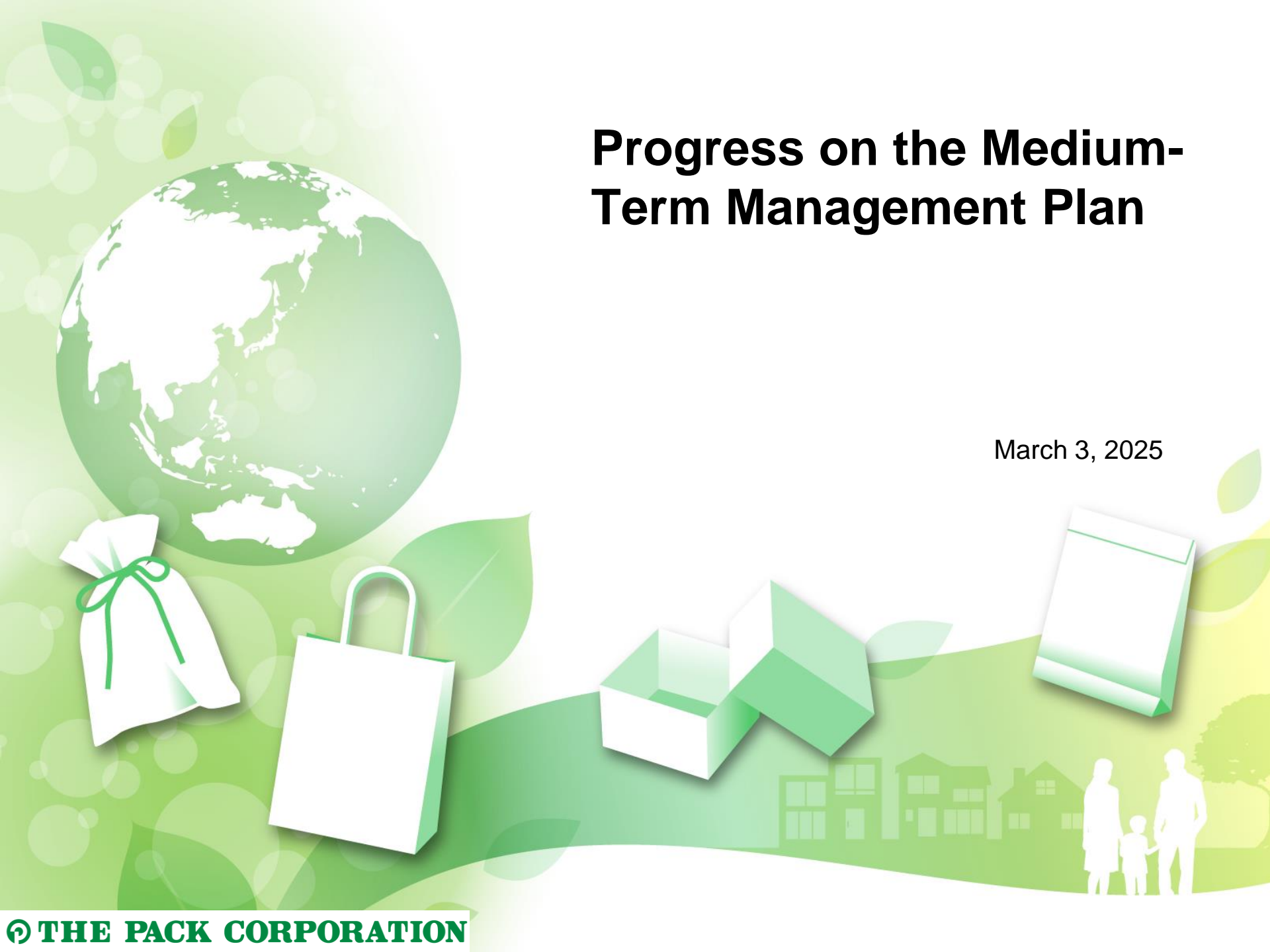


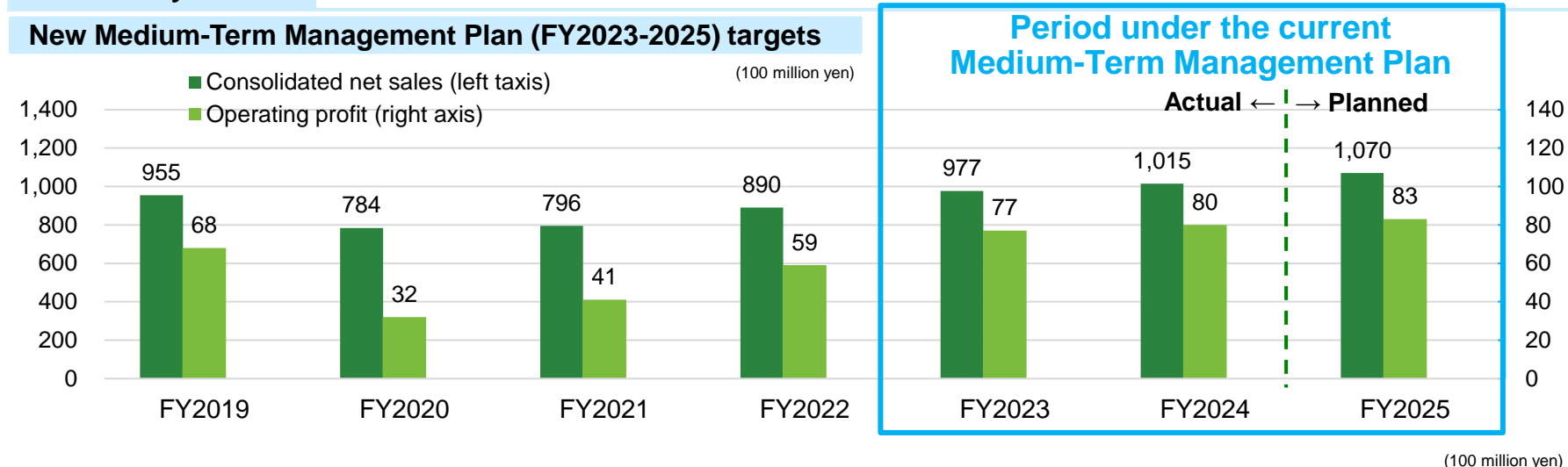
Progress on the Medium-Term Management Plan

March 3, 2025



Quantitative Progress on the Medium-Term Management Plan

Slogan	Evolution—Start of purpose-based management and Sustainable Management
FY2025 targets *Revised upward in February 2024	Consolidated net sales: 107.0 billion yen; operating profit: 8.3 billion yen ROE: 8% or higher; ROIC: 8% or higher



	FY2023	FY2024			
	Full-year, actual	Full-year, planned	Full-year, actual	Achievement rate against the plan	YOY change
Consolidated net sales	977	1,010	1,015	100.5%	3.8%
Operating profit	77	81	80	98.8%	3.4%
Ratio of operating profit to net sales	7.9%	8.0%	7.9%		
ROE	8.3%	8.0%	8.7%		
ROIC	7.6%	8.0%	7.5%		

Quantitative Progress on the Medium-Term Management Plan

Overview

- ◆ Achieved significant growth in sales to the food products market and the e-commerce market, which are growing
 - ◇ Capital investments and sales activities propelled growth.
 - ◇ In the field of paper bags, sales of delivery bags to the e-commerce market and tote bags to the retail market were strong.

Quantitative target by market

(100 million yen)

	FY2022 actual	FY2023 actual	FY2024 actual	YOY change	FY2025 target
Food products (*)	250	282	303	7.4%	320
e-commerce, mail order, logistics (*)	140	147	163	10.9%	180
General distribution, retail, etc.	500	548	549	0.2%	570
Total	890	977	1,015		1,070

(*) The "food products" and "e-commerce, mail-order, logistics" markets were defined in consideration of the businesses of customers and the purposes of their use of products.

Quantitative target by product category

(100 million yen)

	FY2022 actual	FY2023 actual	FY2024 actual	YOY change	FY2025 target
Paper bags	265	297	322	8.4%	315
Paper cartons	222	250	259	3.6%	270
Corrugated boxes	122	124	130	4.8%	150
Film packaging	119	138	135	-2.2%	145
Other	162	168	169	0.6%	190
Total	890	977	1,015	3.9%	1,070

Progress on Growth Strategies in the Food Products Market

Quantitative progress

(100 million yen)

FY2023 actual	FY2024 actual	FY2025 target	YOY change
282	303	320	7.4%

◆ Sales expansion of primary containers for food products and efforts related to paper trays and molded pulp containers

(100 million yen)

Net sales to the food products market	FY2022 actual	FY2023 actual	FY2024 actual	YOY change
All paper cartons in the market	130.3	150.0	159.4	6.3%
Primary containers for food products	69.1	77.2	87.5	13.3%
(Reference) All paper bags in the food products market	66.3	76.9	81.2	5.6%

- Growth in sales of primary containers for food products greatly contributed to the strong results.
- Initiatives to solve issues in the souvenir confectionery, food service, and home meal replacement markets were successful.

Stable supply → supply capacity enhancement through capital investments and supply chain enhancement

Added values → diversified product lineups and promotion of proposals on various designs

Eco-friendly approaches → Shift to paper, PFAS-free solutions, and printing of low environmental impact

◆ Growth in sales of and cross-selling of film packaging

(100 million yen)

Net sales to this market	FY2022 actual	FY2023 actual	FY2024 actual	YOY change
Film packaging	12.0	13.3	14.8	11.3%

- Orders increased due to proposals made for cross-selling with paper cartons and paper bags.
- Proposals on added value enabled by the development of products including paper-based film packaging proved successful.
- The Company is seeking to respond to widely-varied demand in the food products market in addition to offering primary food packaging.

Overview of Progress

- ◆ Expanded sales by leveraging our strengths and implementing strategies
 - ◇ Sales volumes increased due to strong sales to existing customers and market share expansion through sales activities.
 - ◇ An increased number of new products were added through diverse initiatives enabled by capital investments and product development.

◆ Developing materials and processes that help reduce environmental impact and expanding sales of FSC® products (FSC® C020517)

(100 million yen)

Net sales to this market	FY2022 actual	FY2023 actual	FY2024 actual	YOY change
FSC® products	40.6	50.3	55.1	9.5%

- Sales grew due to high environmental consciousness among customers.
- Enhanced development of PFAS-free and plastic-free materials

◆ Promoting proposals for solutions that contribute to labor savings, efficiency, and automation

- The food products setup business has performed well, helping to resolve labor shortage issues.
- In addition to the setup base in eastern Japan, the Company started the operation of one in western Japan in January 2025, and aims to add several bases in other locations.
- We're striving to become a one-stop supplier of food packages mainly for confectioneries and to achieve better business results by winning orders for products that customers haven't ordered.



Progress on Growth Strategies in the e-commerce, Mail Order, and Logistics Industries

Quantitative progress

(100 million yen)

FY2023 actual	FY2024 actual	FY2025 target	YOY change
147	163	180	10.9%

Overview of Progress

- ◆ Various initiatives to respond to the growth and demand of the market have paid off, leading to significant growth.
 - ◇ Expanded supply capacities for paper delivery bags and thin delivery materials resulted in expanded market share.
 - ◇ Development of automation technologies continues in joint efforts with customers.

◆ Enhancing sales efforts for delivery bags designed to contribute to transportation efficiency at customer sites.

(Million yen)

Net sales to the food products market	FY2023 actual	FY2024 actual	FY2025 actual	YOY change
Paper delivery bags	8.8	9.8	16.4	67.3%
Other delivery materials	2.8	4.5	6.6	46.7%

- Backed by market demand, sales expansion efforts have paid off and led to the acquisition of new customers, primarily major companies.
- Capital investments in eastern Japan expanded our supply capacity to areas where demand is high.
- Sales of thin delivery paper materials increased while sales of plastic delivery bags declined.
- Many of our proposals aiming for added values and workability improvement by leveraging our capabilities to design crossover subjects were adopted.

◆ Continuing to expand sales of reinforced corrugated boxes for heavy articles

(Million yen)

Net sales to this market	FY2023 actual	FY2024 actual	FY2025 actual	YOY change
Reinforced corrugated boxes	9.7	9.8	9.2	-6.1%

- While affected by the current market environment, we have sustained sales efforts by highlighting our internal design and proposal capabilities, and saw an increase in the volume of orders for new products.
- We have expanded business opportunities by increasing our capacity for manufacturing large-sized packaging materials suitable for heavy items.

◆ Development and sales expansion for materials and processes for automatic packaging

◆ We plan to exert greater effort into proposals that contribute to labor savings.

- Proposals beyond the realm of materials contributed to acquisition of new customers and market share expansion.
- Joint efforts with customers have continued. We offer the capacity to design both machines and products, a key strength.

<Showcasing at TOKYO PACK 2024 (Tokyo International Packaging Exhibition)>

- We exhibited products at TOKYO PACK 2024, held at Tokyo Big Sight (Tokyo International Exhibition Center) (October 23 to 25, 2024).
- This exhibition introduced our automatic packaging machines, which have plastic-free specifications, and paper delivery bags at a venue that attracts companies and buyers who have been successful in various fields and are interested in packaging materials, containers, packaging machines, and related services. It provided us with a chance to explore business opportunities with new customers.

Proposing an automatic paper delivery bag packaging system



Just putting products on a conveyor is enough to continuously package them in paper bags.

Point 1 Automatic packaging in delivery bags, which has been difficult, is enabled.

Point 2 Bags of appropriate sizes are selected as the lengths of products are automatically detected (the front-end size is fixed).

Point 3 Delivery slips can be attached by an automatic labeler (this requires a label producing system as an option).

Progress on Growth Strategies in the General Distribution Market, the Retail Market, and Other Markets

Quantitative progress

(100 million yen)

FY2023 actual	FY2024 actual	FY2025 target	YOY change
548	549	570	0.2%

Overview of Progress

- ◆ Sales steadily grew as the Group's base business amid changing external environments.
 - ◇ The distribution and retail markets have shown strong performance thanks to inbound tourism, etc. The shift to paper also contributed to performance.
 - ◇ Improvements in productivity and production capacity attributable to capital investments to increase paper bag production capacity have contributed to expanded market shares.

◆ Promoting additional proposals that would expand market share for paper bags and promote the shift to paper

(100 million yen)

Net sales to this market	FY2022 actual	FY2023 actual	FY2024 actual	YOY change
Paper bags	131.0	153.0	160.0	4.6%
(Reference) Film packaging	70.8	81.6	77.7	-4.8%

- This market continues to shift to plastic-free and paper products. The growth in sales of paper bags exceeded the decline in sales of plastic bags.
- Product lineups and supply capabilities contributed to successful response to surging demand driven primarily by inbound tourism.
- Sales of high value added products were strong in response to surging demand for paper bags for events and sales promotions.

◆ Providing products consistent with the 3Rs (Recycle, Reuse, and Reduce)

- Sewn bags (for example, eco-friendly bags) that promote reuse and high value added gift packaging materials continued to sell well.

(100 million yen)

Net sales to this market	FY2022 actual	FY2023 actual	FY2024 actual	YOY change
Sewn bags, gift packaging materials, etc.	25.6	28.5	33.1	16.1%

◆ Promoting social contributions alongside customers (The Pack Forest® Environment Fund)

	FY2030 target	FY2023 actual	FY2024 actual
Number of activities per year (times)	15	9	8
Number of participants (persons)	500	253	230
Number of supporting companies	300	123	158

- Due to growing awareness of the need to make environmental and social contributions, customers have begun to see the Fund as an opportunity for them to actively participate.
- New business opportunities through collaboration are created.

◆ Cultivating ASEAN sales channels

- Global companies have access to larger trading zones and hold larger share in the market than before in the ASEAN countries.
 - Market shares grew due to strengthened capabilities of production, logistics, and quality control in the Japanese market.
 - Sales grew in overseas markets due to strengthened supply chains.
 - The trading zone has been expanded in joint efforts with Group companies in China and the United States.
- Efforts on import
 - We help customers with their overseas businesses by offering the level of quality and services developed in the Japanese market.
 - Sales of materials for overseas stores and overseas plants have been expanding.

Progress on Human Capital Strategy

Overview

- ◆ **We continued undertaking initiatives to secure and make the most of the potential represented by human resources capable of supporting Company growth.**
 - ◇ Revised systems and wage increases improved employment conditions.
 - ◇ We enhanced human resources development programs.

Securing diverse human resources

	FY2023 actual	FY2024 actual
Career hires	35	27
Referrals and “comeback” hiring	15	9

	FY2023 actual	FY2024 actual	FY2025 target
Women as a percentage of permanent full-time employees	22.9%	24.4%	25.0%
Women as a percentage of managerial personnel (section managers or above)	8.8%	9.7%	10.0%

Human resource development

- We provide training and education programs, including newly introduced programs suited to different levels.
- ◆ Pre-employment training, new employee training, and section manager skills training
Career design training (at the age of 55), career advancement training (at the age of 58), training intended for directors, etc.
- ◆ Workplace improvement training
- ◆ DX training (the second term)
A program to develop human resources selected in training in the first term in the previous fiscal year and to output results was provided (to around 150 people)
- ◆ Efforts to develop the capacity to produce total solutions concerning packages
Holding study meetings, developing and providing product databases and video tools.

Creating better working environments

- We revised the rules for wages for employees rehired under the reemployment system.
- Employee benefits were enhanced (such as inclusion of financial support for vaccinations and comprehensive medical examinations).
- The Pack's own maternity and paternity leave program was formally introduced (after experimentally introduced in 2022).

Enhancing employee engagement

- Consecutive wage increases FY2024 5.50% on average
 (FY2023 5.01% on average)
- We encourage employees to join the employee stock ownership program and aim to increase awareness of management participation opportunities.
 We grant transfer-restricted share-based incentives under the employee stock ownership program.

Personnel planning

	Actual number of participants as of December 31, 2023	Actual number of participants as of December 31, 2024	FY2025 planned
Personnel planning for all workers including permanent employees, contract employees, and part-time workers.	1,836	1,836	1,920

- Additional workers will be placed in sections involved in strengthening the sales force.

Progress with Financial Strategies

Overview

- ◆ We have undertaken various initiatives to enhance our growth potential and corporate value.
 - ◇ We implemented facility reinforcement plans for the food products and e-commerce markets and have made additional investments to respond to demand.
 - ◇ We implemented a measure to increase shareholder returns as planned and enhanced information provision by publishing an integrated report.

Capital investments

(100 million yen)

		Initial plan (FY2023- 2025)	FY2023 actual	FY2024 actual	FY2025 planned	Total
Strategic investments	Reinforcing the capacity to produce paper cartons	20.0	7.9	12.5	2.5	22.9
	Reinforcing the capacity to produce paper bags	30.0	7.8	19.5	16.5	43.8
	Streamlining or labor savings	11.0	1.2	1.1	10.0	12.3
	Energy or resource savings	2.0	0.4	0.1	0.3	0.8
	Other	2.0	0.1	2.0	1.3	3.4
	Total strategic investments	65.0	17.4	35.2	30.6	83.2
Maintaining plant facilities		20.0	5.6	4.1	10.6	20.3
Land acquisition	Plant site near Osaka Plant	-	19.0	0.0	-	19.0
	Plant site near Tokyo Plant	-	3.8	3.6	-	7.4
Reconstruction of headquarters building			10.0	0.0	0.0	10.0
Total		85.0	55.8	42.9	41.2	139.9

Main capital investments actually carried out in FY2024

Paper cartons: Facilities for the food products market
 Paper bags: Eco-friendly printers
 Facilities for the e-commerce market

Main capital investments actually carried out in FY2025

Paper cartons: Facilities for the e-commerce market
 Paper bags: Automated and labor saving facilities
 Facilities for the distribution market
 Eco-friendly printers

Renovations of the backbone system

(100 million yen)

	FY2024 planned	FY2024 actual	FY2023 to FY2025 planned
Amount invested to renovate the backbone system	10	8.4	20

Human resource investments

FY2024 actual: 290 million yen
 Human resource development and recruitment: 80 million yen
 Wage increases: 210 million yen

Returns to shareholders

	FY2024 planned	FY2024 actual
Purchase of treasury shares	Planned under the annual upper limit of one billion yen	Executed for treasury shares of around one billion yen
Dividend payout ratio	Planned to maintain 35%	35.4%
Total payout ratio	Dividends of 2.2 billion yen Total payout ratio of 50%	Dividends of around 2.2 billion yen Total payout ratio of 51%

- We will carry out planned measures also in FY2025.