Shareholders is held in June each year. The 2021 annual General Meeting was held on June 17, 2022.

### Transfer Agent and Register

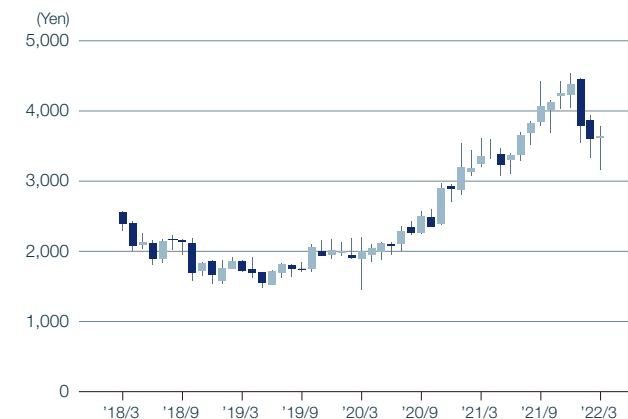
SUMITOMO MITSUI TRUST BANK, LIMITED

### Independent Auditors

KPMG AZSA LLC

### Common Stock Price Range (Yen/share: Tokyo Stock Exchange)

		1st Q	2nd Q	3rd Q	4th Q
FY2010	High	1,999	1,666	1,543	1,875
	Low	1,436	1,201	1,341	1,183
FY2011	High	1,724	1,655	1,582	1,790
	Low	1,413	1,221	1,218	1,408
FY2012	High	1,695	1,455	1,644	1,994
	Low	1,255	1,274	1,224	1,670
FY2013	High	2,360	2,073	2,049	2,085
	Low	1,748	1,713	1,663	1,694
FY2014	High	1,933	1,975	2,229	2,205
	Low	1,622	1,681	1,711	1,893
FY2015	High	2,296	2,227	2,054	1,903
	Low	1,998	1,626	1,688	1,455
FY2016	High	1,682	1,635	1,872	2,115
	Low	1,292	1,287	1,437	1,835
FY2017	High	2,082	2,177	2,320	2,758
	Low	1,794	1,871	2,035	2,215
FY2018	High	2,425	2,229	2,177	1,909
	Low	1,803	1,824	1,530	1,526
FY2019	High	1,914	1,836	2,165	2,196
	Low	1,475	1,621	1,699	1,452
FY2020	High	2,127	2,557	2,959	3,600
	Low	1,840	2,004	2,346	2,809
FY2021	High	3,595	4,425	4,530	4,465
	Low	3,080	3,290	3,680	3,150



## Management's Discussion and Analysis

### Analysis of Operating Results

#### Overview of Operating Results for FY2021

In the FY2021, a recovery trend from the previous downturn was seen, fueled by both the control of COVID-19 and a rebound in economic activity. On the other hand, recent signs point to the pace of the global economy's recovery slowing down, including a fresh wave of COVID-19 infections, skyrocketing resource prices sparked by the Russian invasion of Ukraine that broke out in February 2022, worsening raw material and component shortages, and suppressed demand due to inflation mainly in the United States. As for the exchange rate, the yen depreciated against the dollar year-on-year. As for trends among the Group's main customer industries, the semiconductor market remained strong for both memory and logic semiconductors due to continued growth in demand for 5th generation mobile communication systems (5G), PCs and data centers. The flat-panel display market was strong throughout the year, thanks to the promotion of telework and other factors, but panel market conditions softened in the second half of the year, prompting manufacturers to adjust panel production. The biopharmaceutical market continued to see strong growth. The speed of recovery in global automobile production was hampered by production cuts by automobile manufacturers stemming from semiconductor shortages and difficulties in procuring parts for overseas production.

To push its business forward amid these circumstances, JSR Group has been strengthening its

business structure and management framework to realize a corporate structure imbued with sustainability and resilience, in line with the management policy for FY2024, and actively investing in R&D and businesses. As part of this, the Group has focused resources on medium and long-term growth in the Digital Solutions Business and Life Sciences Business, which are positioned as core businesses. In the Digital Solutions Business, which is centered on the Semiconductor Materials Business, the Group made Inpria Corporation (Inpria) a wholly owned subsidiary. Inpria is a world leader in the design, development, and manufacturing of metal photoresists for extreme ultraviolet (EUV) lithography. The Group also embarked on the construction of a new plant for cutting-edge lithography materials, including EUV resists, at the main Yokkaichi Plant complex. Local subsidiaries were established in Singapore and Taiwan to further bolster marketing and customer support capabilities. The local subsidiaries will aim to further expand business in key markets for semiconductor production. In the Life Sciences Business, the Group took definitive steps toward future business growth. These included the continued construction and startup of new plants in Europe and America by the Group company KBI Biopharma, Inc. (KBI) for its biologics contract development and manufacturing organization (CDMO) business; the acquisition of Ocello B.V., which possesses advanced 3D cell imaging technology, by Crown Bioscience International (Crown Bio); and the opening of the JSR Bioscience and informatics R&D center (JSR BIRD), a

new research facility to spearhead new business generation. Regarding the Elastomers Business, at the Board of Directors meeting held on May 11, 2021, the Company decided to establish a new subsidiary named Japan Synthetic Rubber Spin-off Preparation Co., Ltd. that succeeds to the Company's Elastomers Business through an absorption-type split, after which JSR will transfer all shares of Japan Synthetic Rubber Spin-off Preparation Co., Ltd. to ENEOS Corporation. Accordingly, JSR has classified the Elastomers Business as discontinued operations from the FY2021. Moreover, certain reclassifications have been made to the Consolidated Statement of Profit or Loss and related Notes on Consolidated Financial Statements for the FY ended March 2021 to conform to the presentation format for the FY ended March 2022. The share transfer to ENEOS Corporation was concluded on April 1, 2022.

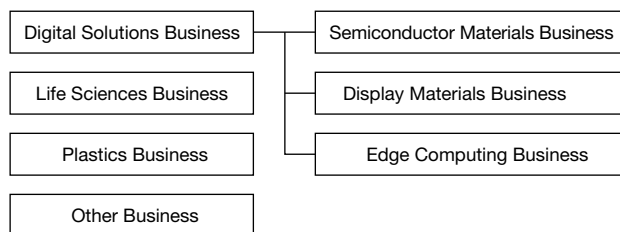
As a result, the Group reported revenue of 340,997 million yen (up 9.3% year-on-year), core operating profit of 43,306 million yen (up 14.3% year-on-year), operating profit of 43,760 million yen (up 27.8% year-on-year), and profit attributable to owners of parent of 37,303 million yen, compared with loss attributable to owners of parent was 55,155 million yen in the previous fiscal year.

#### Business Segment Overview

The JSR Group's business is classified into three reportable segments: Digital Solutions, Life Sciences, and Plastics. The reportable segments are positioned

as shown below.

#### Positioning of Reportable Segments



#### Digital Solutions Business Segment

The Digital Solutions Business segment experienced both increased revenue and profit compared to the previous fiscal year.

In the Semiconductor Materials Business, demand was firm for materials for both memory and logic semiconductors. To solidify JSR's position as a leader in the advanced lithography field, the Company made Inpria a subsidiary and added metal resists, a future technology, to its product portfolio of EUV photoresists. Sales of cutting-edge photoresists were particularly strong, due in part to advanced device launches by major customers. In addition, smooth product launches were achieved for packaging materials destined for major customers. An impairment loss was recorded for cleaning solutions caused by startup delays at the U.S. plant. Nevertheless, revenue and core operating profit increased year-on-year.

The Display Materials Business promoted expanded sales particularly of competitive products in the China market where continued growth is expected. Expanded

sales to China were seen for alignment films and insulating films for wide-screen TV LCD panels, a focus point of the business. Although sales of alignment films and insulating films were solid, the sector posted lower year-on-year revenue and core operating profit because of increased expenses arising from the Group's business restructuring associated with the closure or scaling back of local production in Taiwan and South Korea, amid the shift of LCD production from South Korea and Taiwan to China.

The Edge Computing Business suffered revenue and profit declines because of a sales decrease in near infrared (NIR) filters.

As a result, the Digital Solutions Business segment posted a core operating profit of 39,002 million yen (up 12.8% year-on-year) on revenue of 165,030 million yen (up 9.0% year-on-year).

#### Life Sciences Business Segment

In the Life Sciences Business, with the U.S. headquarters guiding strategies for the entire business segment, the Group worked to expand revenue primarily in the biologics contract research business and the biologics contract development and manufacturing business, in addition to JSR materials. The contract research organization (CRO) business, provided by Group company Crown Bio, and KBI are steadily increasing their pipelines.

As a result, the Life Sciences Business segment posted a core operating profit of 3,168 million yen (down 9.7% year-on-year) on revenue of 72,452 million yen (up 31.3% year-on-year).

#### Plastics Business Segment

In the Plastics Business, sales volume rose from the previous fiscal year, mainly on the back of demand recovery in the automobile industry, and revenue also climbed. Core operating profit was up on the recovery in sales volume.

As a result, the Plastics Business segment posted a core operating profit of 5,323 million yen (up 20.2% year-on-year) on revenue of 90,606 million yen (up 14.5% year-on-year).

#### Business Outlook

Uncertainties are anticipated to continue in FY ending March 2023, including changes in the international situation driven by the re-emergence of COVID-19 infections, geopolitical fluctuations including heightened tensions around the Ukraine situation, suppressed demand in countries around the world due to broad price increases, and the impact on exchange rates of interest rate policies in various countries. On the other hand, global economic growth is expected to be on a recovery track due to the widespread roll-out of COVID-19 vaccines, the expanding deployment of booster shots and use of therapeutic drugs against COVID-19, and the favorable employment conditions and asset markets in the United States that are expected to support the economy.

In the current situation, the semiconductor market, JSR's primary customer market, is expected to be sustained by digital infrastructure demand and see robust growth as an essential industry for society. Furthermore, the solid demand forecasts over the medium-to-long term for the life sciences field remain

unchanged. In the global automobile market, the Plastics Business's main customer market, the recovery trend in automobile production is predicted to continue.

Amid these business conditions, JSR will continue proactive R&D and business investments in the growing Semiconductor Materials Business and Life Sciences Business toward further strengthening of its business structure and management framework in order to build an organizational structure having both resilience and sustainability.

## Analysis of Financial Position

### Overview of Financial Position for FY2021

#### 1. Asset

Total assets as of March 31, 2022 amounted to 809,371 million yen, up 136,598 million yen from a year earlier.

Current assets amounted 437,002 million yen, up 107,723 million yen, due to an increase in inventories, including the Elastomers Business.

Non-current assets amounted 372,369 million yen, up 28,875 million yen, due to an increase in goodwill resulting from making Inpria Corporation a wholly owned subsidiary.

#### 2. Liabilities

Total liabilities amounted to 394,631 million yen, up 92,595 million yen, due to an increase in borrowings resulting from the issue of bonds.

#### 3. Equity

In terms of equity, total equity attributable to owners of parent amounted to 376,011 million yen, up 42,016 million yen from a year earlier, due to the recording of

profit attributable to owners of parent. Total equity, including noncontrolling interests, amounted to 414,739 million yen, up 44,003 million yen.

### Overview of Cash Flows for FY ended March 2022

Cash and cash equivalents ("funds") as of March 31, 2022 stood at 45,567 million yen, down 39,809 million yen from a year earlier.

Net cash provided by operating activities amounted to 18,271 million yen, down 52,132 million yen from the previous year. The main items included profit before tax of 45,521 million yen, depreciation expenses and amortization charges of 22,482 million yen, and net increase in inventories of 46,454 million yen.

Net cash used in investing activities totaled 63,117 million yen, up 10,431 million yen from the previous year. The main items were 47,614 million yen in payments for purchase of property, plant and equipment, 47,348 million yen in payments for purchase of shares of subsidiaries resulting in change in scope of consolidation, 17,203 million yen in proceeds from sale of investments, and 15,224 million yen in proceeds from sale of investments in associates.

Net cash provided by financing activities totaled 22,994 million yen, up 18,698 million yen from the previous year. The main items were 39,338 million yen in net increase in short-term borrowings and 15,338 million yen in repayments of long-term borrowings.

The Group formulates a funding plan based on the annual business plan and controls liquidity risk in consideration of an appropriate balance of direct

and indirect funding, as well as short-term and long-term funding.

### Financing and Capital Liquidity

The Group's need for capital includes working capital such as raw material costs; overhead costs; selling, general and administrative expenses; capital investment, business investment including M&As; and repayment of interest-bearing debt related to manufacturing and sales. The Group meets such needs for capital mainly from operating cash flows and by borrowing from financial institutions. The Group formulates a financial plan based on the annual business plan, and manages liquidity risks by ensuring an appropriate balance between direct and indirect financing and between short-term and long-term financing to prepare for these risks, while considering business expansion and enhancement of the financial position. The Group registered for the issuance of up to 100 billion yen in corporate bonds and established a commercial paper issuance facility of up to 15 billion yen. In the current fiscal year under review, we issue a total of 10 billion yen in short-term corporate bonds to further diversify our methods for raising capital. We are also introducing a cash management system for the purpose of efficient use of capital, and are seeking to centralize capital procurement and management within the Group.

### Basic Approach to the Selection of Accounting Standards

JSR Group has voluntarily adopted International Financial Reporting Standards (IFRS) starting from FY ended March

2018 to improve convenience and the international comparability of financial information in the capital market.

Significant accounting policies, accounting estimates, and assumptions used in making such estimates adopted in the JSR Group's consolidated financial statements are described in "5. Accounting Conditions, 1. Consolidated Financial Statements, (1) Consolidated Financial Statements Notes to Consolidated Financial Statements, 4. Significant Accounting Policies, 6. Judgments Involving Significant Accounting Estimates and Estimates" in the Annual Securities Report.

#### **Basic Policy on Profit Allocation and Dividends for FY ended March 31, 2022 and FY ending March 31, 2023**

With respect to profit appropriation, the Company regards business growth over the long term as its top priority. To generate sustainable long-term growth, JSR strives to increase its competitiveness by developing new businesses through the reinforcement of research and development activities. The Company determines returns to shareholders by taking into account business performance and medium-term and long-term demand for funds, while giving consideration to a balance between returning profits to shareholders and retaining earnings necessary for future business advancement. The Company plans to pay a year-end dividend of 35.00 yen per share in the interest of continuing stable dividends. Including the interim dividend already paid, the total annual dividend for FY ended March 2022 will be 70.00 yen per share. With regard to the dividend for

the next fiscal year (FY ending March 2023), JSR plans to pay 70.00 yen per share annually, the same amount as for FY ended March 2022, in consideration of the balance between returns to shareholders and retaining earnings for the Company's future growth, with the objective of sustainably improving the Company's business performance from a long-term perspective.

#### **JSR Group Business and Other Risks**

JSR Group is exposed to the following risks that may impact on operating results, financial position, cash flows, and other aspects of its business performance.

Forward-looking statements are based on the Group's judgments as of March 31, 2022, and the Group's business and other risks are not limited to the following matters.

#### **Changes in Demand due to Economic Trends**

Major industries in which JSR Group's products are sold, such as automobiles and electronics, may be influenced by the economic climate in countries or regions. An economic slowdown could reduce demand in these industries and adversely affect JSR Group's operating results.

#### **Fluctuations in Exchange Rates**

JSR Group is susceptible to the effects of exchange rate fluctuations. Operating results of consolidated subsidiaries and equity-method affiliates located in other countries are converted into Japanese yen amounts for the purposes of preparing consolidated financial

statements. Accordingly, yen appreciation could adversely affect JSR Group's operating results.

#### **Fluctuations in Prices for Crude Oil, Naphtha, and Other Major Raw Materials**

Fluctuations in prices for crude oil and naphtha, or changes in market conditions for other major raw materials, could change procurement prices of raw materials or market conditions for products and adversely affect JSR Group's operating results, especially in the Elastomers Business and Plastics Business.

#### **Overseas Operations**

Overseas operations are exposed to a number of risks that include, but are not limited to, an unfavorable political environment or economic trends; labor disputes and other problems due to differences in labor laws and other working conditions; difficulty in recruiting and retaining employees; an adverse impact on business activities due to inadequate social infrastructure; and the impact of wars, terrorism, and other social instability. Any of these events could adversely affect JSR Group's operating results.

#### **Product Quality Assurance and Product Liability**

Damage or injury caused by a product manufactured by JSR Group could adversely affect JSR Group's operating results.

#### **Development of New Products**

Large, unforeseen changes in the industry or market

could prevent the timely development of new products and adversely affect JSR Group's operating results.

#### **R&D Involving NextStage Growth Businesses**

JSR Group actively invests in R&D to create next-stage growth businesses. However, there is no guarantee that all R&D activities will yield worthwhile results. Depending on R&D results, there could be an adverse effect on JSR Group's operating results.

#### **Protection of Intellectual Property**

Disputes over intellectual property with other companies could arise or infringements on JSR's intellectual property by other companies could occur.

#### **Climate Change**

As a transition risk associated with climate change, if policies toward a decarbonized society are strengthened or laws and regulations related to carbon emissions are revised or newly enacted at an unexpectedly rapid pace in various countries and regions in the future, the Group may face increased expenditures for such efforts and restrictions on its business activities.

#### **Environmental Issues**

In the event that a spill of any type of chemical occurs or that environmental regulations become more stringent, the Group's business activities could be constrained, the Group may have to pay compensation and other costs, or the Group may have to make new substantial capital expenditures. Any of these events could adversely affect

JSR Group's operating results.

#### **Laws and Regulations**

In the countries where it operates, JSR Group is subject to various laws and regulations involving business and investment permits, import and export activities, trade, labor relations, intellectual property, taxes, foreign exchange, and other matters. In the event that a law or regulation is violated, or a law or regulation becomes stricter or is significantly altered, there could be limitations to the Group's business activities or additional compliance costs. Any of these events could adversely affect JSR Group's operating results.

#### **Litigation**

JSR Group may be sued or be involved in other litigation concerning a dispute with a supplier, customer, or other external party. The outcome of significant litigation could adversely affect JSR Group's operating results.

#### **Procurement of Raw Materials**

An interruption in the supply of raw materials due to an accident at a raw materials manufacturer or a supply stoppage due to quality issues or bankruptcy could hinder production activities and adversely affect JSR Group's operating results.

#### **Information Systems and Information Management**

Unauthorized access due to cyber attacks, malicious or grossly negligent actions by employees or others, power outages, disasters, or other events, may result in

the falsification or destruction of data, leakage of personal information, failure of information systems, which could in turn impede business activities.

#### **Natural Disasters and Accidents**

Constraints on economic activity caused by a major natural disaster or an accident at a manufacturing facility that damages a manufacturing facility or disrupts production could adversely affect JSR Group's operating results.

#### **Spread of COVID-19 Infections**

Restriction of economic activities due to the spread of the COVID-19 infections, temporary closure of offices and factories, or reduced operation could adversely affect the JSR Group's business results.