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Securities Code No. 7864

(Date of issuance) June 3, 2024

(Commencement date of measures for providing information in electronic format) May 27, 2024

Shigeko Okazaki, Director, Representative Executive Officer, President and CEO

Fuji Seal International, Inc.

4-1-9, Miyahara, Yodogawa-ku, Osaka

Convocation Notice of the 66th Annual General Meeting of Shareholders

To our shareholders, thank you for your support.

You are cordially invited to attend the 66th Annual General Meeting of Shareholders as follows.

In convening this General Meeting of Shareholders, the Company has taken measures to provide information contained in “Reference Documents for the General Meeting of Shareholders,” etc. (the items subject to measures for providing information in electronic format) in electronic format, and has posted this information on the Company’s website on the Internet. Please access the Company’s website below to review the information.

【Company’s website】 <https://www.fujiseal.com/en/>



(Please access the website above and click on “Investor Relations,” “Shareholder and Stock Information,” then “General Meeting of Shareholders” to review the information.)

In addition to the Company’s website above, the Company has also posted the items subject to measures for providing information in electronic format on the following website, so please access the website to review the information.

【Website for general meeting of shareholders materials】

<https://d.sokai.jp/7864/teiji/> (in Japanese)



If you are unable to attend the meeting, you can exercise your voting rights by electronic voting (Internet) or by mail (voting form). Please exercise your vote by 5:00 p.m. on Wednesday, June 19, 2024, after examining the Reference Documents for the General Meeting of Shareholders.

Thank you.

1. Date and Time	11:00 a.m. on June 20, 2024 (Thursday) (Reception will open from 10:30 a.m.)
2. Venue	2F “Oak,” HOTEL VISCHIO AMAGASAKI 1-4-1, Shioe, Amagasaki, Hyogo Prefecture This is a different venue from the previous General Meeting of Shareholders. Upon arrival, please follow the directions to the General Meeting of Shareholders (Please refer to Japanese convocation notice) and take care to avoid making a mistake.
3. Agenda	Matters to be Reported 1. Report on the Business Report and the consolidated financial statements for the 66th business year (April 1, 2023 to March 31, 2024), and report on the audit results of the Business Report and consolidated financial statements by the outside accounting auditor and the Audit Committee 2. Report on the non-consolidated financial statements for the 66th business year (April 1, 2023 to March 31, 2024) Matters to be Resolved Proposal Election of six directors
4. Matters Concerning Exercise of Voting Rights	(1) When exercising voting rights in writing (by mail), if neither approval nor disapproval of a proposal is indicated on the voting form, it shall be deemed a vote of approval. (2) If a shareholder exercises the voting rights more than once, the last vote made shall be taken as the validly exercised vote. (3) If a shareholder exercises the voting rights via both the Internet and in writing (by mail), the vote via the Internet shall be taken as the validly exercised vote, regardless of the time of arrival.

- In accordance with laws and regulations and Article 14 Paragraph 2 of the Company’s Articles of Incorporation, certain items subject to measures for providing information in electronic format, specifically the “Consolidated Statements of Changes in Net Assets,” “Notes to the Consolidated Financial Statements,” “Non-Consolidated Statements of Changes in Net Assets,” and “Notes to the Non-Consolidated Financial Statements,” are not included in the paper-based documents to be mailed. As a result, consolidated financial statements and non-consolidated financial statements included in the documents constitute only part of the audited consolidated financial statements and non-consolidated financial statements in preparing the accounting audit report and audit report by the outside accounting auditor and the Audit Committee.
- Any amendments to the items subject to measures for providing information in electronic format will be posted on the aforementioned Company website and the website for general meeting of shareholders materials with a notice to that effect displaying the items before and after the revision.
- When attending the meeting, please submit the voting form at the reception desk.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal: Election of six directors

All six (6) directors' terms of office will expire at the end of this General Meeting of Shareholders. Accordingly, the Company requests the election of six (6) directors based on the decision of the Nomination Committee. The Nomination Committee has selected appropriate candidates for directors making reference to the Selection Criteria for Directors (please refer to page 8).

The Director candidates are as follows:

Candidate No.	Name	Candidate characteristics	Present position and responsibilities	Attendance at Board of Directors meetings
1	Hiroumi Shioji (male)	Reelection Outside Independent	Outside Director	9 out of 9 meetings (100%)
2	Tatsundo Maki (male)	Reelection Outside Independent	Outside Director	9 out of 9 meetings (100%)
3	Yuichi Seki (male)	Reelection Outside Independent	Outside Director	9 out of 9 meetings (100%)
4	Shigeko Okazaki (female)	Reelection	Director, Representative Executive Officer, President and CEO	9 out of 9 meetings (100%)
5	Yoichi Okazaki (male)	Reelection	Director, Executive Officer in charge of machinery and Europe operations	8 out of 8 meetings (100%)
6	Akikazu Yada (male)	Reelection	Director, Executive Officer in charge of finance, CFO	8 out of 8 meetings (100%)

Note: Directors Yoichi Okazaki and Akikazu Yada have attended all Board of Directors meetings held subsequent to their election at the 65th Annual General Meeting of Shareholders held on June 22, 2023.

【Skills required for the Board of Directors and reasons therein】

The Company's Board of Directors shall comprise members deemed suitable in light of a skill matrix to take into account the skills and experience required of Directors as well as diversity from the perspective of the Company's nine materiality issues, which are directly linked to its corporate vision "Our Value to People and the Planet" tied to contributing to a sustainable society.

Skill	Reason for selection	Number of applicable directors
Corporate management	Directors with experience and a track record in management are required to establish and implement growth strategies and realize the Group's vision "Our Value to People and the Planet" amid a dramatically changing business environment as a leading packaging company.	6
Sustainability and environmental management	Directors with knowledge about decarbonization, eco-design, diversity, and work-life balance as well as the ability to promote initiatives in those areas are required to be a company that contributes to realizing a sustainable society by solving ESG issues with packaging.	2
Marketing	Keeping an ear to customers and the market, understanding the essence of their needs, and growing together with them is key to sustainable growth in the packaging market. Directors with such experience are required.	6
Manufacturing and development	Directors with experience promoting various innovations, solid knowledge in the fields of technology, quality, and the environment, and respective experience in strategic planning are required to develop and bring to market eco-friendly products to realize a circular society.	3
Global business	Directors with business management experience overseas and ample knowledge and experience regarding things like business conditions, lifestyles, and culture overseas to respond to local needs are required to accelerate global expansion and strengthen profitability.	5
Human resource development	A human resource strategy capable of maximizing the potential of every employee as they adapt to change and grow is needed to achieve sustainable growth. Directors with solid knowledge in the field of human resource development, including promoting diversity, and respective understanding and experience in strategic planning are required.	6
Financial strategy	Directors with solid knowledge in the fields of finance and accounting and respective experience in strategic planning are required to build a strong financial base, promote growth investments (including M&A) targeting sustainable enhancement of corporate value, and strengthen shareholder returns.	5
Compliance, governance, and risk management	Establishment of an appropriate governance system is the foundation for sustainable enhancement of corporate value needed by society. Directors with solid knowledge in the fields of corporate governance, risk management, compliance, and respective experience in strategic planning are also required to enhance the effectiveness of management supervision by the Board of Directors.	6
Digital transformation (DX) promotion	Directors capable of driving change leveraging data and digital technology are needed to create exciting new value and maintain and strengthen competitiveness in the market.	2

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
<p>1 Hiroumi Shioji (Born January 28, 1957) Male</p> <p>Reelection Outside Independent</p> <p>Attendance at Board of Directors meetings (9/9) (100%)</p>	<p><u>Career, Positions and Responsibilities</u> April 1987 Registered as a lawyer April 1991 Established Shioji Law Office Director of Shioji Law Office June 2015 Director of the Company (current) January 2022 Representative Partner of Shioji Law Office, LPC (current)</p> <p><u>Reasons for Nomination as Outside Director and Overview of Expected Roles</u> Mr. Shioji appropriately performs his role in supervising executive functions, leveraging the abundant insight in general corporate legal affairs he has gained through office management and his work as a lawyer to provide useful suggestions and opinions regarding the Company's overall management. He also has experience as an external director (member of an audit and supervisory committee) at another publicly listed company. The Company requests his reelection as an outside director with the expectation that he will continue to provide appropriate advice regarding the Company's overall management from an independent standpoint and contribute to strengthening corporate governance. In the event that Mr. Shioji is selected, it is expected that he will be involved with decisions regarding selection of candidates and compensation, etc. for Group executives as a member of the Audit Committee, Nomination Committee and Compensation Committee from an objective and neutral perspective.</p> <p><u>Expected Key Skills and Experience</u> Corporate management, sustainability and environmental management, human resource development, compliance, governance, and risk management</p> <p><u>Number of Years since Appointment as an Outside Director</u> 9 years</p> <p><u>Significant Concurrent Posts</u> Representative Partner of Shioji Law Office, LPC External Director of TACHIBANA ELETECH CO., LTD. (member of the Audit and Supervisory Committee)</p> <p><u>Number of the Company's Shares Owned</u> 2,404 shares</p>
<p>2 Tatsundo Maki (Born September 14, 1972) Male</p> <p>Reelection Outside Independent</p> <p>Attendance at Board of Directors meetings (9/9) (100%)</p>	<p><u>Career, Positions and Responsibilities</u> April 1997 Joined Asahi Audit Corp. (currently KPMG AZSA LLC) April 2000 Registered as a certified public accountant April 2009 Representative Partner of SCS Global LLC (current) June 2017 Director of the Company (current)</p> <p><u>Reasons for Nomination as Outside Director and Overview of Expected Roles</u> Mr. Maki appropriately performs his role in supervising executive functions, leveraging the abundant experience and broad insight in accounting and taxation that he has gained as a certified public accountant to provide useful suggestions and opinions regarding the Company's overall management, particularly on business expansion in Asia and governance of overseas Group companies. The Company requests his reelection as an outside director with the expectation that he will continue to provide appropriate advice regarding the Company's overall management from an independent standpoint based on his expert perspective and contribute to strengthening corporate governance. In the event that Mr. Maki is selected, it is expected that he will be involved with decisions regarding selection of candidates and compensation, etc. for Group executives as a member of the Audit Committee, Nomination Committee and Compensation Committee from an objective and neutral perspective.</p> <p><u>Expected Key Skills and Experience</u> Corporate management, global business, financial strategy, compliance, governance, and risk management</p>

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions																		
	<p><u>Number of Years since Appointment as an Outside Director</u> 7 years</p> <p><u>Significant Concurrent Posts</u> Representative Partner of SCS Global LLC Director of SCS Global Consulting KK</p> <p><u>Number of the Company's Shares Owned</u> – shares</p>																		
<p>3 Yuichi Seki (Born June 28, 1953) Male</p> <p>Reelection Outside Independent</p> <p>Attendance at Board of Directors meetings (9/9) (100%)</p>	<p><u>Career, Positions and Responsibilities</u></p> <table border="0"> <tr> <td>April 1978</td> <td>Joined Kobe Steel, Ltd.</td> </tr> <tr> <td>June 2011</td> <td>Senior Managing Director and General Manager of Technical Development Group of Kobe Steel, Ltd.</td> </tr> <tr> <td>June 2012</td> <td>Representative Director, Executive Vice President of OSAKA Titanium technologies Co., Ltd.</td> </tr> <tr> <td>June 2014</td> <td>Representative Director, President of OSAKA Titanium technologies Co., Ltd.</td> </tr> <tr> <td>June 2019</td> <td>Director of the Company (current)</td> </tr> <tr> <td>June 2021</td> <td>Corporate auditor of Fuji Seal, Inc. (current)</td> </tr> </table> <p><u>Reasons for Nomination as Outside Director and Overview of Expected Roles</u> Mr. Seki appropriately performs his role in supervising executive functions, leveraging his broad insight as a supervisor of safety, disaster preparedness and manufacturing primarily in the fields of manufacturing and development to provide useful suggestions and opinions regarding the Company's overall management. He also has experience as the manager of a publicly listed company. The Company requests his reelection as an outside director with the expectation that he will continue to provide appropriate advice regarding the Company's overall management from an independent standpoint and contribute to strengthening corporate governance. In the event that Mr. Seki is selected, it is expected that he will be involved with decisions regarding selection of candidates and compensation, etc. for Group executives as a member of the Audit Committee, Nomination Committee and Compensation Committee from an objective and neutral perspective.</p> <p><u>Expected Key Skills and Experience</u> Corporate management, manufacturing and development, human resource development, compliance, governance, and risk management</p> <p><u>Number of Years since Appointment as an Outside Director</u> 5 years</p> <p><u>Significant Concurrent Posts</u> Corporate auditor of Fuji Seal, Inc.</p> <p><u>Number of the Company's Shares Owned</u> – shares</p>	April 1978	Joined Kobe Steel, Ltd.	June 2011	Senior Managing Director and General Manager of Technical Development Group of Kobe Steel, Ltd.	June 2012	Representative Director, Executive Vice President of OSAKA Titanium technologies Co., Ltd.	June 2014	Representative Director, President of OSAKA Titanium technologies Co., Ltd.	June 2019	Director of the Company (current)	June 2021	Corporate auditor of Fuji Seal, Inc. (current)						
April 1978	Joined Kobe Steel, Ltd.																		
June 2011	Senior Managing Director and General Manager of Technical Development Group of Kobe Steel, Ltd.																		
June 2012	Representative Director, Executive Vice President of OSAKA Titanium technologies Co., Ltd.																		
June 2014	Representative Director, President of OSAKA Titanium technologies Co., Ltd.																		
June 2019	Director of the Company (current)																		
June 2021	Corporate auditor of Fuji Seal, Inc. (current)																		
<p>4 Shigeko Okazaki (Born April 5, 1957) Female</p> <p>Reelection</p> <p>Attendance at Board of Directors meetings (9/9) (100%)</p>	<p><u>Career, Positions and Responsibilities</u></p> <table border="0"> <tr> <td>August 1990</td> <td>Joined the Company</td> </tr> <tr> <td>December 1999</td> <td>General Manager, Corporate Planning Department of the Company</td> </tr> <tr> <td>January 2001</td> <td>General Manager, Corporate Planning Center of the Company</td> </tr> <tr> <td>June 2002</td> <td>Director of the Company</td> </tr> <tr> <td>June 2004</td> <td>Director, Executive Officer of the Company</td> </tr> <tr> <td>March 2007</td> <td>Representative Director and President of Fuji Seal Europe S.A.S.</td> </tr> <tr> <td>March 2008</td> <td>Director, Representative Executive Officer, President of the Company</td> </tr> <tr> <td>June 2020</td> <td>Director, Representative Executive Officer, President and CEO of the Company</td> </tr> <tr> <td>June 2021</td> <td>Director, Representative Executive Officer, Chairperson and CEO of the Company</td> </tr> </table>	August 1990	Joined the Company	December 1999	General Manager, Corporate Planning Department of the Company	January 2001	General Manager, Corporate Planning Center of the Company	June 2002	Director of the Company	June 2004	Director, Executive Officer of the Company	March 2007	Representative Director and President of Fuji Seal Europe S.A.S.	March 2008	Director, Representative Executive Officer, President of the Company	June 2020	Director, Representative Executive Officer, President and CEO of the Company	June 2021	Director, Representative Executive Officer, Chairperson and CEO of the Company
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Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
	<p>March 2023 Director, Representative Executive Officer, President and CEO of the Company (current)</p> <p><u>Reasons for Nomination as Director</u> Ms. Okazaki leverages her abundant experience and broad insight in management overall, including management strategies, as the manager of the Group in working to effectively strengthen the decision-making and supervisory capabilities of the Board of Directors.</p> <p>The Company requests her reelection as a director with the expectation that she will continue to appropriately supervise overall Group management and contribute to sustainable growth and enhancement of corporate value, with the knowledge and capabilities required of a director of the Company gained through her experience as a manager of the Company.</p> <p><u>Expected Key Skills and Experience</u> Corporate management, marketing, human resource development, digital transformation (DX) promotion</p> <p><u>Significant Concurrent Posts</u> Representative Director and President of Soho KK</p> <p><u>Number of the Company's Shares Owned</u> 240,720 shares</p>
<p>5 Yoichi Okazaki (Born July 26, 1982) Male</p> <p>Reelection</p> <p>Attendance at Board of Directors meetings (8/8) (100%)</p>	<p><u>Career, Positions and Responsibilities</u></p> <p>October 2012 Joined the Company</p> <p>January 2017 General Manager in charge of machinery of Pago Etikettiersysteme GmbH (currently Fuji Seal Germany GmbH)</p> <p>February 2019 Representative Director and President of Fuji Seal Germany GmbH</p> <p>January 2020 General Manager, Corporate Planning Department of the Company</p> <p>February 2022 General Manager, Machinery Division of Fuji Seal, Inc.</p> <p>June 2022 Executive Officer of the Company</p> <p>December 2022 Executive Officer of the Company (In charge of machinery and Europe operations) (current) Representative Director and President of Fuji Seal B.V. (current)</p> <p>June 2023 Director of the Company (current)</p> <p><u>Reasons for Nomination as Director</u> Mr. Okazaki incorporates his experience in developing Company-wide strategies and innovation promotion into discussions of the Board of Directors to appropriately supervise overall Group management and effectively strengthen the decision-making and supervisory capabilities of the Board of Directors.</p> <p>The Company requests his reelection as a director with the expectation that he will continue to appropriately supervise overall Group management and contribute to sustainable growth and enhancement of corporate value with the knowledge and capabilities required of a director of the Company gained through his experience as a business and regional manager.</p> <p><u>Expected Key Skills and Experience</u> Corporate management, sustainability and environmental management, manufacturing and development, global business</p> <p><u>Significant Concurrent Posts</u> Representative Director and President of Fuji Seal B.V.</p> <p><u>Number of the Company's Shares Owned</u> 841,522 shares</p>

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
6 Akikazu Yada (Born March 25, 1963) Male Reelection Attendance at Board of Directors meetings (8/8) (100%)	<u>Career, Positions and Responsibilities</u> July 2018 Joined American Fuji Seal, Inc. Representative Director and President of American Fuji Seal, Inc. Representative Director and President of American Fuji Technical Services, Inc. Representative Director and President of Fuji Seal Packaging de Mexico, S.A. de C.V. June 2019 Executive Officer of the Company December 2022 Executive Officer of the Company in charge of finance, CFO (current) June 2023 Director of the Company (current) June 2024 Representative Director and President of Fuji Seal Packaging (Thailand) Co., Ltd. (current) <u>Reasons for Nomination as Director</u> Mr. Yada leverages his experience as a financial affairs and overseas regional manager of the Group, in addition to abundant insight in marketing, to contribute to the enhancement of the Company's corporate value. The Company requests his reelection as a director with the expectation that he will appropriately supervise overall Group management and contribute to sustainable growth and enhancement of corporate value with the knowledge and capabilities required of a director of the Company gained through his experience as a financial affairs and regional manager. <u>Expected Key Skills and Experience</u> Corporate management, marketing, financial strategy, digital transformation (DX) promotion <u>Significant Concurrent Posts</u> Representative Director and President of Fuji Seal Packaging (Thailand) Co., Ltd. <u>Number of the Company's Shares Owned</u> 5,050 shares

Notes:

1. No special interest exists between the candidates and the Company.
2. Selection Criteria for Directors

In the selection process for directors, the Company's Nomination Committee selects candidates based on the following Selection Criteria for Directors:

Field	Criteria
Basic	Practices the corporate philosophy
	Proactive participation
	Awareness of change
Formulation of strategy	Articulates vision
	Develops and decides on strategies
	Ability to set goals
Implementation of priorities	Ability to implement and execute
	Ability to solve problems
	Sensitivity to risk
	Leadership
Leadership	Sensitivity to change
	Ambition
Personal character	Reputation inside the company
	Reputation outside the company
	Earns trust
Experience and knowledge	Track record of developing new fields
	Performance history
	Expert knowledge, experience

3. Hiroumi Shioji, Tatsundo Maki and Yuichi Seki are candidates for outside directors as provided in Article 2, Paragraph 3, item 7 of the Ordinance for Enforcement of the Companies Act. Directors Hiroumi Shioji, Tatsundo Maki, and Yuichi Seki have been designated as independent directors as stipulated in the Securities Listing Regulations of Tokyo Stock Exchange, Inc. and the Company has submitted notification of this to the exchange. If their reelection is approved, the Company intends to continue to deem them to be independent corporate officers.
4. The Company has concluded liability limitation agreements to limit the liability of Hiroumi Shioji, Tatsundo Maki and Yuichi Seki to the minimum liability amount stipulated in Article 425 Paragraph 1 of the Companies Act of Japan. If their reelection is approved, the Company plans to continue the same liability limitation agreements with them again.
5. The Company has entered into a limitation of liability agreement with an insurance company which designates all directors, executive officers and those in managerial positions at the Company and all its subsidiaries as insured persons. Under this agreement, the insured person shall be charged compensation resulting from actions (including failure to act) based on the status of company executive, and shall compensate for damages incurred and legal fees, etc. As a measure to ensure the appropriateness of execution of duties by the insured person, damages to the executive who committed a criminal act such as bribery or intentionally violated a law will be exempt from the target of compensation. The Company will pay all insurance payments for this liability agreement. When each candidate is selected and appointed, each candidate will be included as an insured person under the limitation of liability agreement. In addition, the Company plans to renew the agreement during the term with similar terms.
6. The Company's Nomination Committee deems the outside director candidates to be sufficiently independent for outside directors. They meet the criteria for outside directors stipulated in the Companies Act, as well as the Criteria for Independence of Outside Directors in the Selection Criteria for Directors determined by the Company's Nomination Committee.

Reference: Criteria for Independence of Outside Directors

As a criteria for independence of outside directors, the Selection Criteria for Directors stipulates that none of the following cases may apply to outside directors.

The Company has established independence standards for outside directors as shown below, and deems outside directors (including candidates) to which none of the items apply to have independence from the Company.

In these independence standards, a person performing an executive role refers to an executive director, executive officer, operating officer, or person in an equivalent role at the Company or its consolidated subsidiaries (hereinafter, "the Fuji Seal Group").

1. A person who is currently performing an executive role in the Fuji Seal Group, or has performed an executive role in the Fuji Seal Group in the past, even if it was only one time
2. A person whose spouse or relative within the second degree has been a director, executive officer, corporate auditor, or member of corporate management within the past five years
3. A person currently performing an executive role at an important business partner whose transactions accounted for 2% or more of the consolidated net sales over the past three consecutive years of the Fuji Seal Group and/or the corporate group to which the outside director belongs
4. A person who receives a significant amount^{*1} of compensation, aside from executive compensation, from the Fuji Seal Group as a provider of specialist services (consultant, lawyer, accountant, tax accountant, attorney, judicial scrivener, etc.)
5. A person participating in a mutual dispatch of outside directors with another company^{*2}

Notes:

1. A significant amount means ¥10 million or more per year on average over the past three years for an outside director in the case of an individual, or over 2% of its consolidated net sales in the case of an organization, such as a specified corporation or association.
2. A mutual dispatch of outside directors is when a person performing an executive role in the Fuji Seal Group is an outside director or an outside auditor of another company, and a person performing an executive role at that other company is an outside director at the Company.

Business Report

(April 1, 2023 to March 31, 2024)

1. Status of the Group

(1) Status of operations during the fiscal year under review

(i) Business conditions and results

The Fuji Seal Group has embraced the mission statement of “Each day with renewed commitment we create new value through packaging.” Guided by this mission, the Group seeks to increase its corporate value by growing together with its customers, business partners and employees.

With “Our Value to People and the Planet” as our basic management policy, we strive to continue being the No. 1 global packaging company together with all our stakeholders including customers, employees, business partners, shareholders, and society.

As a result of our efforts, during the fiscal year under review, net sales at Fuji Seal International, Inc. came to ¥196,624 million (up 6.8% year on year), operating income was ¥13,309 million (up 62.4%), ordinary income totaled ¥14,732 million (up 74.8%), and net income attributable to owners of the parent was ¥10,277 million (up 49.6%).

Net sales		Operating income	
65th Business Year ¥184.0 billion	Up 6.8% →	65th Business Year ¥8.1 billion	Up 62.4% →
66th Business Year ¥196.6 billion		66th Business Year ¥13.3 billion	
Ordinary income		Net income attributable to owners of the parent	
65th Business Year ¥8.4 billion	Up 74.8% →	65th Business Year ¥6.8 billion	Up 49.6% →
66th Business Year ¥14.7 billion		66th Business Year ¥10.2 billion	

The following is a breakdown of business performance by segment.

[Japan]

Sales of shrink labels increased 4.8% year on year to ¥50,223 million. Sales of self-adhesive labels decreased 8.8% to ¥8,370 million. Sales of soft pouches increased 0.9% to ¥20,565 million. Machinery sales decreased 2.7% to ¥6,648 million. Sales of other products increased 1.7% to ¥13,053 million.

As a result, total sales in Japan increased 1.8% to ¥98,861 million. On the earnings front, operating income increased 15.2% to ¥8,779 million.

[Americas]

Sales of shrink labels increased 13.1% (up 5.8% on a local currency basis) year on year to ¥47,312 million. Sales of self-adhesive labels increased 4.2% (down 2.5% on a local currency basis) to ¥1,865 million. Sales of soft pouches declined 33.3% (down 37.6% on a local currency basis) to ¥245 million. Machinery sales increased 40.7% (up 31.6% on a local currency basis) to ¥7,331 million. Sales of other products increased 19.3% (up 11.6% on a local currency basis) to ¥1,127 million.

As a result, total sales in the Americas increased 15.4% (up 8.0% on a local currency basis) to ¥57,882 million. On the earnings front, operating income increased 92.5% (up 80.1% on a local currency basis) to ¥3,368 million.

[Europe]

Sales of shrink labels increased 10.4% (up 0.3% on a local currency basis) to ¥16,694 million. Sales of self-adhesive labels increased 1.5% (down 7.8% on a local currency basis) to ¥5,611 million. Machinery sales increased 20.7% (up 9.6% on a local currency basis) to ¥8,834 million.

As a result, total sales in Europe increased 10.7% (up 0.6% on a local currency basis) year on year to ¥31,140 million. On the earnings front, operating income was ¥801 million (operating loss of ¥1,079 million in the previous fiscal year).

[ASEAN]

Sales of shrink labels increased 7.4% (up 0.5% on a local currency basis) year on year to ¥8,782 million. Sales of self-adhesive labels decreased 15.5% (down 20.9% on a local currency basis) to ¥186 million. Sales of soft pouches increased 5.7% (down 1.1% on a local currency basis) to ¥8,374 million. Machinery sales increased 7.9% (up 0.9% on a local currency basis) to ¥677 million. Sales of other products decreased 86.6% (down 87.4% on a local currency basis) to ¥69 million.

As a result, total sales in ASEAN increased 3.6% (down 3.1% on a local currency basis) year on year to ¥18,089 million. On the earnings front, operating income increased 408.4% (up 375.7% on a local currency basis) to ¥482 million.

(ii) Status of capital expenditures

Capital expenditures during the fiscal year under review (including consolidation adjustments) came to ¥7,032 million.

The main details of that investment were strengthening and updating production equipment in the shrink label, self-adhesive label and soft pouch businesses.

Breaking the amount down by segment, the Group invested ¥2,802 million in the Japan segment, ¥2,707 million in the Americas segment, ¥959 million in the Europe segment, and ¥508 in the ASEAN segment.

(iii) Status of fund procurement

During the fiscal year under review, short-term borrowings decreased due to lower use of a working capital line of credit as a result of higher cash flow from operating. Long-term debt increased due to refinancing of existing loans.

(iv) Status of important corporate restructure

Fuji Seal, Inc., a subsidiary of the Company, acquired Toride Pharma K.K. and TAT Toride Asset Trading Co., Ltd. on June 15, 2023 (deemed acquisition date: June 30, 2023) and made them its wholly owned subsidiaries.

(2) Status of assets and earnings in the last three business years

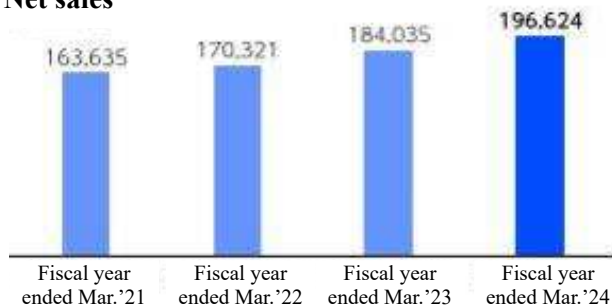
	63rd Business Year (Fiscal year ended March 2021)	64th Business Year (Fiscal year ended March 2022)	65th Business Year (Fiscal year ended March 2023)	66th Business Year (Fiscal year ended March 2024) (Fiscal year under review)
Net sales (¥ million)	163,635	170,321	184,035	196,624
Operating income (¥ million)	12,428	10,572	8,194	13,309
Ordinary income (¥ million)	12,104	10,600	8,426	14,732
Net income attributable to owners of the parent (¥ million)	8,375	6,117	6,869	10,277
Earnings per share (¥)	150.93	111.70	125.43	187.77
Total assets (¥ million)	159,367	164,646	180,004	192,684
Net assets (¥ million)	103,080	109,492	120,571	132,142
Net assets per share (¥)	1,869.58	1,999.85	2,201.40	2,435.66

Notes:

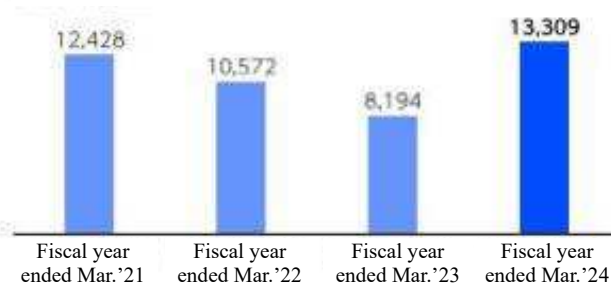
1. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) from the beginning of 64th Business Year. However, the impact on the status of assets and earnings is negligible.
2. Earnings per share is calculated based on the average number of outstanding shares during the fiscal year and net assets per share is calculated based on the total number of outstanding shares at the end of the fiscal year. However, the total number of outstanding shares is calculated exclusive of treasury share.
3. Treasury shares that form the basis for calculation of net assets per share and earnings per share for the 66th Business Year includes treasury shares held by a saving-type employee stock ownership plan (ESOP) trust account.

(¥ million)

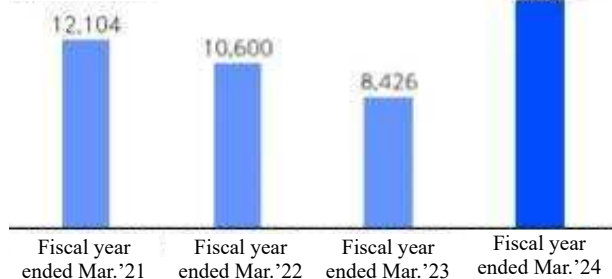
Net sales



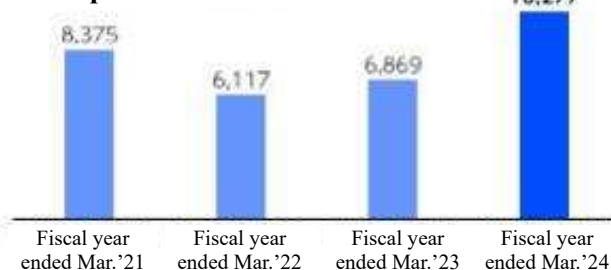
Operating income



Ordinary income



Net income attributable to owners of the parent



(3) Issues to be addressed by the Group

Fuji Seal Group will address the following issues and conduct business operations to realize Our Vision and Company ideal.

- Fuji Seal Group recognizes that environmental issues such as climate change, ocean plastic issues (protection of biodiversity) and resource depletion are important issues, so it is moving ahead on manufacturing with consideration for environmental aspects to realize a circular society. In addition to reducing environmental loads during manufacturing, Fuji Seal Group develops and produces environmentally friendly products and through its business activities will work not just within the Group but also with customers to achieve environmental targets.
- Listen more closely to customers on their front lines to hear about their packaging challenges from the customer’s standpoint, improve the speed and quality of packaging solutions, and strengthen our developing systems to answer for the challenges of tomorrow.
- The Company will build, maintain and develop a local production, local consumption structure that can rapidly resolve issues for customers facing changes such as dramatically changing economic conditions, accelerating speed of market and customer changes, diversifying consumer lifestyles and the expansion of consumer areas, as well as provide more services.
- The Company aims to contribute to society through “people-friendly” packaging, and to promote development of the human resources essential for that, will embody the Group’s vision to “Generate ‘Waku-Waku’ – No growth without ‘Waku Waku’” and provide opportunities for employees to take on challenges and aid their growth while being mindful of “enrichment of human capital,” “shared values (enhanced engagement)” and “respect for diversity, equity and inclusion (DE&I) (success by a diversity of human capital).”
- Remain constantly aware of growing and diversifying risks such as market changes, natural disasters and pandemics, and build a risk management system, while continuously revising the system itself so that it is suited to the changes, and implement it properly.
- Strengthen the Group’s financial structure and management and effectively use global funds to reinforce its financial base, while promoting initiatives to achieve management conscious of cost of capital and share price.
- The Company will work to strengthen the legal foundation through upgrades to regulation systems in response to changes in risk, and strengthening information security measures.
- The Company will strengthen corporate governance as a mechanism for transparent, fair, speedy, and bold decision-making.
- The Company will promote transformation leveraging data and digital technologies, and digital transformation (DX) measures to create new value and maintain and strengthen competitive strengths in the market.

2. Current Status of the Company

(1) Status of shares (March 31, 2024)

- (i) Total number of shares authorized to be issued by the Company

200,000,000 shares

- (ii) Total number of outstanding shares

60,161,956 shares

- (iii) Number of shareholders

19,244 shareholders

- (iv) Major shareholders (top 10)

Name of shareholder	Number of shares (thousand)	Percentage of shares held (%)
Soho KK	7,803	14.2
The Master Trust Bank of Japan, Ltd. (Trust account)	5,896	10.8
Fuji Seal Foundation	4,800	8.8
Custody Bank of Japan, Ltd. (Trust account)	3,265	6.0
STATE STREET BANK AND TRUST COMPANY 505001	2,195	4.0
The Master Trust Bank of Japan, Ltd. (Retail trust account 820079255)	1,800	3.3
Hiroko Fujio	1,784	3.3
JP MORGAN CHASE BANK 385632	1,671	3.1
BBH FOR UMB BK, NATL ASSOCIATION- GLOBAL ALPHA INTL SMALL CAP FUND LP	1,477	2.7
RBC IST 15 PCT NON LENDING ACCOUNT- CLIENT ACCOUNT	1,322	2.4

Notes:

- Treasury shares are excluded when calculating the percentage of shares held.
- Apart from the above, the Company holds 5,370,810 shares of treasury shares (excluding treasury shares held by a saving-type employee stock ownership plan (ESOP) trust account), but has been excluded from the above major shareholders.

- (v) Status of shares granted to company executives in compensation for performing duties during the fiscal year under review

- Total by category of shares granted to directors and other executives

Executive classification	Number of shares	Number of individuals granted shares
Outside Directors	—	—
Directors (excluding Outside Directors)	—	—
Executive Officers	14,500 shares	11

Note: Details of stock remuneration are listed on Page 17 (2.-(3)-iii) Total amounts of remuneration paid to directors and executive officers) of the Business Report.

- (vi) Other important matters concerning shares

No applicable information.

(2) Status of stock acquisition rights

No applicable information.

(3) Status of directors and executive officers

i) Status of directors and executive officers (as of March 31, 2024)

Position	Name	Duties	Significant concurrent posts
Director	Hiroumi Shioji	–	Representative Partner of Shioji Law Office External Director of TACHIBANA ELETECH CO., LTD. (member of the Audit and Supervisory Committee)
Director	Tatsundo Maki	–	Representative Partner of SCS Global LLC Director of SCS Global Consulting KK
Director	Yuichi Seki	–	Corporate auditor of Fuji Seal, Inc.
Director, Representative Executive Officer, President and CEO	Shigeko Okazaki	–	Representative Director and President, Soho KK
Director, Executive Officer	Yoichi Okazaki	In charge of machinery business and Europe operations	Representative Director and President of Fuji Seal B.V.
Director, Executive Officer and CFO	Akikazu Yada	In charge of finance	–
Executive Officer	Hideaki Umeda	In charge of shrink label business	Director and General Manager of Production Division, American Fuji Seal, Inc.
Executive Officer	Takeshi Kyogane	In charge of self-adhesive label business	–
Executive Officer	Masahisa Fukuda	In charge of soft pouch business	–
Executive Officer	Yasuhiro Shibata	In charge of Japan operations	Representative Director and Chairman, Fuji Seal, Inc.
Executive Officer	Satoru Kawasaki	In charge of the Americas operations	Representative Director and President of American Fuji Seal, Inc. Representative Director and President of American Fuji Technical Services, Inc. Representative Director and President of Fuji Seal Packaging De Mexico, S.A. de C.V.
Executive Officer	Takafumi Yamamoto	In charge of ASEAN operations	Representative Director and President of Fuji Seal Packaging (Thailand) Co., Ltd. Director and Chairperson of Fuji Seal Vietnam Co., Ltd.
Executive Officer	Fumiaki Takahashi	In charge of legal and risk management	–
Executive Officer	Marieke Sauer-Ploegmakers	In charge of human resources	Representative Director and President of Fuji Seal Germany GmbH

Notes:

1. Directors Hiroumi Shioji, Tatsundo Maki, and Yuichi Seki are outside directors pursuant to Article 2, item 15 of the Companies Act of Japan.
2. Fuji Seal Inc. is a wholly owned subsidiary of the Company and has a business relationship with the Company, including for royalties. There is no special relationship between the Company and the companies where the other outside directors hold concurrent positions.
3. During the business year under review, the following changes in executive officers occurred:
Mr. Kosuke Matsuzaki (in charge of Japan operations) retired upon completion of his term of office on June 22, 2023.
4. Committee members of the Company with a Nominating Committee, etc. as provided in the Companies Act Article 2 item 12 were selected at the Board of Directors meeting held on June 22, 2023 and appointed on the same day, pursuant to the Companies Act Article 400 Paragraph 2.
Nomination Committee: Shigeko Okazaki (chairperson), Hiroumi Shioji, Tatsundo Maki, and Yuichi Seki
Compensation Committee: Shigeko Okazaki (chairperson), Hiroumi Shioji, Tatsundo Maki, and Yuichi Seki
Audit Committee: Yuichi Seki (chairperson), Hiroumi Shioji, and Tatsundo Maki
5. Directors Hiroumi Shioji, Tatsundo Maki, and Yuichi Seki have been designated as independent directors as stipulated in the Securities Listing Regulations of Tokyo Stock Exchange, Inc. and the Company has submitted notification of this to the exchange.
6. The Company has assigned a full-time internal audit staff member to assist the Audit Committee in its duties and therefore does not appoint a full-time corporate auditor.
7. Director Tatsundo Maki is a certified public accountant and has knowledge of finance and accounting.
8. Mr. Akikazu Yada was appointed Representative Director and President of Fuji Seal Packaging (Thailand) Co., Ltd. on June 1, 2024.

ii) Policy regarding determination of remuneration for directors and executive officers by the Compensation Committee

The Compensation Committee has decided on the following policy regarding determination of remuneration details for individual directors and executive officers. Based on this system, the Compensation Committee determines the individual remunerations received by directors and executive officers.

With regard to remuneration for individual directors and executive officers in the fiscal year under review, the Compensation Committee has confirmed and determined that the method of confirming details of remuneration and details of the determined remuneration are aligned with this policy.

1. Basic policy regarding remuneration

- a. The Company's remuneration system allows diverse and distinguished personnel who agree with its corporate philosophy to demonstrate their abilities, for which they are awarded.
- b. The remuneration system promotes achievement of business targets based on the Company's management strategy for continual growth.
- c. The remuneration system promotes continual improvement of corporate value, and shares profits with all the Company's shareholders.
- d. Determination processes for the remuneration system are objective and highly transparent.

2. Overview of remuneration system

a. Procedure

Policies for remuneration of directors and executive officers, remuneration structure, and performance-linked systems are determined through deliberation by the Compensation Committee.

b. Composition of remuneration

Remuneration for directors, including outside directors, consists solely of basic remuneration in the form of fixed remuneration, while remuneration for executive officers is comprised of basic remuneration as well as short-term incentives in the form of variable remuneration as performance-linked remuneration and remuneration involving restricted stock as mid- to long-term incentives.

c. Basic remuneration

Standards for basic remuneration are to be determined after giving consideration to factors such as each individual's career, work history, duties, and responsibilities, and the Company's performance and economic environment.

d. Performance-linked remuneration

Performance-linked remuneration is an amount determined by the Compensation Committee in accordance with the degree to which the divisions overseen by each executive officer achieve their performance targets that fluctuates in a range from 0—30% of total remuneration. Items used to calculate the amount include consolidated net sales on an annual basis, operating income margin, and key financial indicators for management strategies, as well as non-financial items such as environmental indicators and human resource development. When a certain level has been reached, part of the performance-linked remuneration is paid in shares of the Company.

e. Restricted stock remuneration

Restricted stock remuneration is paid as a medium- to long-term incentive for executive officers in order to share the same values as shareholders and to continually enhance the Fuji Seal Group's corporate value.

iii) Total amounts of remuneration paid to directors and executive officers

Executive classification	Total amounts of remuneration (¥ million)	Total amount of remuneration by type of remuneration (¥ million)			Number of executives applicable
		Basic remuneration	Performance-linked remuneration	Restricted stock remuneration	
Outside Directors	26	26	—	—	3
Directors (excluding Outside Directors)	4	4	—	—	1
Executive Officers	248	234	—	13	11

Notes:

1. Number of personnel as of March 31, 2024 was 6 directors (including 3 outside directors), and 11 executive officers (including 3 serving concurrently as directors). The table above includes 1 director who retired during the fiscal year under review due to their term of office expiring.
2. Remuneration for directors serving concurrently as executive officers is presented in the column for executive officers.
3. Remuneration of executive officers serving concurrently as managing executive officers of subsidiaries is paid by the subsidiaries.
4. Performance indicators related to performance-linked remuneration are listed in “ii) 2. Overview of remuneration system.” Performance-linked remuneration in the fiscal year under review was paid based on the degree of performance achievement in the previous consolidated fiscal year, among other factors. The primary achievements were a net sales achievement rate of 102.8% and an operating income achievement rate of 73.8% in contrast to the consolidated forecast disclosed on May 11, 2022. The Company places emphasis on these indicators as they are important indicators of the Company's growth and profitability capabilities. The Company did not pay performance-linked remuneration in the fiscal year under review.

5. Non-monetary remuneration consists of restricted stock remuneration, the amount of which was recorded as an expense for the fiscal year under review. The status of stock granted for the fiscal year under review is listed under “2. (1) (v). Status of shares granted to company executives in compensation for performing duties during the fiscal year under review.”
6. In addition to the above, outside directors received remuneration of ¥1 million as executives of the Company’s subsidiaries in the fiscal year under review.

iv) Matters concerning outside directors

a. Status of principal activities during the business year under review

Name (position)	Status of activities in the fiscal year under review and overview of duties which outside directors are expected to perform
Director Hiroumi Shioji	<p>Mr. Shioji attended all nine meetings of the Board of Directors and all six meetings of the Audit Committee held in the fiscal year under review. He performed an appropriate role to ensure the soundness and appropriateness of decision-making, providing advice necessary for the deliberation of proposals and so forth, drawing on his abundant experience and broad insight cultivated through his work as a lawyer over many years.</p> <p>At the Nomination and Compensation Committees, he attended all eight meetings of the Nomination Committee and all six meetings of the Compensation Committee, and helped discussions from shareholders’ standpoint regarding appointment and remuneration of the Company’s directors and executive officers.</p>
Director Tatsundo Maki	<p>Mr. Maki attended all nine meetings of the Board of Directors and all six meetings of the Audit Committee held in the fiscal year under review. He performed an appropriate role to ensure the soundness and appropriateness of decision-making, providing advice necessary for the deliberation of proposals and so forth, while drawing on his abundant experience and broad insight of global accounting, particularly business expansion in Asia.</p> <p>At the Nomination and Compensation Committees, he attended all eight meetings of the Nomination Committee and all six meetings of the Compensation Committee, and helped discussions from shareholders’ standpoint regarding appointment and remuneration of the Company’s directors and executive officers.</p>
Director Yuichi Seki	<p>Mr. Seki attended all nine meetings of the Board of Directors and all six meetings of the Audit Committee held in the fiscal year under review. He performed an appropriate role to ensure the soundness and appropriateness of decision-making, providing advice necessary for the deliberation of proposals and so forth, while drawing on his abundant experience and broad insight in manufacturing as a supervisor of safety, disaster preparedness and manufacturing primarily in the technology development field, as well as experience as the manager of a publicly listed company.</p> <p>At the Nomination and Compensation Committees, he attended all eight meetings of the Nomination Committee and all six meetings of the Compensation Committee, and helped discussions from shareholders’ standpoint regarding appointment and remuneration of the Company’s directors and executive officers.</p>

Note:

At the meetings of the Company’s Board of Directors, deliberations spanning two days for each meeting were held five times (a total of 10 days) and one-day deliberations were held 4 times. In the fiscal year under review, a total of 56 hours of deliberations were held over 14 days. In addition to the above meetings held by the Board of Directors, there were 26 resolutions in writing, which are deemed to be equivalent to resolutions passed in meetings of the Board of Directors, in accordance with Article 370 and Article 22 of the Company’s Articles of Incorporation. The Company’s Audit Committee is comprised of three outside directors only (Chairperson: Yuichi Seki). In the fiscal year under review, Audit Committee meetings were held six times, and all Audit Committee members attended all meetings, engaging in deliberations on matters such as audit plans, audit policies and internal control.

b. Outline of limitation of liability agreement

To ensure that it can obtain useful human resources to serve as outside directors, the Company's current Articles of Incorporation have a provision enabling it to enter agreements with its outside directors for limiting their liability to the Company within a certain scope. In accordance with this provision, outside directors Hiroumi Shioji, Tatsundo Maki, and Yuichi Seki have entered such limitation of liability agreements with the Company.

An overview of these agreements follows.

"If the outside director becomes liable for damages to the Company due to negligence of duties, he or she shall bear this liability, limited to the minimum liability amount provided in Article 425 Paragraph 1 of the Companies Act of Japan. The above liability limitation may be recognized only in cases where the outside director has acted in good faith and without gross negligence in executing the duty that caused his or her liability."

c. Criteria for Independence of Outside Directors

Criteria for independence are listed in the "Reference Documents for the General Meeting of Shareholders" in this convocation notice.

v) Overview of limitation of liability agreement

The Company has entered into a limitation of liability agreement with an insurance company which designates all directors, executive officers and those in managerial positions at the Company and all its subsidiaries as insured persons. Under this agreement, the insured person shall be charged compensation resulting from actions (including failure to act) based on the status of company executive, and shall compensate for damages incurred and legal fees, etc. As a measure to ensure the appropriateness of execution of duties by the insured person, damages to the executive who committed a criminal act such as bribery or intentionally violated a law will be exempt from the target of compensation. The Company will pay all insurance payments for this liability agreement.

(4) Status of accounting auditor

i) Name Deloitte Touche Tohmatsu LLC

ii) Remuneration amount

	Amount payable
1. Amount of remuneration payable to the outside accounting auditor for the fiscal year under review for duties provided under Article 2 Paragraph 1 of the Certified Public Accountants Act	¥47 million
2. The total amount of remuneration and other financial benefits payable to the outside accounting auditor by the Company and its subsidiaries	¥62 million

Notes:

1. Important overseas consolidated subsidiaries of the Company audited by certified public accountants and auditing companies (including entities with corresponding qualifications in overseas countries) other than the outside accounting auditor of the Company. They are audited only on the items specified by the Companies Act and the Financial Instruments and Exchange Act, or corresponding laws and regulations in overseas countries.
2. The amount of remuneration for audits pursuant to the Companies Act and the amount of remuneration for audits pursuant to the Financial Instruments and Exchange Act are not clearly divided in the auditing agreement

concluded between the Company and the outside accounting auditor. Since they are not practically separable, the total amount of remuneration is presented for the fiscal year under review.

3. The Audit Committee performed the required verification of the outside accounting auditor's audit plan details, the status of accounting audit execution, and the grounds for calculation of the remuneration estimate and so forth to determine whether they were appropriate, and agreed with the outside accounting auditor's remuneration amount pursuant to the Article 399 Paragraph 1 of the Companies Act.

iii) Details of non-auditing duties

The Company and its subsidiaries have paid the outside accounting auditor consideration for services including advice and guidance on the revised Internal Control Report system, which are classified as services other than the services under Article 2, Paragraph 1 of the Certified Public Accountants Act.

iv) Dismissal or non-reappointment of outside accounting auditor

If the Audit Committee judges that it is appropriate to dismiss or not reappoint the outside accounting auditor, it determines the details of a proposal for the dismissal or non-reappointment of the outside accounting auditor to be submitted at the General Meeting of Shareholders in accordance with the Audit Committee Regulations. If the Audit Committee acknowledges that the outside accounting auditor is subject to any of the conditions set forth in Article 340 Paragraph 1 of the Companies Act, it shall dismiss the outside accounting auditor by a unanimous resolution of all the Audit Committee members. In such cases, the dismissal and the reason shall be reported at the next General Meeting of Shareholders held after the dismissal by an Audit Committee member appointed by the Audit Committee.

v) Outline of Limitation of liability agreement

No applicable information.

(5) System for ensuring appropriate business execution

The Company has a system for ensuring that the directors' execution of duties complies with laws and regulations and with the Articles of Incorporation and a system for ensuring that other operations of the corporate group formed by the Company and its subsidiaries (hereinafter "the Group") are appropriate. An overview of the details decided for these systems is given below.

i) Matters concerning directors and employees assigned to assist the duties of the Audit Committee

The Group Internal Audit Office is the organization responsible for assisting the duties of the Audit Committee. The employees responsible for providing assistance (hereinafter "audit officers, etc.") are the Group Internal Audit Office Manager and other staff of the Group Internal Audit Office as well as other audit officers who are appointed by the Group Internal Audit Office Manager with the approval of the Audit Committee.

ii) Matters regarding the independence of the directors and employees of the preceding item from executive officers, and matters regarding ensuring the effectiveness of instructions given by the Audit Committee

Transfers, performance reviews, and salary revision of audit officers, etc. shall require prior consent of the Audit Committee.

Moreover, executive officers must take care that audit officers, etc., are not subject to unjustified

restrictions in the execution of their duties. If the audit officers, etc. are subject to unjustified restrictions in the course of executing their duties, they shall be able to report this to the Audit Committee or to an Audit Committee member and request the unjustified restriction to be lifted. Audit officers, etc. must follow the instructions of the Audit Committee.

- iii) System for reporting by the Group's directors, executive officers, and employees to the Audit Committee and system for other reports made to the Audit Committee

The Audit Committee may have persons other than Audit Committee members attend its meetings as needed to hear their reports and opinions. In this way, the directors, executive officers, and other employees (hereinafter "executives and employees") who attend an Audit Committee meeting must explain matters to the Audit Committee as the committee requests. Executives and employees shall be able to report to the Audit Committee via the Group Internal Audit Office. The Company is not allowed to dismiss the executives and employees who make such reports or subject them to any other disadvantage because of having made the report.

Executives and employees should report the following matters.

- a. Matters regarding the reporter's decision on a matter entrusted by a resolution of the Board of Directors
- b. Discovered facts that could cause significant loss to the Company

- iv) Matters regarding policies on prepayment of expenses incurred by Audit Committee members when executing their duties, reimbursement procedures, and other handling of expenses and liabilities arising in connection to the duties

When Audit Committee members request prepayment of expenses and so forth for executing their duties, as provided by the Companies Act, provided the execution of the duties is not considered unnecessary, the Company shall promptly process the liabilities, including such expenses.

- v) Other systems for ensuring that Audit Committee's audits are conducted effectively

The Audit Committee conducts regular liaison meetings to report and coordinate with the Group Internal Audit Office.

Furthermore, the Audit Committee has established the Group Internal Audit Regulations, and has a structure in place to manage internal audits smoothly and effectively. Furthermore, the committee maintains close coordination with the outside accounting auditor and holds regular meetings with the outside accounting auditor to exchange opinions about the audit policy and audits.

The Group Internal Audit Office establishes the internal audit mechanisms for the Group, and oversees policy and management risk. In this way, the office aims to maintain the Group's internal controls and upgrade the internal audit system.

- vi) System for ensuring appropriateness of reports to the Company on matters relating to execution of duties by the directors and other executives in the Group and appropriateness of other Group operations

As a holding company, the Company manages and administers the entire Group in line with the Group management strategy. The Board of Directors therefore decides and approves important matters concerning

Group management, and hears reports on business execution by all Group companies.

The Company has formulated the Group Company Management Regulations, stipulating the basic policy on Group management, the management system, operation standards and so forth, and positional authority for the entire Group. Group companies shall receive advance approval from the Company on certain important matters regarding management circumstances and matters affecting Group management based on these regulations, and through reporting to the Company on certain items, they also support unified operation of the Fuji Seal Group's business operations and support management.

The Group Internal Audit Office coordinates with the departments responsible for the operations of each Group company to ascertain their internal control status. The office reports on this to the Audit Committee and proposes measures for improvement.

The Company has established a Group Sustainability Committee and formed a system under the supervision of the Board of Directors to establish goals related to ESG for the overall Group and implement, promote and report monitoring of progress in order to promote and support the Group's sustainability management.

- vii) System for ensuring execution of duties by the Group's directors, other executives, and employees is compliant with laws and regulations, and with the Articles of Incorporation

The FSG Code of Ethics, sets forth the universal standards that every individual director, executive officer, corporate officer and employee should observe from the corporate ethic standpoint to gain society's trust as the Ethical Standard, and the standards of behavior that support faithful implementation of Ethical Standard in its Conduct and Behavior Standard. In addition, the Group Compliance Management Regulations set out the Group's compliance policy, systems, procedures, and so forth.

The Compliance Committee (at the Group and regional levels) deliberates and decides on revisions of operation processes and other measures to prevent recurrences of material problems and serious infringements, as well as other relevant issues. In addition to the maintenance and upgrading of the compliance system, awareness raising and education, and reporting to the Board of Directors, the committee requests the deliberation and decision of the Board of Directors in cases that require important management decisions. Moreover, the Consultation Hotline provides a system that enables personnel to report directly to a consultation and reporting desk (including an outside law office, outside specialist companies, and the Group Internal Audit Office) regarding suspicious behavior and so forth. This enables the Company to quickly identify compliance issues and respond to them appropriately.

The Company has also taken steps to ensure and reinforce the appropriateness of its financial reporting by formulating the Group Internal Control Regulations and establishing the J-SOX Committee.

- viii) System for storage and management of information relating to the execution of duties by executive officers
- Executive officers shall store important information relating to the executive's execution of duties, such as minutes of General Meetings of Shareholders and Board of Directors meetings of Group companies, approval request documents, financial statements relating to financial reports, and contracts, for at least 10 years. Moreover, they shall take the measures required to be in accordance with the Group Information Security

Policy described in the Group Sustainability Policy and be prepared to accommodate requests to browse the documents from the Audit Committee and others.

ix) Rules and other systems related to managing the risk of loss in the Group

The Group has established the Group Risk Management Regulations, which stipulate the basic policy and management system regarding business execution risks facing the Group. The Group strives to ensure sound, stable management, thereby enhancing management efficiency and increasing shareholder benefit and trust in the Company. The Group Compliance Committee's basic framework for risk management is to identify latent risks on a Groupwide and region basis, and after deliberation by the Board of Directors, summarize the materiality of each risk in a risk map and develop a system to respond to such risks. In accordance with the regulations, the Group has established disaster response and crisis management systems. The Group strives to make foreseeable risks known to employees and share this information with them. It will also implement measures to relay information and respond rapidly and appropriately in case a risk should materialize, and take action to prevent a recurrence.

x) System to ensure the efficient execution of duties by the Group's directors and other officers

The Company has established a system for appropriate and efficient execution of duties through positional authority and decision-making rules based on a system of regulations centered on the abovementioned Group Company Management Regulations.

Based on the medium-term management plan and the annual business plan formulated in line with the corporate philosophy, the executive officers work to achieve the targets, report the status of their execution of duties to the Board of Directors, and receive an assessment from the Board of Directors. The Company uses IT to streamline operations through teleconferencing and other means. It has a system for identifying important management information through business reports, risk reports, and so forth provided regularly and as needed, and securely feeding this information back to the Board of Directors.

(6) Overview of operational status of systems for ensuring appropriateness of operations

i) Operational status of Group compliance system

The Group Compliance Committee holds regular meetings, annually formulates and implements action plans that include the establishment of compliance-related themes and matters to be addressed, and conducts awareness-raising activities. The Group's executives have signed a compliance declaration and Compliance Cards have been distributed to Group executives and employees in addition to an education program. Through these measures, the Group provided clear guidance on observing laws and regulations, as well as internal company regulations, and acting in accordance with corporate ethics, and took initiatives to ensure their effectiveness.

With regard to the Consultation Hotline, the Group ensures that the confidentiality of informants is protected and that informants are not subjected to disadvantages. The status of reports to the hotline is reported regularly to the Compliance Committee, the Board of Directors and the Audit Committee.

ii) Operation status of the Group's risk management system

The Group has organized the materiality of latent risks on a Groupwide and regional basis into a risk map based on the Group Risk Management Regulations. For each risk, systems have been established, action plans for each region have been formulated, based on the risk map, and initiatives are continuously carried out. The risk map assesses risks based on their likelihood of occurrence and impact on management, looking at the many types and varieties of risk the Company faces, including fires, information leaks, system breakdowns, cyberattacks, human resource outflow and shortage, and environmental problems. At the same time, an emergency contact network has been established for the case of an irregular situation that could have a serious impact on the Group's management, and we operate this network on a daily basis to prevent recurrences and secondary damage throughout the Group.

As a risk monitoring function, internal audits are conducted by the Group Internal Audit Office under the direction of the Audit Committee, and risk management system audits are conducted by independent auditors as needed. The results are reported to the Audit Committee and the Representative Executive Officer, President and CEO.

iii) Status of execution of duties by directors and others in the Group

The Group held 9 Board of Directors meetings during the fiscal year under review, in accordance with the Rules for Directors (a total of more than 56 hours of deliberations were held over 14 days).

The Board of Directors deliberates on matters such as business strategy, annual business plans, investment strategy, financial management, ESG (Environment, Society, Governance) issues, how the Group is managed, and relationships with stakeholders.

In the fiscal year ended March 31, 2024, the Board of Directors proactively deliberated on business strategy (business portfolio, investments, etc.), sustainability and environmental management, and management conscious of capital cost and share price.

Furthermore, the Board of Directors heard reports on the status of execution of duties at each Group company, and discussed progress on achieving management targets, management issues and risks, and related response measures.

iv) Status of initiatives to ensure appropriate operations within the Group

The Audit Committee met six times during the fiscal year under review in accordance with the Audit Committee Regulations. The Audit Committee deliberated on the audit plan and audit policy, internal controls, and related matters.

The Group Internal Audit Office conducted an audit of the Group companies based on the direction of the Audit Committee, and proposed improvements. A Consultation Hotline Desk was also established in the Internal Audit Office, so that reports can now also be made to the Audit Committee, which is composed solely of outside directors.

(7) Policy regarding determination of dividend from surplus

Fuji Seal aims to realize a sustainable and circular society that brings peace and happiness to all through packaging, and to raise corporate value. The Company considers returning profits to shareholders based on its consolidated performance for each fiscal year, along with providing a sustained and stable return of profits, to be its most important management priority.

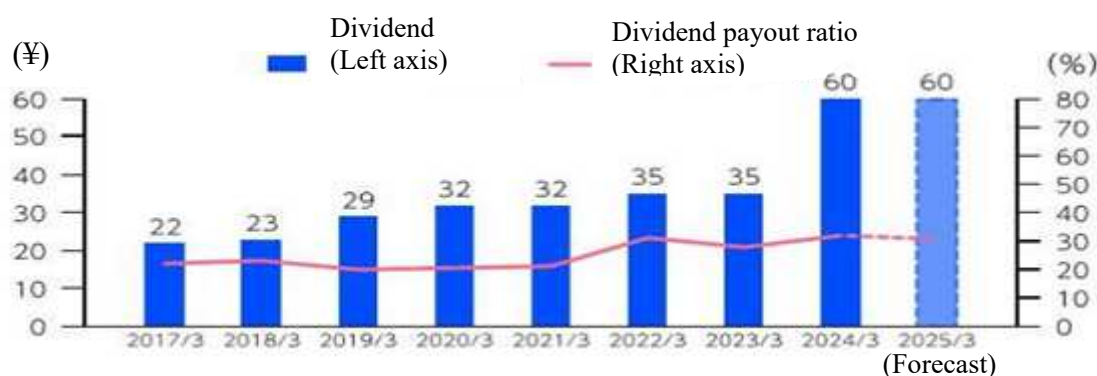
As such, the Company's view on profit allocation is as follows.

- i) Conduct investment in continued growth (technology development, human resource development, capital expenditures, M&A)
- ii) Targeting a consolidated dividend payout ratio of 30% in principle, while aiming for a stable and sustained increase in dividend per share, considering a comprehensive range of factors such as the level of DOE and changes in the business environment
- iii) Carry out building of a stable financial base prepared for emergencies and flexibly acquire and dispose of treasury shares

In the fiscal year ended March 31, 2024, amid ongoing destabilization of international conditions, the management environment encompassing the Fuji Seal Group remained challenging due to the impact of factors such as soft consumer spending reflecting high prices and concerns about a global economic slowdown, despite some signs of improvement in corporate profits and employment conditions. In this environment, the Company continued to take steps such as price revisions, structural reforms, productivity improvement initiatives, and business portfolio replacement measures, and these steps contributed positively to earnings. Consolidated net sales, operating income and net income attributable to owners of parent all reached record highs and surpassed the Company's initially forecast results. We would like to take this opportunity to thank shareholders for your continued understanding and support of the Company.

At the Board of Directors meeting held on May 20, 2024, the Company decided to pay a year-end dividend for the fiscal year ended March 31, 2024 of ¥43 per share, after taking into consideration the current conditions and financial results for the fiscal year under review and its profit allocation policy of stable dividends. The Company will thus pay an annual dividend of ¥60 per share for the fiscal year ended March 31, 2024, which includes the already paid interim dividend (¥17 per share), for a consolidated dividend payout ratio of 32.0%.

In the fiscal year ending March 31, 2025, the Group plans to pay an annual dividend of ¥60 per share based on the aforementioned basic policies. As a result, the Group expects to achieve a consolidated dividend payout ratio of 30.7% for the fiscal year ending March 31, 2025.



(Monetary amounts and numbers of shares presented in this Business Report have been rounded down to the units of presentation, while year-on-year comparisons and other figures have been rounded to the nearest unit.)

Consolidated Balance Sheets
(As of March 31, 2024)

(¥ million)

Assets		Liabilities	
Item	Amount	Item	Amount
Total current assets	117,064	Total current liabilities	52,917
Cash and deposits	22,806	Notes and accounts payable	17,474
Notes and accounts receivable	50,695	Electronically recorded monetary obligations	11,118
Electronically recorded monetary claims	12,628	Short-term borrowings	4,020
Merchandise and finished products	10,227	Current portion of long-term debt	756
Work in process	6,033	Lease obligations	67
Raw materials and supplies	9,093	Other accounts payable	3,853
Other current assets	5,684	Income taxes payable	1,960
Allowance for doubtful accounts	(105)	Accrued bonuses	2,246
Total noncurrent assets	75,620	Other current liabilities	11,419
Total tangible fixed assets	62,774	Total long-term liabilities	7,624
Buildings and structures — net	26,182	Long-term debt	1,841
Machinery, equipment and vehicles	21,185	Lease obligations	98
Tools, furniture and fixtures	2,368	Deferred tax liabilities	1,847
Land	8,748	Net defined benefit liabilities	2,865
Lease assets — net	254	Other	970
Construction in progress	3,041	Total liabilities	60,542
Other — net	992	Net assets	
Total intangible assets	2,383	Total shareholders' equity	114,024
Goodwill	997	Common stock	5,990
Other	1,386	Capital surplus	6,599
Total investments and other assets	10,462	Retained earnings	110,990
Investment securities	3,568	Treasury shares	(9,556)
Deferred tax assets	3,336	Total accumulated other comprehensive income	18,118
Other	3,672	Unrealized gain on available-for-sale securities	1,342
Allowance for doubtful accounts	(115)	Deferred (loss) gain on hedges	(3)
		Foreign currency translation adjustments	16,781
		Remeasurements of defined benefit plans	(1)
		Total net assets	132,142
Total assets	192,684	Total liabilities and net assets	192,684

Consolidated Statements of Income
(April 1, 2023 to March 31, 2024)

(¥ million)

Item	Amount	
Net sales		196,624
Cost of sales		160,768
Gross profit		35,855
Selling, general and administrative expenses		22,546
Operating income		13,309
Non-operating income		
Interest income	352	
Dividend income	82	
Interest on tax refund	94	
Foreign exchange gains	1,409	
Recycling income	32	
Other	40	2,012
Non-operating expenses		
Interest expenses	382	
Depreciation of inactive non-current assets	143	
Provision of allowance for doubtful accounts	63	
Other	1	590
Ordinary income		14,732
Extraordinary gains		
Gain on sale of tangible fixed assets	16	
Insurance income	25	
Subsidy income	26	68
Extraordinary losses		
Loss on sale and disposal of tangible fixed assets	105	
Restructuring expenses	293	
Impairment loss	498	
Loss on tax purpose reduction entry of noncurrent assets	40	938
Income before income taxes		13,862
Current	3,731	
Deferred	(147)	3,584
Net income		10,277
Net income attributable to owners of the parent		10,277