

Financial Results for the 2nd Quarter of Fiscal Year ending March 31, 2023 (FY2022 2Q)

November 8, 2022 Chiyoda Corporation



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Our SDGs Materiality





I Financial Results

1 Highlights

Financial Results

- Revenue and profit increased YoY.
- Expecting to achieve full year forecast, accelerating large scale project progress in the second half of the fiscal year.

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Countermeasures Against Global Inflation

Minimizing impacts on existing and new projects through cooperation and discussion with clients and partners

Growth Strategy

Global business developing with international hydrogen supply chain in Singapore



2 Income Statement

Billions of JPY

	FY2021 2Q	FY2022 2Q	Difference	Full Year Forecast	Progress
Revenue	147.4	184.3	36.9	500.0	37%
Gross Profit	11.9	12.1	0.2	35.0	34%
Gross Profit Margin	8.1%	6.6%	(1.5)pt	7.0%	-
SG&A Expenses	(5.6)	(5.9)	(0.3)	(15.0)	-
Operating Income	6.3	6.1	(0.2)	20.0	31%
Ordinary Income	6.0	6.6	0.6	18.0	37%
Profit*	(15.3) Note 1	5.3	20.7	11.5	46%
Exchange Rate JPY/ USD	112	145		138 Note 2	

Note 1) FY2021 1Q: Extraordinary losses of JPY20.4 billion was recorded related to the completed lotthys LNG project. The lawsuit had been settled.

Note 2) Revised from JPY120 at the beginning of the fiscal year





Billions of JPY

FY2021 2Q







4 Balance Sheet

						Billic	ons of JPY
	FY2021 4Q	FY2022 2Q	Difference		FY2021 4Q	FY2022 2Q	Difference
Current Assets	372.7	387.9	15.2	Current Liabilities	350.7	366.1	15.4
Cash and Deposits	68.8	67.4	(1.4)	Notes Payable, Accounts Payable for Construction Contracts	96.1	112.6	16.5
Operating Assets*1	59.0	61.0	2.0	Contract Liabilities	143.4	176.9	33.4
Accounts Receivable - Other	83.2	33.0	(50.3)	Provision for Loss on Construction Contracts	34.8	35.1	0.3
Jointly Controlled Assets of JV *2	141.4	181.6	40.2	Accounts Payable - Other	44.0	16.5	(27.5)
Other	21.7	46.5	24.8	Non-Current Liabilities	29.0	27.5	(1.5)
Non-Current Assets	22.7	24.0	1.2	Net Assets	15.8	18.2	2.5
Total Assets	395.4	411.8	16.4	Liabilities and Net Assets	395.4	411.8	16.4

 *1 Operating Assets: Notes receivable, accounts receivable from completed construction contracts, and contract assets + Costs on construction contracts in progress

*2 Jointly controlled assets of JV: Cash and deposits of joint venture proportional to Chiyoda's interest

Shareholders' Equity	15.7	18.1	2.4
Shareholders' Equity Ratio	4.0%	4.4%	+0.4pt



5 New Orders / Backlog

Billions of JPY

	New Orders FY2022 2Q	Backlog FY2022 2Q
Energy	30.5	976.2
Global Environment	15.6	383.6
Total	46.1	1,359.8

Major Backlog Projects	More than JPY100 billion	More than JPY10 billion
Energy	NFE LNG, QatarGolden Pass LNG, USA	 Tangguh LNG Expansion, Indonesia
Global Environment	 Copper Smelting Plant, Indonesia 	 Biopharmaceutical Manufacturing Plant, Japan Energy Storage System Facility, Japan



Att. Revenue and Backlog Breakdown

FY2022 2Q Revenue

[Business]

ENERGY	129.4	70%
LNG Plant, Gas Related Work	112.5	61%
Refinery, Petrochemical	16.9	9%
ENVIRONMENT	54.9	30%
 Pharmaceutical, Biochemistry, Chemical 	14.2	8%
Environment, New Energy, Infrastructure, Others	40.7 22%	
TOTAL	184.3	100%

[Region]

OVERSEAS	148.0	80%
Middle East & Africa	63.6	35%
Americas	33.1	18%
Asia & Oceania	51.4	28%
Others	0.0	0%
	36.3	20%
TOTAL	184.3	100%

Billions of JPY

FY2022 2Q Backlog

[Business]

ENERGY	976.2	72%
LNG Plant, Gas Related Work	952.0	70%
Refinery, Petrochemical	24.2	2%
ENVIRONMENT	383.6	28%
 Pharmaceutical, Biochemistry, Chemical 	42.4	3%
 Environment, New Energy, Infrastructure, Others 	341.1	25%
TOTAL	1,359.8	100%

[Region]

OVERSEAS	1,268.0	93%
Middle East & Africa	816.7	60%
Americas	116.1	9%
Asia & Oceania	335.1	25%
Others	0.0	0%
	91.8	7%
TOTAL	1,359.8	100%





1 Hydrogen Business ~SPERA Hydrogen™~

Hydrogen Supply Chain Business in Singapore

- Commenced Pre-Front End Engineering Design (Pre-FEED) for a clean hydrogen supply chain in Singapore with Sembcorp Industries^{*1} and Mitsubishi Corporation. Commercial operation commencing in 2026.
- Aiming for the largest clean hydrogen supply business in Asia with a capacity of approximately 60 kilotonnes per year*²



^{*1} A leading integrated utility Company and government-affiliated conglomerate in Singapore

*2 Equivalent to generating approximately one million megawatt-hours of renewable energy, doubling the current renewable energy output in Singapore



1 Hydrogen Business ~SPERA Hydrogen™~

Economy, Trade and Industry Minister Nishimura Visits the Dehydrogenation Plant

 During his visit to the TOA OIL CO., LTD. Keihin Refinery dehydrogenation plant in October 2022, Minister Yasutoshi Nishimura received a lecture on the global hydrogen supply chain demonstration, successfully completed by AHEAD^{*1} in 2020, and hydrogen storage and transportation using MCH^{*2}.

	AHEAD GI Chai	obal Hydro n Demons	ogen Supply tration
	- Surge		OUTLINE
		Capacity	Max. 210 tonnes/year (Filling approx. 40,000 FCV)
	Approx. Japan 5.000 km	Period	2020
	So R	Hydrogen Supply	Brunei Darussalam
	Prunei	Hydrogen Demand	Gas fired power plant turbine fuel in Kawaski
	Brune Brune	Transpor- tation	ISO tank container (Container vessel / trailer)
	2º7 A	Scheme	AHEAD conducted demonstration project
Minister Nishimura (third from left)			with a NEDO subsidiy

*1 <u>A</u>dvanced <u>Hydrogen Energy chain A</u>ssociation for technology <u>D</u>evelopment AHEAD is composed of Chiyoda, Mitsubishi Corporation, Mitsui & Co., and NYK Line.

*2 Methylcyclohexane



2 Low Carbon and Carbon Recycling

Joint Feasibility Study (FS) on Large Scale CCS*1 with PT Pertamina in Indonesia

- Business alliance based on the agreement with Pertamina regarding cooperation in the decarbonization field in Indonesia.
- Conducting a joint FS for the construction and operation of facilities to large-scale capture, transport and store CO₂ produced as a byproduct from a chemical manufacturing plant in Indonesia
- Supported by METI*² in Japan as a bilateral cooperation agreement strengthening the relationship between Japan and Indonesia



MOU signing ceremony at the 2nd Asia Growth Partnership Ministerial Meeting in September 2022

*1 <u>Carbon dioxide Capture and Storage</u>

*2 Ministry of Economy, Trade and Industry



2 Low Carbon and Carbon Recycling

e-fuel*1 Business

- Commenced strategical collaboration with German Clean Tech company INERATEC GmbH (INERATEC) on an e-fuel project to accelerate decarbonization.
- Realizing joint e-fuel projects, including SAF^{*2} in Japan and the Asia-Pacific region, combining INERATEC's innovative PtX^{*3} technology with Chiyoda's engineering expertize



INERATEC's industrial-scale container size plant module

- *1 Manufactured using captured carbon dioxide and hydrogen obtained from sustainable electricity
- *2 Sustainable Aviation Fuel

*3 Power-to-X is a collective term for electricity conversion, energy storage, and reconversion pathways



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3 **Energy Management Business**

JBIC*1 Managing Director Maeda Visits Energy **Storage System Facility**

- Mr. Tadashi Maeda visited the world's largest Energy Storage System Facility site for North Hokkaido Wind Energy Transmission Corporation in August 2022.
- Chiyoda is currently carrying out EPC and study work and will provide a 20 year maintenance work for the plant, further contributing to regional revitalization while developing local utility businesses through combined renewable energy and energy storage projects.



Mr. Maeda (fourth from left)

*1 Japan Bank for International Cooperation *2 Engineering, procurement and construction



4 Life Science Business

Applying Chiyoda's Energy Expertize in the Bio-Foundry Field

- Developing large-scale production technology and plant functional protein systems through industry-academia collaboration, compatible for human application assuming application in the quasidrug area
- Applying our expertise in the energy business field to horizontally develop the bio-foundry field



*1 <u>New Energy</u> and Industrial Technology <u>Development Organization</u>

*2 'Development of Bio-based Production Technology to Accelerate Carbon Recycling'

*3 National Institute of <u>A</u>dvanced <u>Industrial Science and Technology</u>



5 Digital Transformation (DX)

~ PlantStream[™] ~

A Revolutionary Space Design System

- PlantStream[™] automatically designs pipes and cables in basic engineering using CAD*, accelerating 3D model creation by up to five times and reducing the process by approximately 80%.
- Licensed to over 10 domestic and international companies since its launch 18 months ago, with a further 20 considering introduction
- PlantStream[™] is implemented 'in-house', adding competitiveness





PlantStream[™] design image

* Computer Aided Design



III Major Ongoing Projects

1 Major Ongoing Projects (Energy)

Project	Tangguh LNG Expansion, Indonesia	Golden Pass LNG, USA	NFE LNG, Qatar
Client	BP Berau Ltd.	Golden Pass Products, LLC (QatarEnergy and ExxonMobil JV)	QatarEnergy
JV Partner	Saipem, Tripatra	Zachry, McDermott	Technip Energies
Scheduled Completion	Start up in 2023	2024 – 2025 (3 trains)	2025 – 2027 (4 trains)
Status	Construction is in the final stage and is approaching completion	Construction ongoing	Engineering and procurement ongoing and construction commenced





2 Major Ongoing Projects (Environment)

Project	Copper Smelting Plant, Indonesia	Vaccine Constituent Production Facility	Energy Storage System Facility
Field	Non-Ferrous Metal	Life Science	Energy Management
Client	P.T. Freeport Indonesia	SHIONOGI & CO., Ltd.	North Hokkaido Wind Energy Transmission Corp.
Scheduled Completion	2024	2023	2023
Status	Engineering, procurement and construction ongoing	Commissioning ongoing	Commissioning ongoing









Chiyoda Corporation Corporate Services Department IR, PR & Sustainability Advanced Section, https://www.chiyodacorp.com/en/

Forward-Looking Statements: Any projections included in these materials are based solely on information available at the time this presentation was prepared. It is possible that actual results may vary significantly from the projections due to a number of risk factors such as economic conditions. The results projected here should not be construed in any way as being guaranteed by the Company. Investor are recommended not to depend solely on these projections for making investment decisions.