

Semi-annual Securities Report

2025

(Interim period of the 74th term)

🌀 THE PACK CORPORATION

Semi-annual Securities Report

1. This document is the print version of the Semi-annual Securities Report submitted via the Electronic Disclosure for Investors' NETwork (EDINET), pursuant to Article 27-30-2 of the Financial Instruments and Exchange Act of Japan, to which a table of contents and pagination have been added.
2. The Report on Interim Review attached to the Semi-annual Securities Report submitted via EDINET and the letter of confirmation submitted alongside the Semi-annual Securities Report are appended to the end of this document.

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Semi-annual accounting period:	Interim period of the 74th term (January 1 – June 30, 2025)
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English name:	THE PACK CORPORATION
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Locations where this document is available for public inspection:	Tokyo Stock Exchange (2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo, Japan)

Part 1. Corporate information

1. Corporate overview

1. Trends in major management indicators

Term	Interim period of the 73rd term	Interim period of the 73th term	73th term
Fiscal period	January 1 – June 30, 2024	January 1 – June 30, 2025	January 1, 2024 – December 31, 2024
Net sales (million yen)	46,617	47,385	101,461
Ordinary profit (million yen)	3,662	3,038	8,285
Profit attributable to owners of parent (million yen)	2,999	2,428	6,316
Comprehensive income (loss) (million yen)	3,002	1,833	6,319
Net assets (million yen)	72,952	75,110	74,485
Total assets (million yen)	98,723	98,532	103,292
Basic earnings per share (yen)	52.56	43.09	111.17
Diluted earnings per share (yen)	52.53	43.07	111.11
Capital adequacy ratio (%)	73.9	76.2	72.1
Cash flow from (used in) operating activities (million yen)	6,301	5,435	7,101
Cash flow from (used in) investment activities (million yen)	(97)	884	(5,436)
Cash flow from (used in) financing activities (million yen)	(2,084)	(1,378)	(3,041)
Ending balance of cash and cash equivalents (million yen)	22,210	21,399	16,656

(Notes) 1. Trends in key management indicators for the reporting company are not provided because the Company prepares semi-annual consolidated financial statements.

2. The Company implemented a stock split at a ratio of three common shares to one with an effective date of July 1, 2025. Calculations of basic earnings per share and diluted earnings per share are based on the assumption that the stock split took place at the beginning of the fiscal year ended December 31, 2024.

2. Lines of business

No material changes occurred in the lines of business pursued by the Group (i.e., the Company and its affiliates) during the semi-annual consolidated accounting period under review.

No changes affecting major affiliates emerged.

2. Business overview

1. Business and other risks

During the semi-annual consolidated accounting period under review, no new business or other risks were incurred. Additionally, no material changes arose with respect to the business and other risks presented in the Securities Report for the preceding fiscal year.

2. Management analysis of financial standing, business results, and cash flow

Forward-looking statements in the text below are based on judgments made as of the end of the semi-annual consolidated accounting period under review.

(1) Business performance

During the six-month period under review, Japan's economy maintained a course of gentle recovery, due mainly to improvement in income conditions, the government's economic stimulation measures, and growth in spending by tourists from abroad. Nevertheless, compared to wage and income growth, the recovery in consumer spending was relatively weak due to the continually rising cost of consumer goods, including food products. Under these circumstances, additional US tariffs pose a major risk that may directly and indirectly dampen Japan's economy.

In the US, while price increases affected consumer behavior, the unemployment rate remained at historically low levels. Fundamentals supporting consumer spending remained solid. There are concerns, however, that consumer confidence may weaken for various reasons, including falling stock prices and uncertainty related to tariff policies.

In China, the real estate market remained stagnant; uncertainty over trade conflicts with the US has affected the economy. Nevertheless, domestic spending gradually recovered due to economic measures and social support measures of the government.

Under these conditions, in the period ending December 2025, the Group seeks to achieve net sales of 107,000 million yen and operating profit of 8,300 million yen under the slogan of its Medium-Term Management Plan: "Evolution—Start of purpose-based management and Sustainable Management—." The entire Group has operated as a single united team to boost business results. Efforts undertaken to date include new market development and improved quality controls. Due partly to proactive investments in physical and human capital, during the six-month period under review, net sales grew by 1.6% year on year to 47,385 million yen; operating profit declined by 18.8% to 2,863 million yen; ordinary profit declined by 17.0% to 3,038 million yen; and profit attributable to owners of parent fell by 19.0% to 2,428 million yen.

The business performance for each segment is given below.

(i) Paper Products

During the six-month period under review, the paper products segment accounted for 73.6% of consolidated sales. In sales of paper bags, which accounted for 30.6% of consolidated sales, those to the food, tourism, and retail businesses grew, driven by continuing strong consumption by inbound tourism. The Pack America Corp. continued to post strong sales, which grew by 1.4% year on year to 14,485 million yen.

Sales of paper cartons, which accounted for 26.8% of consolidated sales, grew by 4.8% to 12,704 million yen. Contributing factors included strong sales to the souvenirs market, chiefly in cartons for food products, as well as strong sales of cartons for takeout/delivery food products and packages for the e-commerce market.

Robust sales of packages for e-commerce and corrugated boxes for shipping in the manufacturing sector drove sales of corrugated boxes, which rose 13.8% to 6,745 million yen, accounting for 14.2% of consolidated sales.

In the area of printing, despite efforts to respond to new demand centered on printing of packaging, sales, accounting for 2.0% of consolidated sales, fell by 5.0% to 945 million yen.

Overall, sales in this segment grew 4.7% to 34,881 million yen. Operating profit fell by 21.4% to 2,488 million yen.

(ii) Film Packaging

The film packaging segment accounted for 13.4% of consolidated sales during the six-month period under review. Segment sales were down 0.2% year on year to 6,337 million yen as sales to specialty retail stores decreased with the migration from film to paper packaging. Operating profit in this segment was down 28.9% to 286 million yen.

(iii) Other Businesses

Other businesses accounted for 13.0% of consolidated sales during the six-month period under review. Reduced sales of supplies for Pack Assortment Service System (PAS: integrated outsourcing systems designed to handle tasks from manufacturing and procurement through inventory control and delivery of packaging materials) resulted in a year-on-year decrease of 11.2% in segment sales to 6,166 million yen. Operating income fell by 25.0% to 389 million yen.

(2) Analysis of Financial Position

Total assets at the end of the six-month period under review stood at 98,532 million yen, down 4,759 million yen from the end of the previous fiscal year. Major factors included declines of 7,777 million yen in notes and accounts receivable-trade and 3,015 million yen in securities, offset by an increase of 5,742 million in cash and deposits.

Liabilities declined by 5,384 million yen to 23,421 million yen. Major factors included declines of 3,138 million yen in notes and accounts payable-trade and 1,928 million yen in electronically recorded obligations-operating.

Net assets grew by 625 million yen to 75,110 million yen. Major factors included an increase of 1,173 million yen in retained earnings, offset by declines of 277 million yen in valuation differences on available-for-sale securities and 298 million yen in foreign currency translation adjustments.

(3) Cash flow

The balance of cash and cash equivalents at the end of the six-month period under review was down 3.7% year on year, or 811 million yen, to 21,399 million yen.

(Cash flow from operating activities)

Cash flow from operating activities during the six-month period under review resulted in net cash provided of 5,435 million yen (compared to net cash provided of 6,301 million yen in the previous corresponding six-month period). Factors contributing to this figure include the recording of 3,524 million yen in profit before income taxes, a decrease of 7,810 million yen in notes and accounts receivable-trade, and depreciation of 1,403 million yen. These factors more than offset the decrease of 5,044 million yen in notes and accounts payable-trade and increase of 389 million yen in inventories.

(Cash flow used in investment activities)

Cash flow used in investment activities during the six-month period under review resulted in net cash provided of 884 million yen (compared to net cash used of 97 million yen in the previous corresponding six-

month period). This figure reflects various factors, including 5,515 million yen in proceeds from sales of securities and 316 million yen provided by collection of loans receivable, despite 3,000 million yen used in purchase of securities, 1,530 million yen used in the purchase of property, plant, and equipment, and 607 million yen used in the purchase of intangible assets.

(Cash flow used in financing activities)

Cash flow used in financing activities during the six-month period under review resulted in net cash used of 1,378 million yen (compared to net cash used of 2,084 million yen in the previous corresponding six-month period). This figure reflects various factors, including cash dividends paid of 1,239 million yen and repayments of long-term loans payable of 64 million yen.

(4) Management policies, management strategies, etc.

No material changes occurred in the Group's established management policies, management strategies, or other plans during the semi-annual consolidated accounting period under review.

(5) Major business and financial issues

No material changes arose with regard to major business or financial issues during the semi-annual consolidated accounting period under review.

(6) Research and development activities

Total research and development costs recorded during the semi-annual consolidated accounting period under review amounted to 225 million yen.

3. Major business contracts, etc.

No major business contracts, etc. were concluded and no associated decisions were made during the semi-annual consolidated accounting period under review.

3. Information on filing company

1. Information on stock, etc.

(1) Total number of shares, etc.

(i) Total number of shares

Class	Total number of authorized shares
Common stock	77,000,000
Total	77,000,000

(Note) Based on a resolution passed at a meeting of the Board of Directors held May 30, 2025, the Company made a partial amendment to the articles of incorporation corresponding to a stock split effective July 1, 2025, thereby increasing the total number of authorized shares by 153,000,000 to 230,000,000.

(ii) Shares issued and outstanding

Class	Current number of shares issued as of the end of the semi-annual accounting period (June 30, 2025)	Current number of shares issued as of the filing date (August 13, 2025)	Name of exchange on which shares are listed or financial instruments trading industry association with which shares are registered and authorized	Details
Common stock	19,900,000	59,700,000	Tokyo Stock Exchange Prime Market	One trading unit consists of 100 shares.
Total	19,900,000	59,700,000	—	—

(Note) Based on a resolution at a meeting of the Board of Directors held May 30, 2025, the Company implemented a stock split with an effective date of July 1, 2025, thereby increasing the total number of authorized shares by 39,800,000 to 59,700,000.

(2) Information on stock acquisition rights, etc.

(i) Stock option plan details

Not applicable

(ii) Information on other stock acquisition rights, etc.

Not applicable

(3) Information on exercise of bonds with stock acquisition rights and strike price adjustment terms, etc.

Not applicable

(4) Trends in total shares issued and outstanding, capital, etc.

Date	Increase (decrease) in total shares issued and outstanding (thousand shares)	Balance of total shares issued and outstanding (thousand shares)	Increase (decrease) in capital (million yen)	Balance of capital (million yen)	Increase (decrease) in capital reserve (million yen)	Balance of capital reserve (million yen)
January 1 – June 30, 2025	—	19,900	—	2,553	—	2,643

(Note) Based on a resolution at a meeting of the Board of Directors held May 30, 2025, the Company implemented a stock split with an effective date of July 1, 2025, thereby increasing the total number of authorized shares by 39,800,000 to 59,700,000.

(5) Major shareholders

As of June 30, 2025

Name	Address	Shares owned (thousand)	Percentage of total shares issued and outstanding (not including treasury stock) (%)
Morita Kinen Fukushizaidan	1984-40 Nakatomigaoka 2-chome, Nara, Nara Prefecture	2,081	11.07
The Master Trust Bank of Japan, Ltd. (Trust Account)	Akasaka Intercity AIR, 8-1 Akasaka 1-chome, Minato-ku, Tokyo	1,337	7.12
The Pack Trading Partners Stock Ownership Plan	9-9 Higashiobase 2-chome, Higashinari-ku, Osaka, Japan	1,270	6.76
BBH for Fidelity Low-Priced Stock Fund (Principal All Sector Subportfolio) (Standing proxy: MUFG Bank, Ltd.)	245 Summer Street, Boston, Massachusetts 02210, USA (4-5 Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan)	1,222	6.50
Custody Bank of Japan, Ltd. (Trust Account)	8-12 Harumi 1-chome, Chuo-ku, Tokyo, Japan	975	5.19
Custody Bank of Japan, Ltd. (re-entrusted to Resona Bank; Hokuetsu Corporation retirement benefits trust account)	8-12 Harumi 1-chome, Chuo-ku, Tokyo, Japan	729	3.88
Daio Paper Corporation	60 Mishimakamiyacho 2-chome, Shikokuchuo, Ehime Prefecture, Japan	573	3.05
MUFG Bank, Ltd.	4-5 Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	494	2.63
Shichijo Paper Trading Co., Ltd.	20-10 Nihonbashi 2-chome, Chuo-ku, Tokyo, Japan	474	2.52
Morita Shoji Corporation	9-10 Higashiobase 2-chome, Higashinari-ku, Osaka, Japan	413	2.20
Total	—	9,574	50.94

(Note) In addition to the above, the Company holds 1,102,000 shares of treasury stock.

(6) Voting rights

(i) Shares issued and outstanding

As of June 30, 2025

Category	Number of shares	Number of voting rights	Details
Non-voting shares	–	–	–
Shares with restricted voting rights (e.g., treasury shares)	–	–	–
Shares with restricted voting rights (other)	–	–	–
Shares with full voting rights (e.g., treasury shares)	(Treasury shares) Common stock 1,102,300	–	–
Shares with full voting rights (other)	Common stock 18,766,300	187,663	–
Shares in less than one trading unit	Common stock 31,400	–	This refers to shares in lots numbering fewer than 100 shares (one trading unit).
Total shares issued and outstanding	19,900,000	–	–
Total shareholder voting rights	–	187,663	–

- (Notes) 1. The shares of common stock under “Shares in less than one trading unit” include 16 treasury shares owed by the Company.
2. While the Company implemented a stock split with an effective date of July 1, 2025, the above numbers of shares refer to figures before the stock split.

(ii) Treasury shares, etc.

As of June 30, 2025

Name or title of owner	Address of owner	Number of shares held in own name	Number of shares held in other names	Total number of shares held	Rate of shares held as a percentage of total shares issued and outstanding (%)
(Treasury shares owned by the Company) THE PACK CORPORATION	9-3 Higashiobase 2-chome, Higashinari-ku, Osaka, Japan	1,102,300	–	1,102,300	5.54
Total	–	1,102,300	–	1,102,300	5.54

(Note) While the Company implemented a stock split with an effective date of July 1, 2025, the above numbers of shares refer to figures before the stock split.

2. Directors

Not applicable

4. Financial information

1. How quarterly consolidated financial statements are prepared

The Company's semi-annual consolidated financial statements are prepared based on the Regulation on the Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (Ministry of Finance Order No. 28 of 1976; "Regulation on Consolidated Financial Statements" hereinafter).

The Company prepares Type 1 semi-annual financial statements as per the provisions of Part III of the Regulation on Consolidated Financial Statements.

2. Audit certification

Pursuant to the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan, the Company's semi-annual consolidated financial statements for the semi-annual consolidated accounting period under review (January 1 – June 30, 2025) were subjected to an interim review by Ernst & Young ShinNihon LLC.

1. Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheet

(Million yen)

	Previous fiscal year (as of December 31, 2024)	Six-month period under review (as of June 30, 2025)
Assets		
Current assets		
Cash and deposits	15,167	20,909
Notes and accounts receivable-trade	25,346	17,569
Securities	8,499	5,484
Merchandise and finished goods	7,121	7,651
Work in process	1,260	1,211
Raw materials and supplies	986	972
Other	1,671	1,585
Allowance for doubtful accounts	(11)	(29)
Total current assets	60,043	55,354
Non-current assets		
Property, plant, and equipment		
Buildings and structures, net	8,399	8,418
Machinery, equipment, and vehicles, net	9,114	8,744
Tools, furniture, and fixtures, net	339	317
Land	11,180	11,238
Construction in progress	1,133	1,623
Total property, plant, and equipment	30,166	30,342
Intangible assets	3,384	3,894
Investments and other assets		
Investment securities	8,058	7,419
Retirement benefit asset	627	748
Deferred tax assets	110	147
Other	955	682
Allowance for doubtful accounts	(55)	(56)
Total investments and other assets	9,697	8,941
Total non-current assets	43,248	43,177
Total assets	103,292	98,532

(Million yen)

	Previous fiscal year (as of December 31, 2024)	Six-month period under review (as of June 30, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	13,966	10,827
Electronically recorded obligations-operating	7,149	5,220
Current portion of long-term loans payable	33	33
Income taxes payable	1,774	1,218
Provision for bonuses	358	296
Provision for bonuses for directors (and other officers)	56	28
Other	4,427	4,290
Total current liabilities	27,766	21,914
Non-current liabilities		
Long-term loans payable	49	488
Retirement benefit liability	335	361
Deferred tax liabilities	620	595
Other	34	60
Total non-current liabilities	1,040	1,507
Total liabilities	28,806	23,421
Net assets		
Shareholders' equity		
Capital stock	2,553	2,553
Capital surplus	3,161	3,164
Retained earnings	69,259	70,432
Treasury shares	(3,536)	(3,485)
Total shareholders' equity	71,437	72,665
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,035	1,758
Deferred gains or losses on hedges	3	0
Foreign currency translation adjustment	561	262
Remeasurements of defined benefit plans	421	405
Total accumulated other comprehensive income	3,022	2,426
Share acquisition rights	25	18
Total net assets	74,485	75,110
Total liabilities and net assets	103,292	98,532

(2) Semi-annual Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
Semi-annual Consolidated Statement of Income

(Million yen)

	Preceding six-month period (from January 1, 2024 to June 30, 2024)	Six-month period under review (from January 1, 2025 to June 30, 2025)
Net sales	46,617	47,385
Cost of sales	34,719	35,667
Gross profit	11,898	11,717
Selling, general and administrative expenses		
Freightage and packing expenses	1,948	1,949
Salaries and allowances	2,258	2,342
Directors' compensation	252	271
Provision of allowance for doubtful accounts	88	18
Provision for bonuses	172	159
Provision for directors' bonuses	25	27
Retirement benefit expenses	99	110
Depreciation	188	387
Rent expenses	1,460	1,583
Other	1,878	2,002
Total selling, general and administrative expenses	8,373	8,854
Operating profit	3,525	2,863
Non-operating income		
Interest income	60	74
Dividend income	69	82
Rent income	19	20
Other	11	31
Total non-operating income	160	208
Non-operating expenses		
Interest expenses	1	4
Cost of lease revenue	2	3
Foreign exchange losses	13	13
Commission for purchase of treasury shares	2	-
Other	3	12
Total non-operating expenses	23	33
Ordinary profit	3,662	3,038
Extraordinary income		
Gain on sales of investment securities	681	488
Gain on sales of non-current assets	56	0
Total extraordinary income	737	488
Extraordinary losses		
Loss on sales on non-current assets	10	0
Loss on retirement of non-current assets	7	1
Total extraordinary losses	18	2
Profit before income taxes	4,381	3,524
Income taxes-current	1,290	1,063
Income taxes-deferred	91	31
Total income taxes	1,381	1,095
Profit	2,999	2,428
Profit attributable to owners of parent	2,999	2,428

Semi-annual Consolidated Statement of Income

(Million yen)

	Preceding six-month period (from January 1, 2024 to June 30, 2024)	Six-month period under review (from January 1, 2025 to June 30, 2025)
Profit	2,999	2,428
Other comprehensive income		
Valuation difference on available-for-sale securities	(364)	(277)
Deferred gains or losses on hedges	3	(3)
Foreign currency translation adjustment	376	(298)
Remeasurements of defined benefit plans, net of tax	(13)	(15)
Total other comprehensive income	2	(595)
Comprehensive income	3,002	1,833
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	3,002	1,833

(3) Semi-annual Consolidated Statement of Cash Flows

(Million yen)

	Preceding six-month period (from January 1, 2024 to June 30, 2024)	Six-month period under review (from January 1, 2025 to June 30, 2025)
Cash flows from operating activities		
Profit before income taxes	4,381	3,524
Depreciation	1,006	1,403
Amortization of goodwill	—	4
Increase (decrease) in allowance for doubtful accounts	(42)	18
Increase (decrease) in provision for bonuses	(2)	(62)
Increase (decrease) in provision for bonuses for directors and other officers	(26)	(27)
Increase (decrease) in retirement benefit liability	(29)	(239)
Decrease (increase) in net defined benefit asset	(53)	114
Interest and dividend income	(129)	(157)
Interest expenses	1	4
Loss (gain) on investment limited partnership	(0)	(1)
Loss (gain) on sales of non-current assets	(45)	0
Loss on retirement of non-current assets	7	1
Loss (gain) on sales of investment securities	(681)	(488)
Decrease (increase) in notes and accounts receivable-trade	5,703	7,810
Decrease (increase) in inventories	(444)	(389)
Increase (decrease) in notes and accounts payable-trade	(2,846)	(5,044)
Other, net	584	379
Subtotal	7,383	6,851
Interest and dividend income received	137	165
Interest expenses paid	(1)	(4)
Income taxes paid	(1,218)	(1,576)
Net cash provided by (used in) operating activities	6,301	5,435
Cash flows used in investment activities		
Payments into time deposits	—	(500)
Purchase of securities	(3,500)	(3,000)
Proceeds from sales of securities	5,600	5,515
Purchase of property, plant, and equipment	(1,958)	(1,530)
Proceeds from sales of property, plant, and equipment	88	5
Purchase of intangible assets	(635)	(607)
Purchase of investment securities	(519)	(13)
Proceeds from sales of investment securities	802	779
Collection of loans receivable	35	316
Payments for leasehold and guarantee deposits	(16)	(22)
Other, net	8	(60)
Net cash provided by (used in) investment activities	(97)	884
Cash flows used in financing activities		
Repayments of long-term loans payable	(12)	(114)
Cash dividends paid	(1,046)	(1,239)
Purchase of treasury shares	(334)	—
Decrease (increase) in deposits for purchase of treasury shares	(668)	—
Other, net	(22)	(25)
Net cash provided by (used in) financing activities	(2,084)	(1,378)
Effect of exchange rate change on cash and cash equivalents	278	(198)
Net increase (decrease) in cash and cash equivalents	4,398	4,743
Cash and cash equivalents at beginning of period	17,812	16,656
Cash and cash equivalents at end of period	*22,210	*21,399

[Notes]

(Changes in accounting policies)

(Application of the Accounting Standard for Current Income Taxes and other applicable standards)

The Accounting Standard for Current Income Taxes (Accounting Standards Board of Japan [ASBJ] Statement No. 27, October 28, 2022; “2022 Revised Accounting Standard” hereinafter) and other applicable standards have been applied from the start of the first quarter of the consolidated fiscal year under review.

The provisional handling specified in the provisions of Paragraph 20-3 of the 2022 Revised Accounting Standard and the provisional handling specified in the provisions of Paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; “2022 Revised Guidance” hereinafter) have been applied for revisions related to the accounting classifications of income tax (taxation on other comprehensive income).

This change in accounting policies has had no effect on the consolidated financial statements.

For changes related to revised handling in the consolidated financial statements of carryover for tax purposes of gains/losses on sale arising in connection with sale of assets such as stock in subsidiaries among consolidated companies, the 2022 Revised Guidance has been applied since the start of the first quarter of the consolidated fiscal year under review. This change in accounting policies has been applied retroactively. Quarterly consolidated financial statements for the preceding quarter and consolidated financial statements for the preceding consolidated fiscal year reflect this retroactive application.

This change has had no effect on quarterly consolidated financial statements for the preceding quarter or the consolidated financial statements for the preceding consolidated fiscal year.

(Semi-annual Consolidated Statement of Cash Flows)

* Relationship between the ending balance of cash and cash equivalents and amounts of accounts shown on the semi-annual consolidated balance sheet:

		(Million yen)
	Preceding semi-annual period (from January 1, 2024 to June 30, 2024)	Semi-annual period under review (from January 1, 2025 to June 30, 2025)
Cash and deposits	20,221	20,909
Time deposits with deposit terms of more than three months	(10)	(510)
Securities redeemable within three months from the date of purchase	1,999	1,000
Cash and cash equivalents	22,210	21,399

(Shareholders' Equity)

Preceding semi-annual period (from January 1, 2024 to June 30, 2024)

1. Cash dividends paid

Resolution	Class of stock	Total dividends (million yen)	Dividend per share (yen)	Basis date	Effective date	Source of dividends
March 28, 2024 annual shareholders' meeting	Common stock	1,046	55.00	December 31, 2023	March 29, 2024	Retained earnings

2. Dividends for which the basis date falls in the previous semi-annual consolidated accounting period but for which the effective date postdates the end of the previous semi-annual consolidated accounting period

Resolution	Class of stock	Total dividends (million yen)	Dividend per share (yen)	Basis date	Effective date	Source of dividends
August 6, 2024 annual shareholders' meeting	Common stock	985	52.00	June 30, 2024	September 3, 2024	Retained earnings

3. Significant fluctuations in Shareholder's equity

The Company purchased 89,400 treasury shares based on a resolution passed at a meeting of the Board of Directors held February 9, 2024. The purchase increased the total value of treasury shares by 331 million yen during the semi-annual period under review to 2,868 million yen.

Semi-annual period under review (from January 1, 2025 to June 30, 2025)

1. Cash dividends paid

Resolution	Class of stock	Total dividends (million yen)	Dividend per share (yen)	Basis date	Effective date	Source of dividends
March 26, 2025 annual shareholders' meeting	Common stock	1,239	66.00	December 31, 2024	March 27, 2025	Retained earnings

2. Dividends for which the basis date falls in the previous semi-annual consolidated accounting period but for which the effective date postdates the end of the previous semi-annual consolidated accounting period

Resolution	Class of stock	Total dividends (million yen)	Dividend per share (yen)	Basis date	Effective date	Source of dividends
August 12, 2025 annual shareholders' meeting	Common stock	1,090	58.00	June 30, 2025	September 2, 2025	Retained earnings

3. Significant fluctuations in shareholder's equity
Not applicable

(Segment and Other Information)

Segment information

I. Preceding semi-annual period (from January 1, 2024 to June 30, 2024)

1. Net sales and profit or loss and breakdown of profit by reportable segment

(Million yen)

	Reportable segment			Other businesses (Note 1)	Total	Adjustment (Note 2)	Amount posted in the Semi-annual Consolidated Statement of Income (Note 3)
	Paper Products	Film Packaging	Subtotal				
Net sales							
Paper bags	14,279	—	14,279	—	14,279	—	14,279
Paper cartons	12,120	—	12,120	—	12,120	—	12,120
Corrugated boxes	5,926	—	5,926	—	5,926	—	5,926
Printing	995	—	995	—	995	—	995
Film Packaging	—	6,347	6,347	—	6,347	—	6,347
Others	—	—	—	6,947	6,947	—	6,947
Revenue from contracts with customers	33,322	6,347	39,669	6,947	46,617	—	46,617
Other revenue	—	—	—	—	—	—	—
Sales to external customers	33,322	6,347	39,669	6,947	46,617	—	46,617
Intersegment sales and transfers	—	—	—	—	—	—	—
Subtotal	33,322	6,347	39,669	6,947	46,617	—	46,617
Segment profit	3,164	403	3,568	519	4,088	(562)	3,525

(Notes) 1. "Others" includes supplies and other goods.

2. The adjustment amount of -562 million yen for segment profit includes 6 million yen in elimination of intersegment transactions and -569 million yen in Companywide costs, which are not allocated to individual reportable segments. Companywide costs consist mainly of costs related to parent-company administrative sections.

3. Segment profit is adjusted against operating profit on the Semi-annual Consolidated Statement of Income.

II. Semi-annual period under review (from January 1, 2025 to June 30, 2025)

1. Net sales and profit or loss and breakdown of profit by reportable segment

(Million yen)

	Reportable segment			Other businesses (Note 1)	Total	Adjustment (Note 2)	Amount posted in the Semi-annual Consolidated Statement of Income (Note 3)
	Paper Products	Film Packaging	Subtotal				
Net sales							
Paper bags	14,485	—	14,485	—	14,485	—	14,485
Paper cartons	12,704	—	12,704	—	12,704	—	12,704
Corrugated boxes	6,745	—	6,745	—	6,745	—	6,745
Printing	945	—	945	—	945	—	945
Film Packaging	—	6,337	6,337	—	6,337	—	6,337
Others	—	—	—	6,166	6,166	—	6,166
Revenue from contracts with customers	34,881	6,337	41,218	6,166	47,385	—	47,385
Other revenue	—	—	—	—	—	—	—
Sales to external customers	34,881	6,337	41,218	6,166	47,385	-	47,385
Intersegment sales and transfers	—	—	—	—	—	—	—
Subtotal	34,881	6,337	41,218	6,166	47,385	—	47,385
Segment profit	2,488	286	2,775	389	3,165	(302)	2,863

(Notes) 1. “Others” includes supplies and other goods.

2. The adjustment amount of -302 million yen for segment profit includes -51 million yen in elimination of intersegment transactions and -250 million yen in Companywide costs, which are not allocated to individual reportable segments. Companywide costs consist mainly of costs related to parent-company administrative sections.

3. Segment profit is adjusted against operating profit on the Semi-annual Consolidated Statement of Income.

(Revenue recognition)

A breakdown of revenues arising from contracts with customers is provided under [Notes] (Segment and Other Information).

(Per Share Information)

Presented below are basic earnings per share, diluted earnings per share, and the basic assumptions underlying the calculations thereof.

Item	Second quarter of previous fiscal year (from January 1, 2024 to June 30, 2024)	Second quarter of current fiscal year (from January 1, 2025 to June 30, 2025)
(1) Basic earnings per share	52.56 yen	43.09 yen
(Basic assumptions underlying calculations)		
Profit attributable to owners of parent (million yen)	2,999	2,428
Amounts not available to common shareholders (million yen)	—	—
Profit attributable to owners of parent related to common shares (million yen)	2,999	2,428
Average number of shares outstanding during the period (thousand shares)	57,073	56,367
(2) Diluted earnings per share	52.53 yen	43.07 yen
(Basic assumptions underlying calculations)		
Adjustment to profit attributable to owners of parent (million yen)	—	—
Increase in number of common shares (thousand shares)	33	22
Antidilutive securities excluded from diluted earnings per share calculations for which material changes have occurred since the end of the previous consolidated fiscal year	—	—

(Note) The Company implemented a stock split at a ratio of three common shares to one with an effective date of July 1, 2025. Calculations of basic earnings per share and diluted earnings per share are based on the assumption that the stock split took place at the beginning of the fiscal year ended December 31, 2024.

(Material Subsequent Events)

(Stock split and corresponding partial amendment of the Articles of Incorporation)

The Company implemented a stock split and made a corresponding partial amendment of the Articles of Incorporation as of July 1, 2025 based on a resolution at a meeting of the Board of Directors held May 30, 2025.

1. Purpose of the stock split

The purpose of the stock split is to offer an environment that facilitates investment and thereby broaden the range of eligible investors by reducing the investment unit.

2. Overview of stock split

(1) Method

With a record date set to June 30, 2025, common stock held by shareholders on that date was split at a ratio of three shares for one.

(2) Numbers of shares resulting from the stock split

(i) Total number of issued and outstanding shares before the stock split	19,900,000
(ii) Number of shares to be increased by the stock split	39,800,000
(iii) Total number of issued and outstanding shares after the stock split	59,700,000
(iv) Total number of authorized shares after the stock split	230,000,000

(3) Dates pertaining to stock split

(i) Record date announcement date	June 13, 2025
(ii) Record date	June 30, 2025
(iii) Effective date	July 1, 2025

(4) Impact on per-share information

The impact on per-share information is described in the relevant section.

3. Partial amendment of the Articles of Incorporation corresponding to the stock split

(1) Reason for amendment

Due to this stock split, based on the provisions of Article 184, Paragraph 2 of the Companies Act, the Company amended the total number of authorized shares specified in Article 6 of the Articles of Incorporation effective July 1, 2025.

(2) Details of the amendment

The details of the amendment are as follows:

(The amendments are underscored.)

Before amendment	After amendment
(Total Number of Authorized Shares) Article 6. The total number of authorized shares to be issued by the Company shall be <u>77,000,000</u> .	(Total Number of Authorized Shares) Article 6. The total number of authorized shares to be issued by the Company shall be <u>230,000,000</u> .

(Note) This stock split leaves the Company's capital unchanged.

2. Other

In its meeting held August 12, 2025, the Board of Director resolved to pay interim dividends for the 74th term (from January 1, 2025 to December 31, 2025) to shareholders recorded in the final shareholder registry of June 30, 2025, as follows:

- | | |
|---|-------------------|
| (i) Total amount of dividends | 1,090 million yen |
| (ii) Amount per share | 58.00 yen |
| (iii) Effective date of claims for payment and payment start date | September 2, 2025 |

Part 2. Information concerning guarantor of filing company

Not applicable

Independent Auditor's Report on Interim Review of Semi-annual Consolidated Financial Statements

August 13, 2025

To: The Board of Directors,
THE PACK CORPORATION

Ernst & Young ShinNihon LLC
Osaka Office

Yasuhiro Kozaki, Designated Limited Liability Partner, Managing Partner
Certified Public Accountant

Ryoichi Hayama, Designated Limited Liability Partner, Managing Partner
Certified Public Accountant

Auditor's conclusions

We reviewed the semi-annual consolidated financial statements for THE PACK CORPORATION included in Financial Information for the semi-annual consolidated accounting period (January 1 – June 30, 2025), based on the relevant Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Consolidated Statement of Cash Flows, and Notes to the Consolidated Financial Statements. Our review was carried out in accordance with the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan.

Our interim review found that the semi-annual consolidated financial statements referred to above meet the requirements of the corporate accounting standards generally accepted in Japan. The review found no irregularities in the state of finances as of June 30, 2025, or in business results or cash flows for the semi-annual consolidated accounting period ended on that date for THE PACK CORPORATION and its consolidated subsidiaries.

Evidence for the auditor's conclusions

We undertook our interim review in accordance with the principles for interim reviews generally accepted in Japan. Our responsibilities under these principles for interim reviews are described under "Auditor's responsibilities in interim review of semi-annual financial statements." In accordance with the rules of professional ethics in Japan (including rules that are applied in auditing financial statements of a public interest entity), we are independent from the Company and its consolidated subsidiaries and meet all other ethical requirements for auditors. We believe we have obtained sufficient and appropriate evidence for our conclusions.

Responsibilities of management and of Statutory Auditors and the Audit and Supervisory Committee regarding semi-annual financial statements

Management is responsible for appropriately preparing and presenting semi-annual consolidated financial statements in accordance with corporate accounting standards generally accepted in Japan. This includes the implementation and maintenance of internal controls deemed necessary by management to enable the preparation and fair presentation of semi-annual consolidated financial statements free of material misstatements, whether attributable to fraud or error.

In preparing the semi-annual consolidated financial statements, management is responsible for assessing the validity of the semi-annual financial statements based on the going-concern assumption and disclosing, as necessary, matters related to the going-concern assumption in accordance with corporate accounting standards generally accepted in Japan.

The Statutory Auditors and the Audit and Supervisory Committee are responsible for monitoring the performance of the duties of the directors in implementing and maintaining the financial reporting process.

Responsibilities of the auditor for interim reviews of semi-annual consolidated financial statements

Our responsibility is to express in the Report on Interim Review our conclusions concerning the semi-annual consolidated financial statements from an independent perspective based on the interim review.

In accordance with the principles for interim reviews generally accepted in Japan, we implement the following measures through the interim review process based on our judgment as specialists and in the spirit of skeptical professional inquiry:

- We question parties, consisting mainly of members of management and individuals responsible for matters related to finance and accounting, and implement analytical and other interim review procedures. In accordance with audit principles generally accepted in Japan, the scope of procedures for interim reviews is narrower than for annual audits.
- If any material uncertainties are identified with regard to phenomena or circumstances that may raise material doubts concerning the going-concern assumption, we reach a conclusion on whether the semi-annual consolidated financial statements meet the corporate accounting standards generally accepted in Japan or present any grounds for believing that they may not present information fairly, based on the evidence obtained. If any material uncertainties are recognized regarding the going-concern assumption, we are required to state in our report on interim results that the notes to the semi-annual consolidated financial statements include descriptions concerning material uncertainties. If the descriptions in the notes to the semi-annual consolidated financial statements concerning material uncertainties are inappropriate, our audit conclusions concerning the semi-annual consolidated financial statements must be negative or indicate conditional approval. The auditor's conclusions are based on evidence obtained through the date of the interim review report; future events or conditions may render it impossible for the Company to continue as a going concern.
- We assess whether the presentation and notes in the semi-annual consolidated financial statements present grounds to believe they may not meet the corporate accounting standards generally accepted in Japan. We also assess the presentation, structures, and content of the semi-annual financial statements, including related notes and whether the semi-annual financial statements are free of any factors suggesting they do not accurately present the underlying transactions and accounting facts.
- We obtain evidence concerning financial information on the Company and its consolidated subsidiaries to serve as the basis for our conclusions concerning the semi-annual consolidated financial statements. We are responsible for instruction, oversight, and implementation related to interim reviews of the semi-annual consolidated financial statements. We are solely responsible for our audit conclusions.

We report to the Statutory Auditors and the Audit and Supervisory Committee on the scope and timing of the planned interim review and any material discoveries made during the interim review process.

We duly report to the Statutory Auditors and the Audit and Supervisory Committee on our independence in accordance with the rules of professional ethics in Japan; on matters that could reasonably be deemed to affect the independence of our auditors; on the nature of measures taken to eliminate such impediments, if any; and on the nature of safeguards applied to mitigate such impediments to acceptable levels, if any.

Conflicts of interest

Our firm and managing partners have no interest in the Company or in its consolidated subsidiaries that require disclosure pursuant to the provisions of the Certified Public Accountants Act of Japan.

(Notes) 1. The original of the above interim review report is retained separately by the Company (i.e., the organization filing the Semi-annual Securities Report).
2. XBRL data is not subject to interim review.

[Cover page]

Document filed:	Confirmation Letter
Legal basis:	Article 24-5-2, Paragraph 1 of the Financial Instruments and Exchange Act
Submitted to:	Director-General, Kinki Local Finance Bureau
Filing date:	August 13, 2025
Company name (Japanese):	ザ・パック株式会社
English name:	THE PACK CORPORATION
Name and title of representative:	Naoki Nakamura, President & CEO
Name and title of CFO:	Not applicable
Location of head office:	9-3 Higashiobase 2-chome, Higashinari-ku, Osaka, Japan
Locations where this document is available for public inspection:	Tokyo Stock Exchange (2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo, Japan)

1. Matters related to the propriety of the content of the Semi-annual Securities Report

President and CEO Hideaki Yamashita has confirmed that the information divulged in the Company's Semi-annual Securities Report for the 74th-term interim period (January 1 – June 30, 2025) meets the requirements of the Financial Instruments and Exchange Act of Japan.

2. Special notes

We found no other matters worthy of note.