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Securities Code No. 7864

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

Fuji Seal International, Inc.

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

Convocation Notice of the 67th Annual General Meeting of Shareholders

To our shareholders, thank you for your support.

You are cordially invited to attend the 67th 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 Monday, June 23, 2025, after examining the Reference Documents for the General Meeting of Shareholders.

Thank you.

1. Date and Time	11:00 a.m. on June 24, 2025 (Tuesday) (Reception will open from 10:30 a.m.)
2. Venue	2F “Oak,” HOTEL VISCHIO AMAGASAKI 1-4-1, Shioe, Amagasaki, Hyogo Prefecture
3. Agenda	<p>Matters to be Reported</p> <ol style="list-style-type: none"> 1. Report on the Business Report and the consolidated financial statements for the 67th business year (April 1, 2024 to March 31, 2025), 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 67th business year (April 1, 2024 to March 31, 2025) <p>Matters to be Resolved</p> <p>Proposal 1 Amendment to the Articles of Incorporation</p> <p>Proposal 2 Election of six directors</p>
4. Matters Concerning Exercise of Voting Rights	<ol style="list-style-type: none"> (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 the Company’s Articles of Incorporation, certain items subject to measures for providing information in electronic format, specifically the “System for ensuring appropriate business execution,” “Overview of operational status of systems for ensuring appropriateness of operations,” “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 consolidated financial statements and non-consolidated financial statements audited 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 1: Amendment to the Articles of Incorporation

1. Reasons for the proposal

To clarify the nature of the Company's business in accordance with its current operations, and to accommodate future business development and diversification, we propose necessary amendments to Article 2 (Objectives) of the current Articles of Incorporation.

In addition, from the perspective of strengthening corporate governance, and to maintain an appropriate number of directors in line with the current structure, we propose to reduce the maximum number of directors specified in Article 17 (Number of directors) of the current Articles of Incorporation from 15 to 10.

Furthermore, to enhance the executive function in anticipation of future business development, we propose to increase the maximum number of executive officers specified in Article 27 (executive officers and the execution of duties), Paragraph 1 of the current Articles of Incorporation from 14 to 20.

2. Details of changes

The details of the amendments are as follows.

(The underlined portions indicate the parts to be amended.)

Current Articles of Incorporation	Proposed Amendments
(Objectives)	(Objectives)
Article 2 (Text omitted)	Article 2 (Same as current)
(1) (Text omitted)	(1) (Same as current)
(2) The manufacture and sale of various packaging materials	(2) The manufacture and sale of various packaging materials, <u>including environmentally-friendly packaging materials, recycled packaging materials, medical packaging materials, and other special packaging materials</u>
(3) to (6) (Text omitted)	(3) to (6) (Same as current)
(Newly added)	<u>(7) The development and sale of smart packaging technology</u>
(Newly added)	<u>(8) The development and sale of data analysis and data management services utilizing information technology</u>
(Newly added)	<u>(9) The development and sale of packaging solutions and the operation of related services</u>
(Newly added)	<u>(10) The design, prepress data processing, and sale of labels, stickers, and other packaging elements related to items (1) to (4) above</u>
(Newly added)	<u>(11) The engineering and installation services for machinery, plant facilities, and related equipment</u>
(Newly added)	<u>(12) The operation of new businesses and related services pertaining to items (1) to (11) above</u>
<u>(7)</u> (Text omitted)	<u>(13)</u> (Same as current)

Current Articles of Incorporation	Proposed Amendments
<p>3. The purpose of the Company is, in addition to those set forth in the preceding two (2) clauses, to engage in the investment in those who engage in the businesses set forth in Clause 1 or similar businesses, <u>the sale and purchase of securities</u>, money lending, financing, and agency services of the above.</p> <p>4. (Text omitted)</p> <p>(Number of directors) Article 17 The number of directors of the Company shall be no more than <u>15</u>.</p> <p>(Executive Officers and the execution of duties) Article 27 The Company shall have no more than <u>14</u> executive officers, who shall be appointed by the Board of Directors.</p> <p>2. (Text omitted)</p>	<p>3. The purpose of the Company is, in addition to those set forth in the preceding two (2) clauses, to engage in investments <u>(including capital contributions and the trading of securities)</u> in those who engage in the businesses set forth in Clause 1 or similar businesses, money lending, financing, and agency services of the above.</p> <p>4. (Same as current)</p> <p>(Number of directors) Article 17 The number of directors of the Company shall be no more than <u>10</u>.</p> <p>(Executive Officers and the execution of duties) Article 27 The Company shall have no more than <u>20</u> executive officers, who shall be appointed by the Board of Directors.</p> <p>2. (Same as current)</p>

Proposal 2: 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 10).

The director candidates are as follows:

Candidate No.	Name	Candidate characteristics	Present position and responsibilities	Attendance at Board of Directors meetings
1	Tatsundo Maki (male)	Reelection Outside Independent	Outside Director	10 out of 10 meetings (100%)
2	Yuichi Seki (male)	Reelection Outside Independent	Outside Director	10 out of 10 meetings (100%)
3	Kimihiko Uemura (male)	New appointment Outside Independent		—
4	Shigeko Okazaki (female)	Reelection	Director, Representative Executive Officer, President and CEO	10 out of 10 meetings (100%)
5	Yoichi Okazaki (male)	Reelection	Director, Executive Officer in charge of machinery business and Europe operations	10 out of 10 meetings (100%)
6	Hideaki Umeda (male)	New appointment	Executive Officer in charge of shrink sleeve labels business	—

Note: Since directors Kimihiko Uemura and Hideaki Umeda are newly nominated candidates, there is no data to be presented for them regarding their attendance at Board of Directors meetings.

【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.	4
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.	5
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.	4
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

Note: Numbers of applicable directors include director candidates Kimihiko Uemura and Hideaki Umeda.

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
<p>1 Tatsundo Maki (Born September 14, 1972) Male</p> <p>Reelection Outside Independent</p> <p>Attendance at Board of Directors meetings (10/10) (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) February 2025 Outside Director of HIOKI E.E. CORPORATION (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> <p><u>Number of Years since Appointment as an Outside Director</u> 8 years</p> <p><u>Significant Concurrent Posts</u> Representative Partner of SCS Global LLC Director of SCS Global Consulting KK Outside Director of HIOKI E.E. CORPORATION</p> <p><u>Number of the Company's Shares Owned</u> – shares</p>
<p>2 Yuichi Seki (Born June 28, 1953) Male</p> <p>Reelection Outside Independent</p> <p>Attendance at Board of Directors meetings (10/10) (100%)</p>	<p><u>Career, Positions and Responsibilities</u> 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> <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>

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
	<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> 6 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>
<p>3 Kimihiko Uemura (Born November 15, 1958) Male</p> <p>New appointment Outside Independent</p>	<p><u>Career, Positions and Responsibilities</u> April 1987 Registered as a lawyer Joined Midosuji Legal Profession Corporation April 1993 Partner of Midosuji Legal Profession Corporation (current) June 2013 Outside Corporate Auditor of METAWATER Co., Ltd. March 2024 Outside Auditor of KONOIKE CONSTRUCTION CO., LTD. (current)</p> <p><u>Reasons for Nomination as Outside Director and Overview of Expected Roles</u> Mr. Uemura has abundant practical experience and expert knowledge in areas such as corporate law and compliance as a lawyer. He also has experience as an outside officer of other companies. The Company requests his election as an outside director with the expectation that he will provide appropriate advice and supervision regarding the Company's overall management based on his broad insight, exercising suitable judgement in his role of supervising execution functions. In the event that Mr. Uemura 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>Significant Concurrent Posts</u> Partner of Midosuji Legal Profession Corporation Outside Auditor of KONOIKE CONSTRUCTION CO., LTD.</p> <p><u>Number of the Company's Shares Owned</u> – shares</p>
<p>4 Shigeko Okazaki (Born April 5, 1957) Female</p> <p>Reelection</p> <p>Attendance at Board of Directors meetings (10/10) (100%)</p>	<p><u>Career, Positions and Responsibilities</u> 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 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</p>

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions																		
	<p>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, sustainability and environmental management, 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> 243,720 shares</p>																		
<p>5 Yoichi Okazaki (Born July 26, 1982) Male</p> <p>Reelection</p> <p>Attendance at Board of Directors meetings (10/10) (100%)</p>	<p><u>Career, Positions and Responsibilities</u></p> <table border="0"> <tr> <td>October 2012</td><td>Joined the Company</td></tr> <tr> <td>January 2017</td><td>General Manager in charge of machinery of Pago Etikettiersysteme GmbH (currently Fuji Seal Germany GmbH)</td></tr> <tr> <td>February 2019</td><td>Representative Director and President of Fuji Seal Germany GmbH</td></tr> <tr> <td>January 2020</td><td>General Manager, Corporate Planning Department of the Company</td></tr> <tr> <td>February 2022</td><td>General Manager, Machinery Division of Fuji Seal, Inc.</td></tr> <tr> <td>June 2022</td><td>Executive Officer of the Company</td></tr> <tr> <td>December 2022</td><td>Executive Officer of the Company (In charge of machinery and Europe operations) (current)</td></tr> <tr> <td></td><td>Representative Director and President of Fuji Seal B.V. (current)</td></tr> <tr> <td>June 2023</td><td>Director of the Company (current)</td></tr> </table> <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, marketing, global business, digital transformation (DX) promotion</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> 843,947 shares</p>	October 2012	Joined the Company	January 2017	General Manager in charge of machinery of Pago Etikettiersysteme GmbH (currently Fuji Seal Germany GmbH)	February 2019	Representative Director and President of Fuji Seal Germany GmbH	January 2020	General Manager, Corporate Planning Department of the Company	February 2022	General Manager, Machinery Division of Fuji Seal, Inc.	June 2022	Executive Officer of the Company	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)	June 2023	Director of the Company (current)
October 2012	Joined the Company																		
January 2017	General Manager in charge of machinery of Pago Etikettiersysteme GmbH (currently Fuji Seal Germany GmbH)																		
February 2019	Representative Director and President of Fuji Seal Germany GmbH																		
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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)																		
June 2023	Director of the Company (current)																		
<p>6 Hideaki Umeda (Born December 31, 1971) Male</p> <p>New appointment</p>	<p><u>Career, Positions and Responsibilities</u></p> <table border="0"> <tr> <td>April 1997</td><td>Joined the Company</td></tr> <tr> <td>August 2014</td><td>Plant Manager of Fuji Seal Europe Ltd.</td></tr> <tr> <td>March 2016</td><td>Production Director of Fuji Seal Europe S.A.S.</td></tr> <tr> <td>July 2018</td><td>Director of American Fuji Seal, Inc. (current)</td></tr> <tr> <td>April 2021</td><td>Executive Officer of the Company (In charge of shrink sleeve labels business) (current)</td></tr> </table>	April 1997	Joined the Company	August 2014	Plant Manager of Fuji Seal Europe Ltd.	March 2016	Production Director of Fuji Seal Europe S.A.S.	July 2018	Director of American Fuji Seal, Inc. (current)	April 2021	Executive Officer of the Company (In charge of shrink sleeve labels business) (current)								
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April 2021	Executive Officer of the Company (In charge of shrink sleeve labels business) (current)																		

Name, date of birth	Brief personal history, title, responsibilities and status of important concurrent positions
	<p><u>Reasons for Nomination as Director</u> Mr. Umeda has contributed to increasing the Company's corporate value by leading a manufacturing transformation and development of new products in Japan and overseas in the role of Executive Officer responsible the shrink sleeve labels business, which is the Group's main business. The Company's requests his election as a director, as the Nomination Committee expects that he will appropriately supervise overall Group management and contribute to the Company's sustainable growth and corporate value enhancement, while incorporating his abundant experience overseas and his knowledge of manufacturing and development into the discussions of the Board of Directors.</p> <p><u>Expected Key Skills and Experience</u> Corporate management, manufacturing and development, global business, human resource development</p> <p><u>Significant Concurrent Posts</u> Director of American Fuji Seal, Inc.</p> <p><u>Number of the Company's Shares Owned</u> 14,704 shares</p>

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. 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 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. Furthermore, Kimihiko Uemura meets the criteria for an independent officer provided by Tokyo Stock Exchange, Inc., and if his election is approved, the Company intends to submit notification of his status as an independent corporate officer.
4. The Company has concluded liability limitation agreements to limit the liability of 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. Moreover, if Kimihiko Uemura's election is approved, the Company intends to conclude the same liability limitation agreement with him.

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 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, 2024 to March 31, 2025)

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 ¥212,345 million (up 8.0% year on year), operating profit was ¥18,844 million (up 41.6%), ordinary profit totaled ¥18,323 million (up 24.4%), and net profit attributable to owners of the parent was ¥12,199 million (up 18.7%).

With regard to product categories, from the fiscal year under review, some of the products included in the “shrink sleeve labels” category in the Japan segment have changed to the “Other” business. The year-on-year comparisons below have been made by restating the previous year’s figures in accordance with the changed product categories.

The following is a breakdown of business performance by segment.

[Japan]

Sales of shrink sleeve labels increased 3.1% year on year to ¥48,324 million. Sales of pressure sensitive labels increased 1.7% to ¥8,514 million. Sales of spouted pouches increased 11.1% to ¥22,858 million. Machinery sales increased 3.2% to ¥6,858 million. Sales of other products decreased 2.5% to ¥15,988 million.

As a result, total sales in Japan increased 3.7% to ¥102,545 million. On the earnings front, operating profit increased 12.7% to ¥9,892 million.

[Americas]

Sales of shrink sleeve labels increased 16.3% (up 7.9% on a local currency basis) year on year to ¥55,023 million. Sales of pressure sensitive labels increased 55.3% (up 44.0% on a local currency basis) to ¥2,896 million. Sales of spouted pouches declined 67.7% (down 70.0% on a local currency basis) to ¥79 million. Machinery sales increased 11.5% (up 3.4 % on a local currency basis) to ¥8,176 million.

As a result, total sales in the Americas increased 14.3% (up 6.0% on a local currency basis) to ¥66,176 million. On the earnings front, operating profit increased 92.7% (up 78.7% on a local currency basis) to ¥6,489 million.

[Europe]

Sales of shrink sleeve labels increased 6.4% (down 1.3% on a local currency basis) to ¥17,770 million. Sales of pressure sensitive labels increased 1.5% (down 5.9% on a local currency basis) to ¥5,695 million. Machinery sales increased 27.4% (up 18.1% on a local currency basis) to ¥11,256 million.

As a result, total sales in Europe increased 11.5% (up 3.4% on a local currency basis) year on year to ¥34,721 million. On the earnings front, operating profit increased 166.0% (up 146.6% on a local currency basis) to ¥2,132 million.

[ASEAN]

Sales of shrink sleeve labels increased 15.2% (up 6.8% on a local currency basis) year on year to ¥10,118 million. Sales of pressure sensitive labels decreased 56.0% (down 59.2% on a local currency basis) to ¥82 million. Sales of spouted pouches increased 1.3% (down 6.1% on a local currency basis) to ¥8,478 million. Machinery sales increased 20.0% (up 11.3% on a local currency basis) to ¥813 million. Sales of other products decreased 28.8% (down 34.0% on a local currency basis) to ¥49 million.

As a result, total sales in ASEAN increased 8.0% (up 0.2% on a local currency basis) year on year to ¥19,541 million. On the earnings front, operating profit increased 94.2% (up 80.1% on a local currency basis) to ¥937 million.

(ii) Status of capital expenditures

Capital expenditures during the fiscal year under review (including consolidation adjustments) came to ¥7,549 million.

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

Breaking the amount down by segment, the Group invested ¥2,772 million in the Japan segment, ¥2,932 million in the Americas segment, ¥1,340 million in the Europe segment, and ¥616 million in the ASEAN segment.

(iii) Status of fund procurement

During the fiscal year under review, short-term borrowings increased due to use of a working capital line of credit. Long-term borrowings increased due to capital expenditure in the Americas.

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

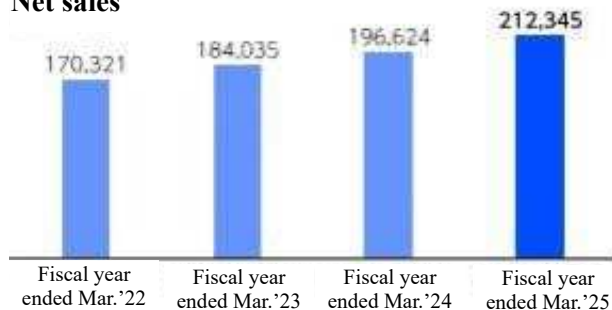
	64th Business Year (Fiscal year ended March 2022)	65th Business Year (Fiscal year ended March 2023)	66th Business Year (Fiscal year ended March 2024)	67th Business Year (Fiscal year ended March 2025) (Fiscal year under review)
Net sales (¥ million)	170,321	184,035	196,624	212,345
Operating profit (¥ million)	10,572	8,194	13,309	18,844
Ordinary profit (¥ million)	10,600	8,426	14,732	18,323
Net profit attributable to owners of the parent (¥ million)	6,117	6,869	10,277	12,199
Earnings per share (¥)	111.70	125.43	187.77	224.93
Total assets (¥ million)	164,646	180,004	192,684	209,822
Net assets (¥ million)	109,492	120,571	132,142	145,269
Net assets per share (¥)	1,999.85	2,201.40	2,435.66	2,707.95

Notes:

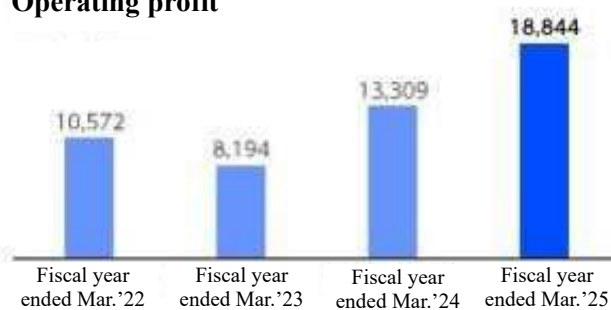
- Earnings per share is calculated based on the average number of outstanding shares during the fiscal year and net assets per share is calculated based on the total number of outstanding shares at the end of the fiscal year. However, the total number of outstanding shares is calculated exclusive of treasury shares.
- Treasury shares that form the basis for calculation of net assets per share and earnings per share for the 66th and 67th Business Years include treasury shares held by a saving-type employee stock ownership plan (ESOP) trust account. The number of treasury shares deducted from the total number of issues shares for the calculation of net assets per share was 538,000 in the 66th Business Year and 440,800 in the 67th Business Year, and the average number of treasury shares throughout the period deducted for the calculation of earnings per share was 49,953 in the 66th Business Year and 489,182 in the 67th Business Year.

(¥ million)

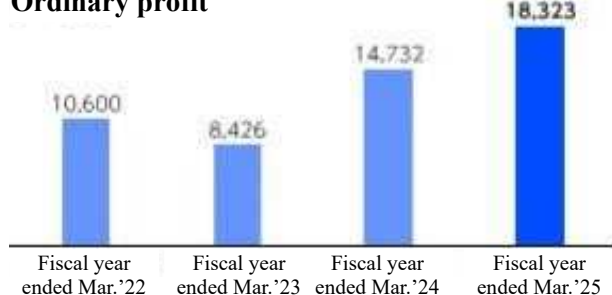
Net sales



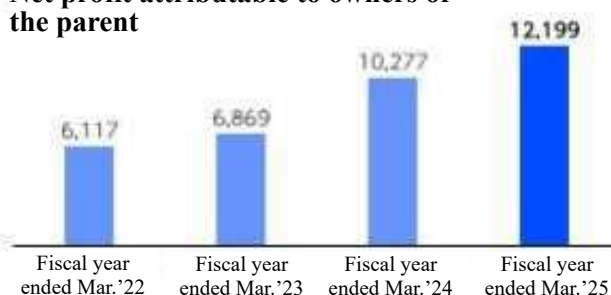
Operating profit



Ordinary profit



Net profit attributable to owners of the parent



(4) 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 focuses not only on stable supplies of raw materials and maintaining and strengthening procurement systems, but also on cultivating relationships with business partners, striving to ensure stability in the supply chains, which are vital for business, and to build a structure that can respond flexibly to changes in the business environment.
- 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, 2025)

- (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

19,787 shareholders

- (iv) Major shareholders (top 10)

Name of shareholder	Number of shares (thousand)	Percentage of shares held (%)
Soho KK	7,803	14.4%
The Master Trust Bank of Japan, Ltd. (Trust account)	6,660	12.3
Fuji Seal Foundation	4,800	8.9
Custody Bank of Japan, Ltd. (Trust account)	2,997	5.5
STATE STREET BANK AND TRUST COMPANY 505001	2,611	4.8
Hiroko Fujio	1,784	3.3
Public Interest Incorporated Foundation Innovation of FUJI	1,780	3.3
RBC IST 15 PCT NON LENDING ACCOUNT- CLIENT ACCOUNT	1,329	2.5
JP MORGAN CHASE BANK 385632	1,326	2.5
BBH FOR UMB BK, NATL ASSOCIATION- GLOBAL ALPHA INTL SMALL CAP FUND LP	1,192	2.2

Notes:

- Treasury shares are excluded when calculating the percentage of shares held.
- Apart from the above, the Company holds 6,075,490 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	23,000 shares	11

Note: Details of stock remuneration are listed on Page 19 (2.-(2)-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 directors and executive officers

i) Status of directors and executive officers (as of March 31, 2025)

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 Outside Director of HIOKI E.E. CORPORATION
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 In charge of ASEAN operations	Representative Director and President of Fuji Seal Packaging (Thailand) Co., Ltd. Representative Director and President of PT. Fuji Seal Indonesia
Executive Officer	Hideaki Umeda	In charge of shrink sleeve labels business	Director of American Fuji Seal, Inc.
Executive Officer	Takeshi Kyogane	In charge of self-adhesive label business	Director of Fuji Seal Germany GmbH
Executive Officer	Masahisa Fukuda	In charge of soft pouch business	Director of Fuji Seal Packaging (Thailand) Co., Ltd.
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	Honey Hiranand Vazirani	In charge of India operations	Representative Director and President of Fuji Seal India Pvt. 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. Takafumi Yamamoto (Executive Officer in charge of ASEAN operations) retired at the completion of his term of office on June 20, 2024.
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 20, 2024 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.

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

Remuneration of the directors and executive officers of the Company is to provide strong motivation to achieve the Group Vision and management plan “FSG.30,” by executing duties aligned with the Group’s slogan with the objective of sustainably increase corporate value in line with the Group’s corporate philosophy.

- 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, which is composed with a majority of outside directors.

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

Basic remuneration is to be individually determined through deliberation by the Compensation Committee, giving overall consideration to factors such as each executive officer's duties, the importance of their responsibilities, and their work history and the Company's dividend 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 profit margin, and key financial indicators for management strategies, as well as non-financial items such as environmental indicators and human resource development.

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	29	29	—	—	3
Directors (excluding Outside Directors)	—	—	—	—	—
Executive Officers	311	251	36	22	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).
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 102.9% and an operating profit achievement rate

of 125.6% in contrast to the consolidated forecast disclosed on May 11, 2023. The Company places emphasis on these indicators as they are important indicators of the Company's growth and profitability capabilities.

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 10 meetings of the Board of Directors and all 8 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 five 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 10 meetings of the Board of Directors and all 8 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 five 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 10 meetings of the Board of Directors and all 8 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 five 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 5 times. In the fiscal year under review, a total of 45 hours of deliberations were held over 15 days. In addition to the above meetings held by the Board of Directors, there were 13 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 eight 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.

(3) 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	¥64 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

No applicable information.

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.

(4) Policy regarding determination of dividend from surplus

Fuji Seal will contribute to realizing a circular, sustainable society that brings peace and happiness to all through packaging and aims to raise corporate value. We consider returning profits to shareholders based on the Company's consolidated performance for each fiscal year, along with providing a sustained and stable return of profits, to be our most important management priority. As such, the Company's basic policy on profit allocation is as follows.

- i) Invest in continued growth (technology development, human resource development, capital expenditures, M&A)
- ii) Target 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) Build a stable financial base prepared for emergencies and acquire and dispose of treasury shares

In the fiscal year ended March 31, 2025, the management environment surrounding the Fuji Seal Group remained uncertain due to ongoing geopolitical tensions around the world, despite the easing of inflation in the Americas and the gradual recovery in the Japanese economy. In this environment, profit reached a record high due to the contribution of ongoing measures to improve profitability in each region.

In consideration of its approach to profit allocation and business performance for the fiscal year under review, the Board of Directors resolved at a meeting held on May 22, 2025, to pay a year-end dividend of ¥38

per share for the fiscal year ended March 31, 2025. The Group will thus pay an annual dividend of ¥68 per share for the fiscal year ended March 31, 2025, which includes the already paid interim dividend (¥30 per share), for a consolidated dividend payout ratio of 30.2%.

In the fiscal year ending March 31, 2026, the Company plans to pay an annual dividend of ¥71 per share. As a result, the Group expects to achieve a consolidated dividend payout ratio of 22.0% for the fiscal year ending March 31, 2026. This is due to the exclusion of Fuji Seal Switzerland AG from the source of dividends, as we anticipate a temporary impact mainly reflecting foreign exchange gains due to the liquidation procedure of Fuji Seal Switzerland AG, which is expected to generate gains or losses on completion of the liquidation. Excluding this impact, the dividend payout ratio would be 30.2%.



(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, 2025)

(¥ million)

Assets		Liabilities	
Item	Amount	Item	Amount
Total current assets	133,075	Total current liabilities	56,220
Cash and deposits	34,394	Notes and accounts payable - trade	15,811
Notes and accounts receivable - trade	52,849	Electronically recorded monetary obligations - operating	11,565
Electronically recorded monetary claims - operating	12,583	Short-term borrowings	6,000
Merchandise and finished goods	11,184	Current portion of long-term borrowings	751
Work in process	6,699	Lease liabilities	72
Raw materials and supplies	9,739	Accounts payable - other	4,644
Other	5,860	Income taxes payable	1,801
Allowance for doubtful accounts	(236)	Provision for bonuses	2,598
Total non-current assets	76,747	Other	12,976
Total property, plant and equipment	65,097	Total non-current liabilities	8,332
Buildings and structures	26,365	Long-term borrowings	2,781
Machinery, equipment and vehicles, net	20,782	Lease liabilities	135
Tools, furniture and fixtures	2,400	Deferred tax liabilities	1,284
Land	8,991	Retirement benefit liability	2,751
Leased assets, net	288	Other	1,379
Construction in progress	5,328	Total liabilities	64,553
Other	940	Net assets	
Total intangible assets	2,187	Total shareholders' equity	120,574
Goodwill	871	Share capital	5,990
Other	1,316	Capital surplus	6,625
Total investments and other assets	9,462	Retained earnings	119,188
Investment securities	3,530	Treasury shares	(11,230)
Deferred tax assets	2,499	Total accumulated other comprehensive income	24,695
Other	3,520	Valuation difference on available-for-sale securities	1,006
Allowance for doubtful accounts	(88)	Deferred (loss) gain on hedges	0
		Foreign currency translation adjustments	23,423
		Remeasurements of defined benefit plans	265
		Total net assets	145,269
Total assets	209,822	Total liabilities and net assets	209,822

Consolidated Statements of Income
(April 1, 2024 to March 31, 2025)

(¥ million)

Item	Amount	
Net sales		212,345
Cost of sales		167,356
Gross profit		44,989
Selling, general and administrative expenses		26,145
Operating profit		18,844
Non-operating profit		
Interest income	293	
Dividend income	100	
Interest on tax refund	68	
Gain on sales of scraps	39	
Other	136	638
Non-operating expenses		
Interest expenses	261	
Foreign exchange losses	779	
Depreciation of inactive non-current assets	101	
Other	16	1,159
Ordinary profit		18,323
Extraordinary income		
Gain on sale of non-current assets	16	
Gain on sale of investment securities	36	
Gain on sale of golf club membership	0	
Subsidy income	49	103
Extraordinary losses		
Loss on sale and retirement of non-current assets	295	
Expense on restructuring of organization	247	
Loss on tax purpose reduction entry of non-current assets	13	556
Profit before income taxes		17,870
Income taxes - current	5,503	
Income taxes - deferred	167	5,670
Profit		12,199
Profit attributable to owners of the parent		12,199

Balance Sheets
(As of March 31, 2025)

(¥ million)

Assets		Liabilities	
Item	Amount	Item	Amount
Total current assets	25,743	Total current liabilities	7,194
Cash and deposits	14,333	Short-term borrowings	6,000
Short-term loans receivable	5,721	Current portion of long-term borrowings	224
Accounts receivable - other	4,395	Accounts payable - other	484
Other	1,293	Income taxes payable	240
Allowance for doubtful accounts	(1)	Deposits received	195
Total non-current assets	55,645	Provision for bonuses	40
Total property, plant and equipment	15	Other	9
Buildings	9	Total non-current liabilities	827
Tools, furniture and fixtures	5	Long-term borrowings	672
Land	0	Other	155
Total intangible assets	72	Total liabilities	8,021
Patent right	52	Net assets	
Software	19	Total shareholders' equity	72,361
Total investments and other assets	55,557	Share capital	5,990
Investment securities	3,439	Capital surplus	7,220
Shares of subsidiaries and associates	40,383	Legal capital surplus	6,827
Guarantee deposits	67	Other capital surplus	392
Long-term loans receivable	5,706	Retained earnings	70,381
Long-term prepaid expenses	67	Legal retained earnings	148
Deferred tax assets	2,824	Other retained earnings	70,233
Other	3,079	General reserve	21,840
Allowance for doubtful accounts	(9)	Retained earnings brought forward	48,393
		Treasury shares	△11,230
		Valuation and translation adjustments	1,005
		Valuation difference on available-for-sale securities	1,005
		Total net assets	73,366
Total assets	15	Total liabilities and net assets	81,388

Statements of Income
(April 1, 2024 to March 31, 2025)

(¥ million)

Item	Amount	
Net sales		11,947
Cost of sales		—
Gross profit		11,947
Selling, general and administrative expenses		2,451
Operating profit		9,495
Non-operating profit		
Interest income	360	
Dividend income	100	
Other	6	467
Non-operating expenses		
Interest expenses	58	
Foreign exchange losses	191	
Other	14	265
Ordinary profit		9,698
Extraordinary income		
Gain on sale of investment securities	36	36
Extraordinary losses		
Loss on sale and retirement of non-current assets	0	
Loss on valuation of shares of subsidiaries and associates	812	813
Profit before income taxes		8,922
Income taxes - current	514	
Income taxes - deferred	(14)	499
Profit		8,422