INTEGRATED REPORT
2026

Fuji Seal

[Our Credo]

EACH DAY
WITH RENEWED COMMITMENT
WE CREATE NEW VALUE
THROUGH PACKAGING

[Our Slogan]

We call creation a “dream”
We call challenges to creation “courage”
We call a heated discussion on creation “trust”

[Our Vision -To Be-]

Sustainable and profitable growth in the packaging industry

Our Value to People and the Planet

Our proactive impact to realize the Circular Society

Generate “Waku-Waku” – No growth without “Waku-Waku” –

[Guideline for Action]

Changing along with changes

[Our Mission]

Fuji Seal will impact to realize the Circular Society that brings peace and happiness to all through packaging

Editorial Policy

Today, the environment surrounding us continues to change at an unprecedented pace and scale. Rapid advances in information technology, geopolitical developments, and other global challenges are reshaping entire industries, much like a constantly changing sky.

At a time when it is becoming increasingly difficult to predict the future and anticipate emerging needs, it is more important than ever to view challenges from the same perspective as our stakeholders and to have the ability to convert change into opportunity.

The Fuji Seal Group’s Guideline for Action, “Changing along with changes,” serves as a driving force that enables each employee to move forward and overcome challenges, irrespective of the circumstances. Like a rainbow appearing after the rain, we have repeatedly converted change into opportunity throughout our history. This spirit of transformation is embedded in our DNA and remains one of Fuji Seal’s greatest strengths.

In this year’s Integrated Report, we have focused on “The Strengths of Fuji Seal” as our central theme, highlighting the unique value and capabilities that define our company and sharing them with all of our stakeholders.

As the Fuji Seal Group continues to change and grow toward the goals set forth in FSG.30, we hope you will share in our aspirations and expectations for the future. We also welcome your candid feedback and continued support as we strive to create sustainable value.

■Scope of Reporting
Fuji Seal International, Inc. and its consolidated subsidiaries

■Period Covered
Mainly FY2025 (April 1, 2025 to March 31, 2026), with some events and activities before and after the period mentioned as necessary

■Previous Integrated Report
Issued in August 2025

■Reporting Cycle
One year (the next Integrated Report scheduled to be issued in August 2027)

■Inquiries about This Report
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■Referenced Guidelines
GRI Sustainability Reporting Standards, International <IR> Framework, SASB Standards – Containers & Packaging, Guidance for Collaborative Value Creation 2.0(Ministry of Economy, Trade and Industry), Guidelines for Intellectual Property and Intangible Asset Governance

知財·無形資産 ガバナンスガイドライン

価値協創ガイダンス Guidance for Collaborative Value Creation

■Information Modifications Due to M&A
None

■Changes to Important Items
None

■Positioning of the Integrated Report
Please also refer to our websites listed below for further understanding of our Group.
<IR Information> https://www.fujiseal.com/en/ir/
<Sustainability Information> https://www.fujiseal.com/en/csr/

Financial Information	Non-Financial Information
Annual Reports	Corporate Governance Reports
Various Accounting Materials	ESG DATA BOOK / Environment Reports
IR Information Website	Sustainability Information Website

Integrated Report (Booklet / PDF)

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Demonstrating the resilience cultivated over many years to achieve further growth

Director,
Representative Executive Officer,
President and CEO
Shigeko Okazaki

Looking back on our journey
A history book created to share our values

The Fuji Seal Group was founded in 1897 as a wooden products manufacturer (producing faucets for barrels), with 2026 marking our 129th anniversary. The most significant milestone in our long history—and the foundation for our growth—was the development of Shrink Sleeve Labels in the 1950s. This development prompted our transition into a packaging manufacturer. Since then, we have responded swiftly and flexibly to changes in containers and logistics channels, and our customer base has shifted significantly from wholesalers to brand owners.

We want the members of the Fuji Seal Group to understand the background behind these events and embrace our belief in the importance of “Changing along with changes.” However, as generational changes progress, the values that have shaped the Fuji Seal Group have gradually become harder to pass on. Recognizing this challenge, we have launched a new initiative as part of our branding efforts: creating a history book aimed at the young talent who will lead the next generation. We hope that by engaging with and deeply understanding the aspirations of our predecessors, they will gain insights that will guide their work and find the courage to take on new challenges.

Selection of the New Year’s character “Strength” and thoughts on the Family Festival

As part of our efforts to embody Our Credo—“Each day with renewed commitment, we create new value through packaging”—in Japan, we hold a “Kakizome” (New Year’s Calligraphy) event. At the start of the new year, everyone writes a single character of their choice with a calligraphy brush, and everyone selects truly wonderful characters.

This year, I chose the character for “Strength (Power).” I believe the Fuji Seal Group needs the following three types of strengths to achieve further growth. The first is “the strength to sense and understand change.” To reinforce this ability, it is important to gain a wide range of experience, engage in continuous learning, maintain an attitude of active listening, and hone the ability to ask questions that grasp the core of an issue. The second is “the strength to adapt to change.” I hope everyone will take small steps forward, and view failures as valuable learning experiences that lead to growth. The third is “the strength to turn change into opportunities.” This requires the strength to discern, reinvent, and create—qualities that are at the very core of the Fuji Seal Group’s DNA.

Alongside that DNA, we have carefully nurtured our annual Family Festival. We firmly believe that our work and our company owe our existence to the people who support us, and so we hold this event in each region as part of our founding anniversary celebrations. Every year, we share the words written on our compliance cards. These words represent a promise to our families that we will always conduct ourselves in a way that brings them honor, and that we will continue to be a company that impacts society while also serving as a reminder to ourselves.

FSG.30* A new Management Plan with ambitious goals
The seeds we planted are growing steadily and nearing harvest season

Since we formulated our new management plan, FSG.30, in fiscal year 2024, I have truly felt that the mindset and actions of each and every employee have been steadily changing. By setting ambitious goals for the near future, such as “350 billion yen in net sales and double-digit operating income by 2030,” we have shifted our approach to discussion. Whereas we used to say, “We worked this hard, so profits increased by 0.5%,” we now adopt a retrospective mindset, asking, “Is this growth rate really sufficient to achieve double-digit operating income?”

Under FSG.30, we define the Fuji Seal Group’s strengths as “valued customers,” “global presence,” and “production.” In particular, regarding “valued customers,” we are adopting a broader definition than before and are actively addressing the needs of private-label brands in addition to national brands. Furthermore, our growth strategy focuses on “Steadily strengthening the existing businesses units,” “Expansion of the Product Market / Target,” and the “Creation of new business models that will lead to the next generation.” For each of these strategies, the seeds we have sown over the past two years are sprouting and are growing steadily into seedlings and mature plants. We hope you will look forward to seeing what kind of fruit these efforts will bear in the future.

* FSG.30: Fuji Seal Sustainable Growth 2030 Strategy

During uncertain times, our priority is assessing situations and providing responsible answers.

Naturally, we must preserve a better global environment for future generations. However, no single material, whether plastic, paper, or glass, can be considered perfect. So, what is the best approach to achieving a sustainable society? We believe the answer lies in “horizontal recycling,” and we are focusing our efforts on initiatives such as “Label-to-Label,” which involves removing the printed artwork from used labels and recycling them into new ones. We have been discussing measures to address environmental issues from various perspectives for many years, but I feel the fact that our focus has become clearer over the past year or two represents a significant change.

We are living in uncertain times, and that unpredictability only continues to grow. However, it is pointless to ask, “What went wrong?” or “Who is to blame?” What matters is that we take responsibility for figuring out what we can do and for coming up with solutions. As we calmly assess the situation, we will adapt and work together to strive for further growth. We hope you will look forward to seeing the results of the resilience we have cultivated over the years.

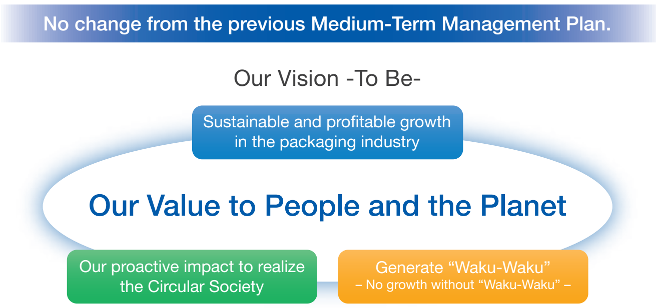
Management Plan - FSG.30

Aims of FSG.30 formulation

FSG.30 = Fuji Seal Sustainable Growth 2030 Strategy

From the implementation of the previous Medium-Term Management Plan,we recognized that the time is now right and that it is ready to envision the next stage of the company's development.

We envision what we want to be in the medium to long term (which is also a passing phase), not the three-year period,we will be committed to identifying what needs to be implemented each year.



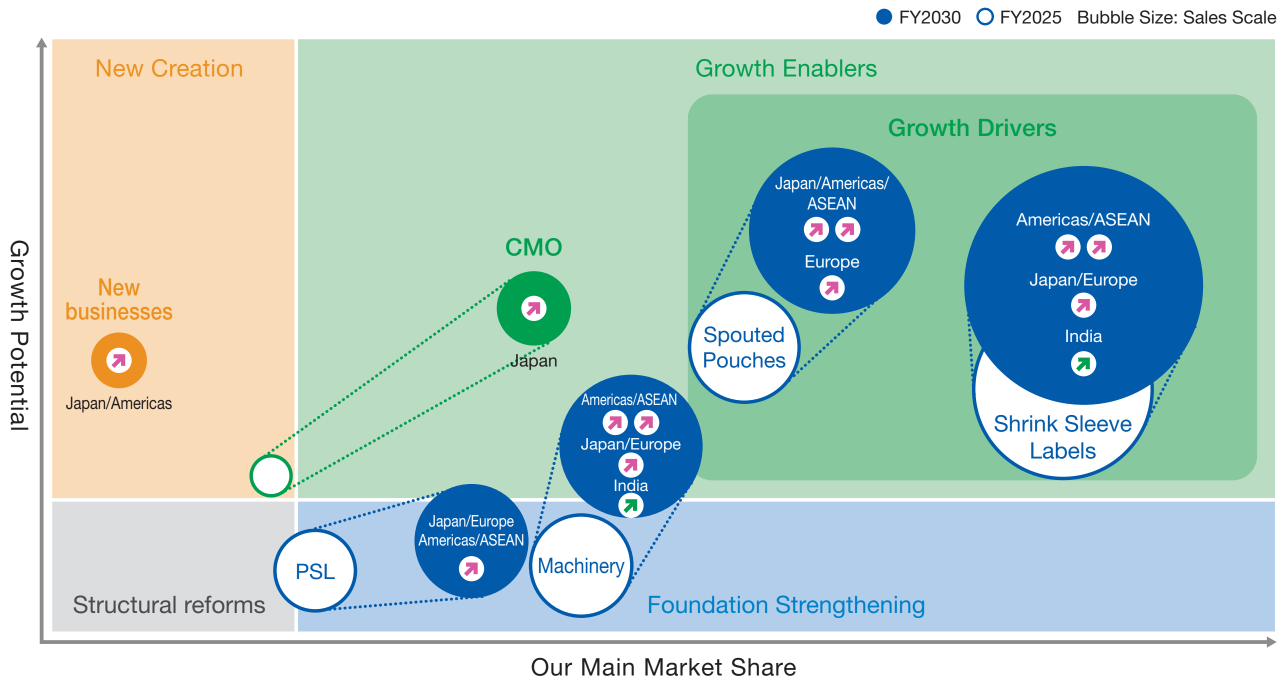
KPI Target Values (As of the time of the announcement of FSG.30)

The formulation of FSG.30 led to company-wide implementation of various initiatives, and we achieved good results in the first year. We are making good progress towards our 2030 target.

Category	Item	Target	Results
Performance	Net Sales	350 billion yen or more	FY 2025 Results: 217.7 billion yen
Performance	Operating Profits	Double-digit %	FY 2025 Results: 9.4%
Finance	ROE	Double-digit %	FY 2025 Results: 9.3%*
Finance	PBR	More than 1.5X	FY 2025 Results: 0.9X
Shareholder return	Profit Distribution	same as Basic Policy	
Human capital	Group key position Successor Sufficiency Rate	80% or more	In progress

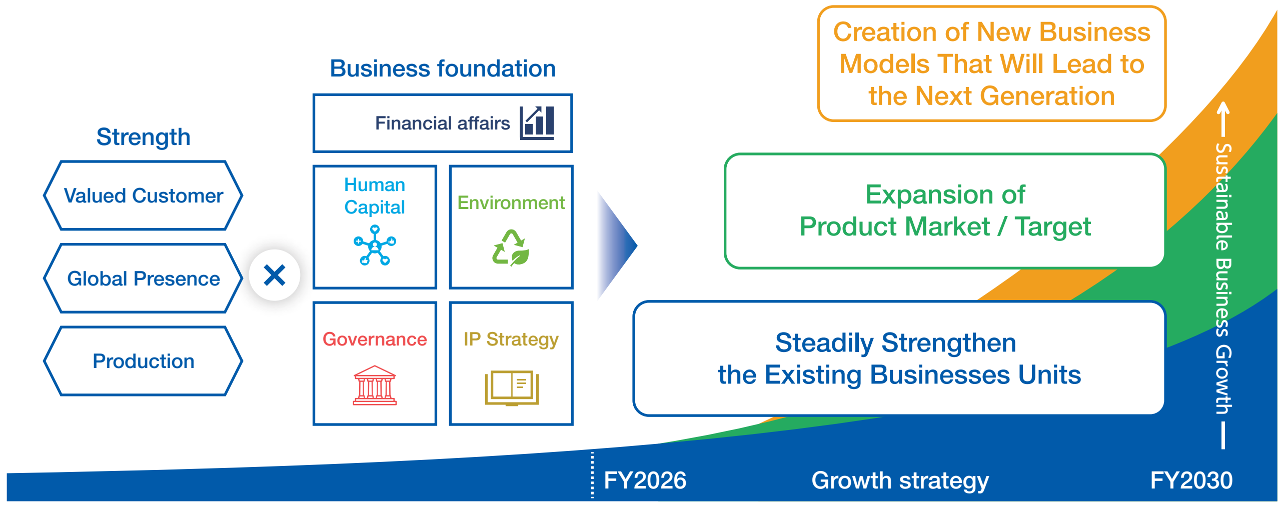
* The 9.3% ROE excludes the one-time impact resulting from the liquidation of the Swiss subsidiary.

Business Growth Vision for FY2030



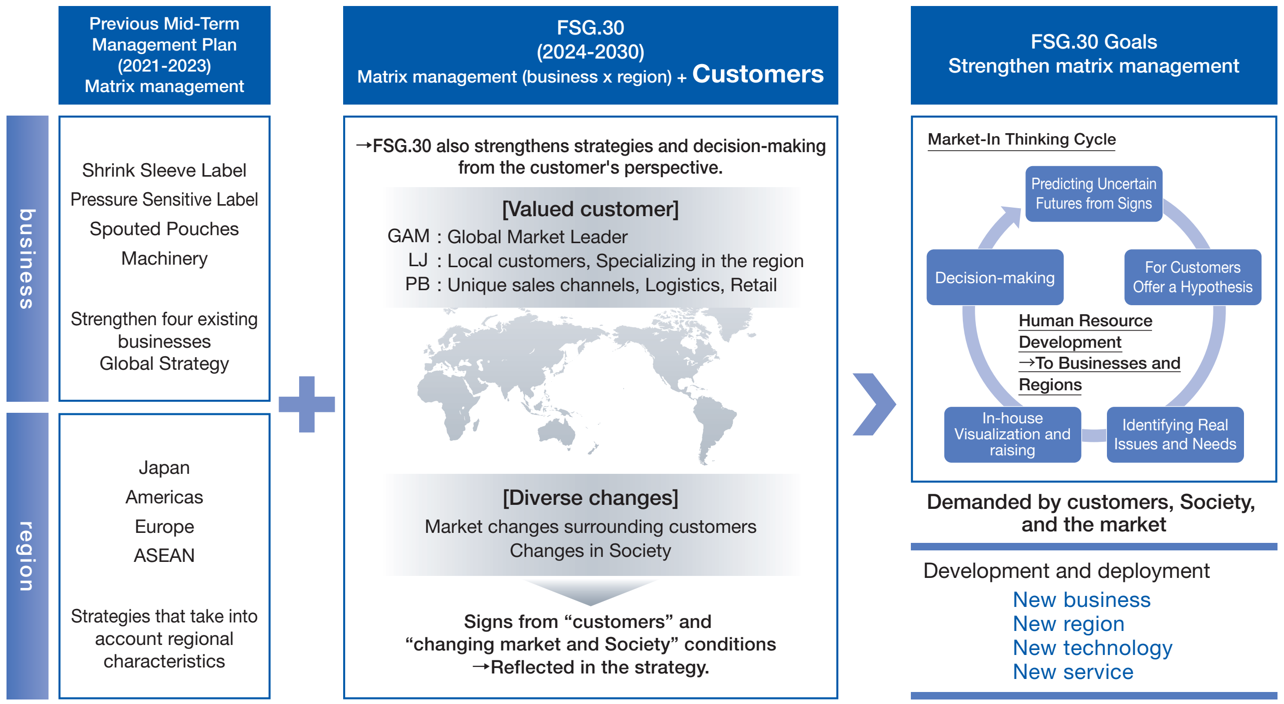
Growth Strategies

Further refining the strengths we have cultivated and our solid business foundation, we aim to achieve sustainable growth through three strategies.



Business Strategy: Matrix Management + Decision Making from the Customer View

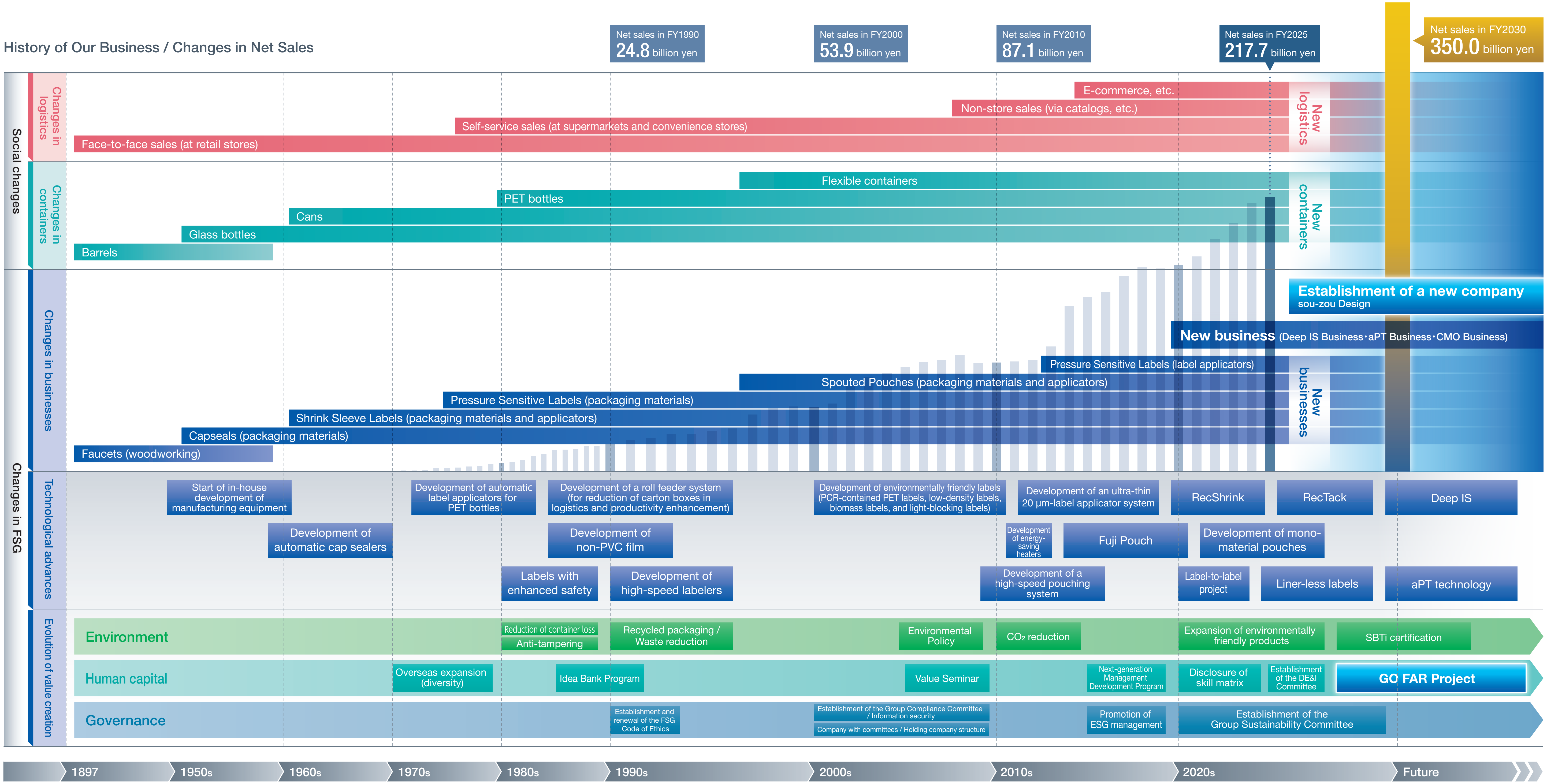
One of the Fuji Seal Group's strengths lies in its business with valued customers. We will grow our businesses together with our business partners in each region and business sector over the medium to long term while monitoring changes in the market and social conditions. By accelerating this, we will explore and promote new businesses, regions, technologies, and services. To achieve this, we believe that we must develop and recruit human resources with a forward-looking perspective, in addition to ensuring that staff in charge of customers grow our existing businesses.



Changing along with changes

The Fuji Seal Group was founded 129 years ago as a manufacturer of wooden products. Since then, social demands shifted from wooden barrels to glass bottles, cans, and plastic containers. In the 1950's, we developed shrink sleeve labels making a major shift in our business to become a packaging manufacturer, and we have continued to grow by quickly responding to changes in the market. We will continue to strive to be a company that is indispensable to society while listening more closely to our customers and society with the aim of creating a sustainable future.

History of Our Business / Changes in Net Sales



Company history

1897	1950s	1970s	1990s	2000s	2010s	2020s	Future
Establishment	Change of business	Entry into overseas business and expansion of the domestic network	100th anniversary of establishment	Transition to a holding company structure	Expansion of the business scope and the business network in Japan, the Americas, Europe, and the ASEAN region	Toward the Creation of New Value	Toward the Future beyond the Next 100 Years

1897
Established as a manufacturer of wooden faucets for barrels.

Late 1950s
Developed shrink sleeve labels. Began to sell packaging systems with in-house designed and manufactured automatic label applicators.

1970s
Established subsidiaries in the Americas and Europe to collect information on overseas markets. Expanded the Company's network of business bases both in Japan and abroad.

1997
Began over-the-counter trading of stocks.

2003
Listed on the First Section of the Tokyo Stock Exchange.

2004
Adopted a committee system.
Adopted a holding company structure with itself renamed as Fuji Seal International, Inc.

Products Developed to Meet Changing Market Needs

Dream together
Change together

Toward the Future beyond the Next 100 Years
~What We Can Do Now in View of Where We Will Be after a Decade~

Meeting customer expectations through our unique global structure and talent

Hideaki Umeda
Director, Executive Officer

Yoichi Okazaki
Director, Executive Officer,
Vice President, COO

The Fuji Seal Group's Resilience and Strengths

Okazaki: The higher the bar set by our customers' requests, and the more challenging the project, the more passionate I become about bringing solutions into reality. I feel the Fuji Seal Group's resilience is rooted in the corporate culture that we have cultivated over the years.
By utilizing our combined strengths in both packaging materials and machinery, we have been able to realize our customers' wishes and tackle various challenges. This has also led to the development of lasting relationships with customers who sometimes present us with difficult requests.

Umeda: When I hear the term "resilience," what comes to mind is "people." I have noticed that there are so many employees around me, including those overseas, who do not view crises as negative situations, but rather see them as opportunities. I feel that the Guideline for Action, "Changing along with changes," is deeply ingrained in each and every employee. This is both a source of our resilience and one of our strengths, and I believe the fact that each region is led by local management is a major contributing factor. Although we define the goals we must achieve and our vision globally, it is the regions that seriously deliberate on how to accomplish them and respond using approaches tailored to their respective regions. I believe the reason why customers engaging in global business expansion choose to do business with the Fuji Seal Group is precisely because these regional strengths (and assets) align with their needs.

Okazaki: I agree. While some customers want us to provide global support in addition to region-specific support—and we have put systems in place to do just that—when you look at their actions closely, they are actually conducting business tailored to each region, just like we do. I believe our role is to bridge that gap while delivering the high-quality products and services they require, which is where our customers' expectations lie.

Umeda: When it comes to the Fuji Seal Group's global structure, it has changed quite a bit over the past 15 years or so, hasn't it? In the past, Japan served as the starting point for everything, but now we conduct development overseas, build partnerships locally, and have management teams made up of people who best understand local lifestyles and cultural backgrounds. As far as I know, we have by far the fewest expatriates among major Japanese companies, and in that sense, I feel we are charting our own unique course.

Okazaki: I believe one of our greatest strengths is that our employees are able to bring ideas to life based on a deep understanding of local needs. Furthermore, we are able to reinforce that strength because we employ a "region × business" matrix management approach. It is crucial that we respect the unique needs of each region while also determining which aspects we must protect or standardize across all businesses.

The meaning behind this year's Japanese character

Okazaki: At the Fuji Seal Group, writing one word in Japanese calligraphy at the beginning of the year is a long-standing tradition where a keyword based on a single kanji whenever possible.
We also explain why we chose that character, including the reasoning behind it, and share our thoughts and resolutions with our colleagues. It is a commitment, so to speak. I think this is a wonderful tradition.

Umeda: In the U.S., this tradition is currently on hold because we could not get the necessary sumi ink and other supplies during the COVID-19 pandemic. However, everyone used to enjoy this practice, saying things like, "It's really cool." It feels more like drawing a picture than writing characters, and some members even display their work around their desks. Since this is not a common practice at non-Japanese companies, I think it is a great initiative in terms of sharing our Japanese culture. I believe you wrote the character "創" (sou) didn't you?

Okazaki: I was transferred from Europe to the company's headquarters in Japan this year, and I chose the character "創" ("so": to create) to express my determination to move beyond the traditional business perspective and build systems and an organization that will enable the company to continue creating new products, services, and value.

Umeda: I don't actually write a New Year's calligraphy piece itself, but I do select a character each year to set my goals. This year, I chose the single character "挑" ("chou": challenge). It is not just about taking on a challenge; rather, it conveys the idea of trying again. Looking back, there were many goals I did not achieve, so I am determined not to give up, and to take on those challenges once more.

The meaning of the "Family Festival"

Umeda: Just like the New Year's calligraphy event, the "Family Festival," part of our founding anniversary celebrations, is another initiative that embodies the spirit of the Fuji Seal Group, and I believe it holds many different meanings.

Okazaki: Our company provides value by packaging our customers' products. Seeing the products we have worked on displayed on the shelves of supermarkets, convenience stores, and other outlets is a valuable opportunity for our employees' families to understand that we are a company that grows by creating excitement, and to see the kind of work we do and the kind of colleagues we have. Since I was previously in charge of Europe, I have participated in "Family Festivals" at several of our European locations, and I was deeply impressed by how much everyone, including the children, enjoyed them. From our perspective, it is also a valuable opportunity to directly express our gratitude to the families who support our employees' hard work, so we must continue this tradition in the future.

Umeda: It is great that the families of not only married employees but also single employees can attend. When I was a young employee, I believe the event was originally called the "Fuji Seal Employee Stock Ownership Party." Since I was working at the Kansai office, I attended the event in Osaka, while my mother, who lived in the Kanto region, attended the one in Tokyo (laughs). Back then, the events were mostly standing receptions, but now, to help people learn about the company through their workplace, we have been giving them tours of our factories and other facilities.

Okazaki: Each location has its own unique characteristics, of course, so what kind of activities do you hold in the U.S.?

Umeda: On our founding anniversary, we only hold an awards ceremony and have a meal together. Since we used to hold picnics as family events, we have continued that tradition to this day. We serve Japanese food, give presentations on what the Fuji Seal Group is all about—basically very similar activities to the "Family Festival."

Outlook for the Future

Okazaki: With changes—both nationally and globally—accelerating still further, how do you view the current situation and the future?

Umeda: While there has been a lot of negative news circulating in Japan about plastic material shortages and price hikes, a look at the Fuji Seal Group's goals for this fiscal year shows that both sales and profit are expected to grow. We are doing everything we can in each region, so I believe that if we continue to draw on our resilience, the results will follow.

Okazaki: I am optimistic that by reliably resolving each issue one by one, we will earn even greater trust from our customers. Returning to what I said earlier, I find it very encouraging to see our employees taking on challenges so passionately and viewing these difficult circumstances as opportunities. I am also in charge of investment relations, and I must strive to provide clearer answers that meet their expectations. I intend to communicate from various angles, including what the Fuji Seal Group aims to achieve in the future, the potential of our products and services, why we can maintain our competitive edge and continue to grow in the market, and our future investment plans.

Featured Story The Source of Fuji Seal's Strength

Global Bonds and Shared Commitments

Fuji Seal Group Family Festival 2025 Report

Italy
A facility tour was also held with employees and partners at our new location in Rodigo.

Germany
Managers and team leaders took the lead in preparing a barbecue for employees and guests.

France
The event was held across two sessions—one in the morning and one in the afternoon—to allow everyone to participate, and the management team prepared and served food for the employees.

Poland
In addition to meals, attractions were provided for children and adults alike giving everyone the chance to enjoy the day with a youthful spirit.

United Kingdom
Office staff, factory workers, and management all enjoyed a barbecue together.

The Netherlands
Employees and their families were invited to the factory, where children learned how the products run on the machine.

United States
In Bardstown, we visited a local high school and made a donation to future engineering students in the Engineering Club.

India
We celebrated our founding anniversary and machinery orders an oceanfront restaurant.

Mexico
After having lunch together at the facility, we enjoyed a team-building game that strengthened our teamwork.

Japan
Group photo of all SxS Center participants

Japan
In Nabari, after a group dinner at a hotel, families split into groups for activities such as visiting an amusement park, an aquarium, or a hot spring, allowing each family to spend time together.

Vietnam
Toward the end of the party, a grand raffle was held, with many participants winning prizes and the venue becoming even more lively and festive.

Thailand
In addition to a photo session at the photo booth, an Idea Bank Awards Ceremony was also held.

Japan
In Tsukuba, we set up an exhibition on the manufacturing process at the venue hotel and also held Shrink Sleeve Application Demonstration for children.

Japan
Long-service Awards at the Tokyo Headquarters

Indonesia
To mark its founding anniversary, the company supported a local NPO engaged in educational support through donations of used clothing.

What is the Family Festival? A place to share our philosophy and vision

To commemorate its founding, the Fuji Seal Group holds an annual "Family Festival" at each global location, with the participation of employees and their families. The predecessor to this "Family Festival" was a party that began in 1985 with the establishment of the Fuji Seal Employee Stock Ownership Plan.

This event is not merely a way to foster closer ties between management and employees, nor is it simply an employee benefit program. We view families, like employees, as important stakeholders, and see these events as an opportunity for family members to learn about the company's philosophy, vision, history, products, machinery, workplace atmosphere, and colleagues, while also expressing our gratitude to the families who support us every day.

To ensure that invited family members have a wonderful experience, the organizers at each site work together to make the day lively and enjoyable. Many employees and their families look forward to this event each year. A long-service awards ceremony is also held as part of the event, providing an opportunity to directly express our gratitude and appreciation to employees who have contributed over many years, as well as to their families.

Commitments to employees' families and society

On the day of the event, we set up product displays, hands-on activity stations for children, and game areas to help visitors learn about our workplace, with each activity designed to promote understanding in a fun and engaging way. By allowing visitors to tour every corner of the workplace, we ensure transparency while also giving employees an opportunity to view their own work environment from an outside perspective.

The compliance cards carried by employees contain the phrase, "Can you explain that decision (or action) to your family (or loved ones)?" This reflects our belief in the importance of maintaining an open management approach that enables employees to explain their actions to their families and gain their support. We also believe that when employees get to know one another's families, it fosters compassion and helps create a workplace environment where harassment is less likely to occur. In the Americas, the day is also an opportunity to promote community contribution, including support for engineering education at local high schools and donations to fire departments and animal welfare organizations. In Indonesia, employees also support educational programs through donations of used clothing.

Commitment to the future (toward FSG.30)

Employees, their families, and the company continue to take on challenges and grow with passion as they work toward a shared dream. One of the main goals of the Family Festival is to foster the company's growth and development by helping families better understand and support the Fuji Seal Group. Through this 128th anniversary celebration, we believe that our bonds with employees and their families around the world, as well as with our local communities, have grown even stronger.

We have long recognized that the strength of the Fuji Seal Group lies in its diversity. Seeing employees take the lead in countries and regions around the world, celebrating in ways that reflect local cultures and traditions, is a vivid reminder of just how creative and vibrant these celebrations truly are, as reflected in the participants' smiles. For the employees who had planned and organized these events by hand, it was also an experience that gave them great confidence.

As we work toward achieving our next goal, FSG.30, we will convert the support of our families into a strength and unite as a Group to pursue further sustainable development.

Events held around the world in FY2025

In FY2025, various events were held around the world, allowing employees and their families to spend a meaningful day together and bringing many smiles to their faces.

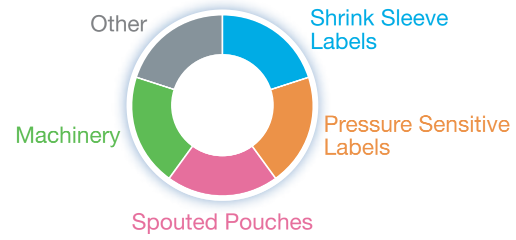
Number of participants from each country at the Family Festival

Country	Number of participants	Country	Number of participants
Japan	2,920	France	60
United States	830	United Kingdom	130
Mexico	405	Italy	166
Germany	177	Thailand	713
The Netherlands	220	Vietnam	300
Poland	750	Indonesia	11

*Also held in India

Creating a world where everyone can live with a smile and peace of mind through packaging

We began production and sales in the Americas 51 years ago and have continued to build businesses by valuing the characteristics and culture that have developed in each market and heeding direct feedback from local customers. We have established a system for developing, selling and producing packaging solutions in order to grow the business together with many industry-leading customers.



*The year indicated is the year the business was launched.

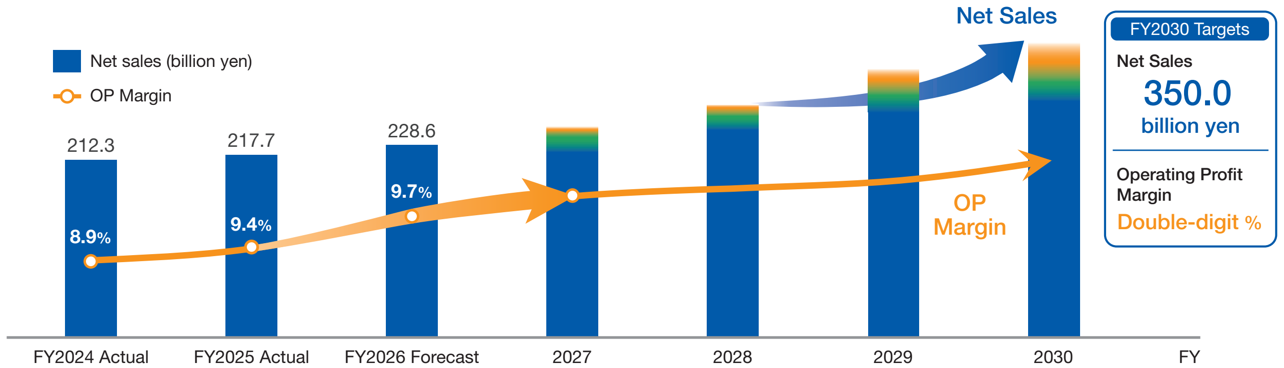
Shrink Sleeve Labels · Pressure Sensitive Labels · Spouted Pouches · Machinery · Other · ● Plant · □ Business office

Growth Strategy/Roadmap

Under our "FSG.30"management plan, which sets 2030 as its target year, we will further refine the strengths we have cultivated and our solid business foundation, and aim for sustainable growth through three strategies: "Creation of New Business Models That Will Lead to the Next Generation,""Expansion of Product Market/Target," and "Steadily Strengthen the Existing Businesses Units."

Roadmap to FY2030

This roadmap outlines the FSG.30 Business Strategy through FY2030. In FY2024–2025, we will establish a solid earnings base by exiting unprofitable businesses and building new businesses, including CMO. In FY2026–2027, we will accelerate sales growth by achieving a double-digit operating margin and preparing for further expansion. Through disciplined portfolio management and strategic investment, we aim to steadily enhance profitability and drive sustainable growth toward FY2030.



Past Two-Year Results (2024-2025)
- Portfolio optimization through exit from unprofitable businesses
- Steady improvement in profit margins and enhanced cash generation capability
- Establishing a solid business foundation for CMO, aPT, and Deep IS businesses

Building a Profit Past Two-Year Results Base (2026-2027)
- Achieve double-digit operating profit margin
- Implementing investments to improve profitability
- Enhance portfolio management
- Prepare for expansion into new markets and businesses (CMO, aPT, Deep IS and others)

Accelerating Sales Growth (2028-2030)
- Expand key growth drivers
- Expand new market (India, etc.)
- Growth acceleration through profit reinvestment
- Monetization of new businesses (aPT, Deep IS, etc.)

Growth Investment Strategy

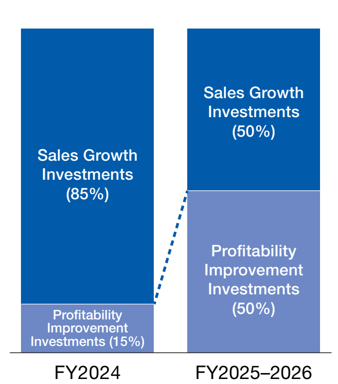
In FY2024, we actively promoted strategic investments to accelerate sales growth. In FY2025 and FY2026, we will increase the proportion of investments that directly enhance profitability, aiming to establish a solid earnings base.

Total Growth Investment (FY2024-FY2026) : 43.5 Billion Yen

Sales Growth Investments	Profitability Improvement Investments
Total Investment : 27.0 Billion Yen	Total Investment : 16.5 Billion Yen
<Major Projects> • North Carolina factory capacity expansion • The new Yamagata factory capacity expansion • CMO's business area expansion	<Major Projects> • Operational efficiency through DX promotion • Productivity and capacity improvement through production equipment upgrades • Labor savings through introduction of automated packaging equipment

(Based on Board approvals as of March 2026)

FY2024 vs FY2025–2026 Investment Allocation Ratio



Major Projects in Progress

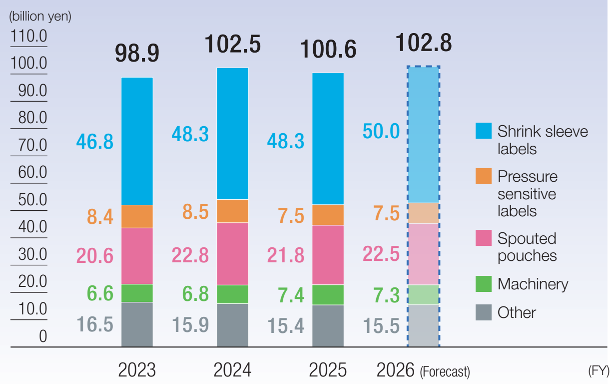
Region	Business	Project	Investment Amount	Timing of investment returns (FY)			Current Status
				2026	2027	2028~	
Americas	Shrink Sleeve Labels	North Carolina factory	80M USD	Day1&2	Day3		Investment impact realized from FY2023
Japan	Spouted pouches	The new Yamagata factory	12.5 billion yen				Completion scheduled for June 2026 and operations to commence in October 2026
ASEAN	Spouted pouches	Phraeksa new factotry (Thailand)	50M USD				Completion scheduled for August 2027 and operations to commence in September 2027

Regional Overview

Japan

Takeshi Kyogane
Executive Officer
in charge of the Japan region

Net sales by Product (Japan)



Overview of the Japan Region

The Japan region operates businesses centered on the label business (shrink sleeve labels, pressure sensitive labels, and flat labels), the flexible packaging business (soft pouches), the machinery business (packaging machines), and the packaging service business (packaging and contract packaging for pharmaceuticals and others).

Review of FY2025

Japan's consumer price inflation rate (excluding fresh food) accelerated to 3.1% in 2025 from 2.5% in 2024. Concerns over prolonged inflation led consumers to become increasingly cautious about spending. In addition, the period of extreme summer heat began earlier and lasted longer than usual, from June through September, and a clear shift toward staying at home emerged, with as many as 60% of consumers refraining from going out, further dampening consumption. As a result, both net sales and operating income fell below the previous year's levels.

- **Shrink sleeve labels and flat labels**: Expansion of water-based flexographic printing and new applications for shrink cardboard products
- **Pressure sensitive labels**: Development and commercialization of the PIR label through co-creation with customers
- **Soft pouches**: Refill products for non-daily-use items are also steadily increasing. As part of our efforts to strengthen the foundation of our continuously growing beverage pouch business, we have also executed investments in partner companies.
- **Machinery**: Development of a new Steam shrink tunnel Contributing to energy savings and reduced CO_2/GHG emissions, with the first unit scheduled for delivery in 2026.

* PIR (post-industrial recycling): The reuse of plastic waste generated during the manufacturing of products

Amid ongoing price revisions driven by rising raw material costs, energy costs, logistics expenses, and increased labor costs associated with improving compensation to secure stable human resources, raw material prices rose even further due to escalating tensions in the Middle East. Procurement has been carried out with top priority placed on maintaining product supply, and price revisions are being implemented as appropriate by business and by product.

Outlook for FY2026

The new Yamagata Plant, scheduled to commence operations in the fall of 2026, will be responsible for the production of our core businesses, beverages and daily necessities, and aims to improve profitability through enhanced responsiveness to demand (flexibility) and efficient total manufacturing (automation and labor-saving).

Starting in FY2026, the Japan region will classify its businesses into "core businesses" and "growth businesses" to transform its business platform. Specifically, this will be based on (1) the ratio of net sales and operating income, (2) the weighting of industries, and (3) the ratio of solutions provided. Going forward, KPIs will be established to measure the effectiveness of initiatives. In addition, to accelerate the growth of each business and speed up decision making, the head office functional departments have been restructured, and the internal auditing system has also been revamped to strengthen risk management and governance.

"Core businesses" will enhance sustainability and strengthen competitiveness through investments aimed at improving profitability and technological transformation, while "growth businesses" will pursue the expansion of business domains through investment and enhance profitability. Sustainable growth requires a shift to human capital management and the development of human resources, and, as part of developing future management leaders, a Talent Pool Program was launched in 2025.

In today's environment, where conventional theories and past experience no longer guarantee success, what matters is not the ability to respond to changes that have already occurred, but rather the ability to anticipate and adapt to changes that lie ahead.

To meet this challenge, Fuji Seal Japan has established five action principles: Think, Speak, Act, Measure, and Renew. We begin by thinking, then express our ideas, put them into action, evaluate the results, and finally continuously refine our approach before moving on to the next challenge.

My view of Fuji Seal's potential

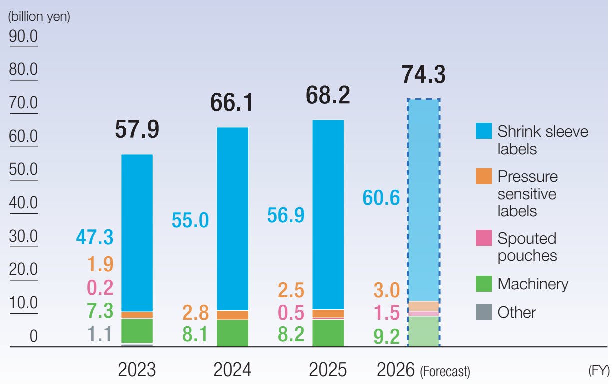
The Japan Region's strengths lie in three key areas: customer assets, core technological capabilities, and verification capabilities. These strengths enable us to accurately identify customer needs and wants, and provide optimal packaging solutions by leveraging our diverse product portfolio and the synergies among our products and technologies.

- **Customer assets**: Long-standing direct relationships with customers provide a strong foundation for generating hypothesis-based proposals and creating opportunities for co-creation.
- **Core technological capabilities**: Continuous technological improvement and faster development through the integration of materials, printing and converting technologies, and packaging machinery
- **Verification capabilities**: Verification capabilities built on integrated expertise in packaging materials and machinery represent a valuable asset accumulated through years of experience and know-how.

Americas

Satoru Kawasaki

Executive Officer
in charge of the Americas region



Overview of the Americas Region

One of the key strengths of the Americas Region is its stable base of core customers. While there is a degree of turnover, our top 10 customers by sales have remained largely unchanged, and each continues to expand its presence in the Americas market while pursuing significant investment plans. Among these customers, a notable trend is their continued commitment to environmentally conscious packaging, particularly solutions that utilize shrink sleeve labels.

Demand for machinery also remains strong, and we are advancing a number of projects while implementing our systems sales strategy. Although the global business environment has been characterized by continual uncertainty and change in recent years, often referred to as a VUCA world, I am confident that our organization has the strength and resilience to overcome these challenges. We have built an organization that can respond quickly and effectively to changing circumstances, while maintaining a strong sense of speed.

Review of FY2025

Looking back on FY2025, we experienced a certain level of tariff-driven demand in advance of anticipated policy changes, resulting in record-high order volumes in January and April. Orders typically decline in the fourth quarter due to the holiday season. However, this year, customer inventory adjustments and other factors led to a significant decline in order volumes, which also affected our production activities. Our partner container and cap manufacturers faced similar conditions, reflecting a trend seen across the industry.

Since the beginning of 2026, market conditions have returned to normal and order activity has started to recover. By business segment, the shrink sleeve label business remained solid, the pressure sensitive labels business was largely unchanged, the spouted pouches business began expanding into new market segments, and the machinery business also delivered steady performance.

Outlook for FY2026

Phase 1 (Day 1) of the investment plan for the North Carolina Plant has been completed, and we have now moved into Phase 2 (Day 2). The printing press has started operation as planned, and production volumes are increasing. The final investment phase, Day 3, is scheduled for completion between the end of FY 2026 and the beginning of FY2027. We will continue to make investments according to plan to ensure that the North Carolina Plant can support the continued growth in customer demand. In addition, we have decided to launch the new aPT_Tube business in North Carolina. To support this new initiative, we have established a dedicated team and begun preparations for the next stage of growth.

As various new businesses are being launched across the Group globally, the Americas Region continues to receive a steady stream of project opportunities proposed by customers. By leveraging collaboration across our shrink sleeve label, pressure sensitive label, spouted pouch, and machinery businesses, as well as partnerships with material suppliers and machinery manufacturers, we are successfully bringing these projects to market. These initiatives are creating new sources of profit growth. This is not a one-time effort limited to FY2026, but an ongoing initiative that we expect will remain a key driver of growth in the Americas Region. By combining outstanding quality, cost, and delivery (QCD) with a strong sense of speed, we will continue to strengthen customer trust and reinforce our position as the partner of choice for our customers.

Meanwhile, our profitability has benefited from the portfolio restructuring carried out during the COVID-19 pandemic. We continuously monitor low-margin products and implement improvement measures where necessary. The shrink sleeve label business has established a stable earnings base and continues to serve as a key driver of growth in the Americas region. The pressure sensitive label and spouted pouch businesses have also continued to evolve, and profitability has improved compared to the previous year through close collaboration between our sales and manufacturing teams. In the machinery business, we have begun strengthening our service capabilities and building an organization that is better aligned with customer needs. Going forward, we will continue to strengthen both our talent base and our business portfolio through a focused allocation of resources, with the aim of achieving further growth in profitability across the Americas region.

My view of Fuji Seal's potential

Our growing portfolio of GAM customers*2 has enabled us to build stronger and more frequent relationships with senior customer management. We have already launched a variety of initiatives with several global customers across both our machinery and label businesses.

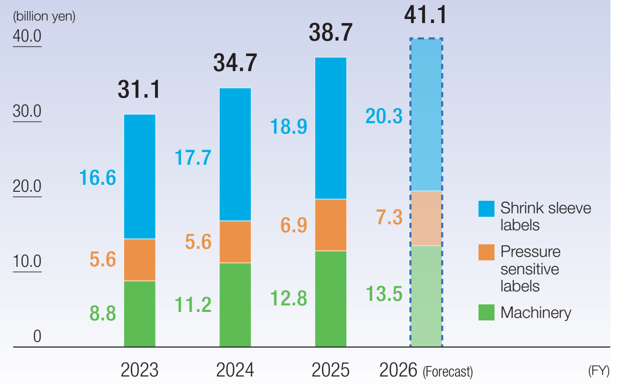
While continuing to strengthen the foundation of the Americas Region, we will steadily advance our initiatives in the Americas and Europe in support of FSG.30, with the goal of expanding into new markets and geographic areas.

*2 GAM Customers: Major multinational customers with operations worldwide that are managed through the Global Account Management (GAM) approach.

Europe

Marieke Sauer-Ploegmakers

Executive Officer
in charge of Human Resources and
in charge of the European region



Overview of the European Region

Europe is a diverse and mature market characterized by high customer expectations, strong regulatory frameworks, and intense competition across multiple industries including food and beverage, home and personal care, pharmaceuticals and others.

In recent years, Europe has maintained stable consolidated performance despite moderate overall market growth, inflationary pressures, and increased cost volatility. The business portfolio has continued to evolve toward higher value-added solutions, stronger customer integration, and selective focus on segments where Fuji Seal can differentiate through technology, reliability, and standardized quality. Rather than pursuing growth through volume alone, Europe has focused on strengthening long-term customer relationships and improving the quality of earnings.

Fuji Seal's core strengths in Europe lie in its customer proximity, technical and operational expertise, and strong local leadership within a globally aligned framework. A clear example of Fuji Seal's "glocal" approach can be seen in joint development with customers. Local European teams work closely with customers to identify operational, regulatory, or strategic challenges, while drawing on global resources and expertise to deliver scalable solutions. Innovations and best practices within the group are actively shared with all regions, strengthening overall competitiveness and capability building.

Review of FY2025

Shrink Sleeve Labels and PSL remained the foundation of European operations, supported by close collaboration with customers and demand for high-quality, reliable labeling and solutions. Although turnover could not fully meet our targets due to somewhat delayed onboarding of new business, profitability could exceed budget level due to concrete internal mitigating actions.

Machinery performance was solid, particularly for pharmaceutical customers where reliability, long system lifecycles, and technical support are critical decision factors. Long-term partnerships and innovation continue to differentiate Fuji Seal from competitors.

Beyond individual product categories, Europe increasingly focused on new business opportunities through deeper customer partnerships, such as expanding system solutions and supporting customer efficiency improvements.

Outlook for FY2026

Machinery is a strategically important pillar of the European business and plays a key role in both customer value creation and profitability. Rotary labelers remain focused on major pharmaceutical customers, emphasizing reliability, precision, and compliance.

SSL machinery is positioned as a key enabler of system sales, closely linked with the material business. The focus is on integrated solutions combining machinery, sleeves, and technical support, supported by customer-driven innovation.

Looking ahead to FY2026, Europe's clear priority is to further improve profitability while maintaining a growth mindset. This includes disciplined cost and capacity management, selective growth in attractive segments, and continued strengthening of customer partnerships that enable mutual value creation.

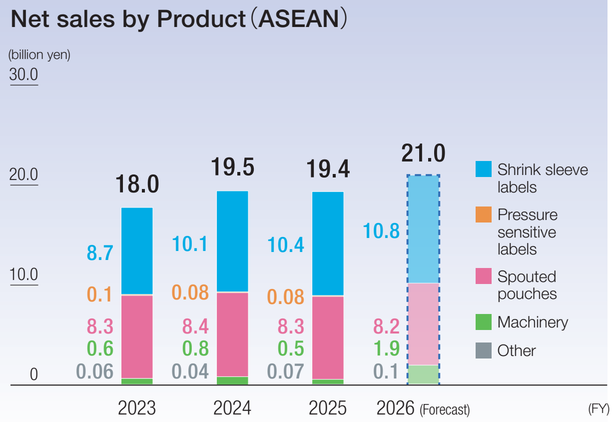
My view of Fuji Seal's potential

Fuji Seal's true strength, to my view, is its people: empowered, diverse, local teams who deeply understand their customers and act with ownership, combined with access to global expertise, technology and standards. What makes the real difference is the culture of collaboration and long-term partnership- where our teams don't just deliver products, but co-create reliable, innovative and integrated solutions with customers, building trust and value over time.

ASEAN

Masahisa Fukuda

Executive Officer
In charge of the Spouted Pouches Division and the ASEAN region



Overview of the ASEAN Region

Thailand is the largest market for both shrink sleeve labels and spouted pouches in the ASEAN Region, and the market continues to grow steadily, supported by a well-developed supply chain. At the same time, competition has intensified year by year, with numerous European and local competitors already active in the market and, more recently, the entry of Chinese companies.

Vietnam, where we operate our shrink sleeve label business, is positioned as the next major growth market after Thailand, supported by its large population and favorable population growth rate. Looking ahead, we expect further business growth in the country, including opportunities in the spouted pouch business.

Countries across our region are currently facing risks related to rising raw material costs and supply disruptions stemming from the recent conflict in the Middle East. Compared to other regions, our greater dependence on crude oil imports from the Middle East, combined with relatively limited naphtha inventories held by governments and companies, increased supply chain risks shortly after the outbreak of the conflict.

In response, we have prioritized the stable supply of shrink sleeve labels and spouted pouches to ensure that our customers can continue delivering their products to consumers without interruption.

Review of FY2025

In FY2025, growth in the Thai market slowed somewhat due to a decline in inbound tourism following the earthquake in March and the impact of export restrictions related to the conflict in Cambodia. Despite these challenges, demand for our spouted pouches continued to grow, particularly in the household goods sector, leading to an increase in orders for large-format pouches for local customers.

In addition, demand increased for mini pouches used for products such as cosmetics and UV creams, which have gained popularity in convenience stores and supermarkets. To meet this growing demand, we are expanding our production capacity through additional equipment investments.

In the shrink sleeve label business, order intake and the acquisition of new projects increased across the ASEAN market, particularly in the personal care and household goods sectors, including machinery-related opportunities. In addition, protein-enriched ready-to-drink beverages for daily consumption have been gaining popularity, creating new opportunities for growth in the market.

Outlook for FY2026

As part of our strategy for local customers in each country, rapid investment decisions are common, and customers expect the same high standards of quality, cost, and delivery (QCD) as those required by global and Japanese companies. To meet these expectations, continuous improvements in productivity and manufacturing efficiency are essential. Equally important is strengthening our ability to provide innovative proposals that allow us to engage with customers from the earliest stages of their projects.

In the shrink sleeve label business, it is essential to strengthen the integrated solutions that represent one of our key strengths. We will also promote high-value decorative printing for the personal care sector, which is expected to continue growing, while pursuing cost reductions through down-gauging and advancing environmental initiatives. To support the overall growth of the ASEAN market, we will strengthen sales activities for labelers and shrink tunnels, which are key strengths of Fuji Seal. In addition to machinery manufactured in Europe and Japan, we will accelerate the development of machinery designed for the ASEAN market through our engineering company in Thailand.

In the spouted pouch business, we will advance the development of new packaging solutions at the Phraeksa Plant, currently under construction in Thailand. At the same time, we will introduce equipment capable of handling small production runs and implement production reforms to further enhance our market competitiveness. Through these initiatives, we will accelerate the development of products that are seeing growing demand, including large-format pouches and mini pouches.

My view of Fuji Seal's potential

One of our key strengths is our global presence. Because we have extensive knowledge of shrink sleeve label and spouted pouch products used in markets around the world and are actively involved in their development, we are able to provide customers with technical solutions from the early stages of their projects.

In addition, our global business footprint enables us to identify changes in market trends and customer needs at an early stage. This allows us to respond quickly through our integrated sales, manufacturing, engineering, and service capabilities.

India

Honey Hiranand Vazirani

Executive Officer
in charge of India region

Overview of the India Region

The Indian market is dynamic, with diverse consumer needs driven by its massive population and rapid economic growth. In particular, the expansion of the middle and affluent classes is driving increased demand for premium products, which aligns with the direction of our business portfolio. Recognizing this significant growth potential, we entered the market in 2018 through our machinery business, with the goal of creating and expanding the shrink sleeve label market.

Currently, our core business in India consists of selling European-made machinery and spare parts, as well as providing on-site maintenance services. As India is one of the world's leading producers and exporters of generic pharmaceuticals, primarily to the European and U.S. markets, local customers show strong demand for robust, high-performance equipment that enables the stable supply of high-quality products. We anticipate a solid order pipeline centered on customers in the pharmaceutical industry, along with sustained business growth for years to come.

Review of FY2025

FY2025 was a year of significant growth for the India Region, where machinery is our core business. During the fiscal year, we achieved record highs in both the number of units delivered and net sales. The majority of the orders that drove this performance came from customers in the pharmaceutical industry. The market's recognition of the high-quality machinery and reliable services we provide continues to generate new inquiries, further strengthening our business foundation for future order growth.

Outlook for FY2026

India is not only a promising market with significant sales volume potential, but also a rich pool of high-potential talent, including highly skilled engineers. To support the further growth of Fuji Seal India, we have set the development of professional talent as a key objective: individuals who can not only lead our local operations but also contribute to the global growth of the entire Fuji Seal Group.

As we move forward with our business development, we will pursue the following two areas as the pillars of our core strategy.

1.Expansion of the machinery business for the pharmaceutical industry

We will continue to provide high-quality, high-performance machinery for the advanced formulation lines of major global pharmaceutical companies, an area on which we are currently focusing, with the aim of further strengthening the foundation of this business and expanding our market share.

2.Growth of the shrink sleeve label business

Although the adoption of shrink sleeve labels in India is still in its early stages, demand is expected to grow, driven by the expansion of the middle and affluent classes and by manufacturers' efforts to add value to and differentiate their products. We aim to expand our "system sales" approach, which integrates packaging materials and machinery. Specifically, we will meet market needs by offering premium sleeve products that enhance both the design and functionality of products, together with shrink sleeve applicators that support customers' production lines, as a complete package.

My view of Fuji Seal's potential

● Strong collaboration between local and global teams

We build close partnerships with customers and place a high priority on transparent communication. Even in the highly demanding Indian market, we work closely with our global machinery development team to accurately meet customers' needs. In addition, our skilled local engineers provide prompt, high-quality after-sales service should any issues arise.

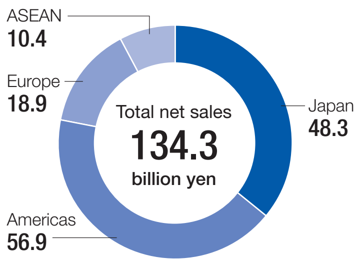
● Providing comprehensive solutions through "system sales"

Our unique advantage lies in our ability to propose comprehensive labeling solutions by leveraging our extensive expertise in a wide range of labeling technologies, as well as our labelers. This integrated approach enables customers to flexibly adopt the optimal solutions for enhancing the value of their brands.

Segments

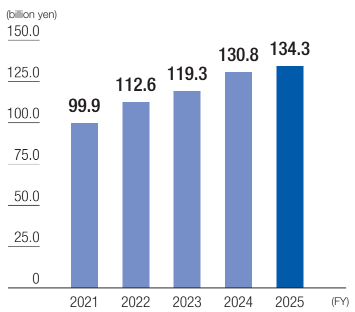
Shrink Sleeve Labels

Net sales by segment (FY2025)



* Since the figures for the respective regional segments include interregional transactions, their sum is not equivalent to the total net sales shown in the center of the pie chart.

Net sales of shrink sleeve labels



In FY2025, the shrink sleeve label business focused on strengthening its foundation to improve profitability while also driving business growth in support of FSG.30. As a result of improvement initiatives undertaken across all regions, profitability increased in every region, further transforming the business into a stable earnings generator. Despite significant changes in the external environment, growth in the dairy industry in the Americas made a major contribution, resulting in higher sales for the business overall. I believe these achievements were made possible by the efforts of all employees involved in the business.

FY2025 was also a year in which we planted the seeds for future growth in the shrink sleeve label business. We made progress in preparing for entry into the Indian market, and conducted advanced development activities aimed at industries and regions where shrink sleeve labels have not yet been widely adopted.

In FY2026, we will focus on further strengthening our business foundation and bringing newly developed products to market to support continued growth. We will approach every challenge with a strong sense of speed and a commitment to execution.

TOPICS Accelerating growth through the integration of shrink sleeve labels and machinery

In the Americas Region, our systems sales approach, which combines shrink sleeve labels and machinery, has been highly successful. By gaining an early understanding of customers' capital investment plans and SKU* changes, we are able to provide proposals that address both packaging and machinery requirements.

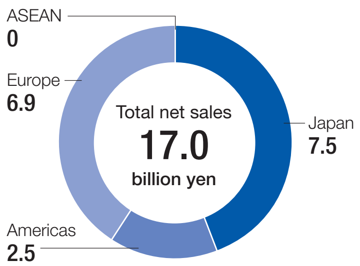
In addition, our three-plant production network, strategically located near customer facilities, enables a stable supply of products. Combined with our integrated manufacturing process, from film production to printing and bag manufacturing, we consistently deliver high-quality products. Leveraging our strengths in systems solutions, functionality, and decorative design for shrink sleeve labels, we continue to expand our business together with our customers.

Examples of successful system sales in the Americas

* SKU (Stock Keeping Unit): The smallest unit used for inventory control and order management, representing a specific product specification or variation

Pressure Sensitive Labels

Net sales by segment (FY2025)



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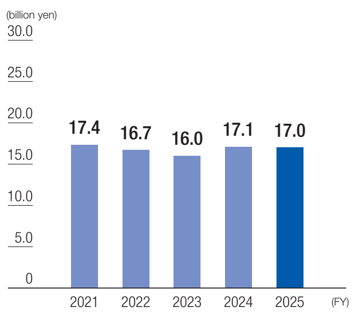
Net sales of pressure sensitive labels



Net sales in FY2025 were 99% of the previous year's level. In Japan, sales declined due to a review of the product portfolio following the closure of the Sagae Plant. In the Americas, sales were affected by the replacement of certain key products. In contrast, the Europe Region achieved double-digit growth by focusing on businesses with strong competitive advantages.

As part of our efforts to achieve the No. 1 position in selected pressure sensitive label markets, we developed the liner-less label system as one of our key strategic initiatives. We secured an order for the first commercial application together with a labeler, with operations scheduled to begin in 2027.

We also began collaborating with overseas partners and launched the development of a labor-saving labeler system designed to improve customer productivity. The first unit is scheduled for installation in FY2026. In addition, as part of a co-creation project with a customer, we successfully commercialized the PIR label,* an environmentally friendly packaging solution.

* PIR (post-industrial recycling): The reuse of plastic waste generated during the manufacturing of products

TOPICS Development of the PIR label

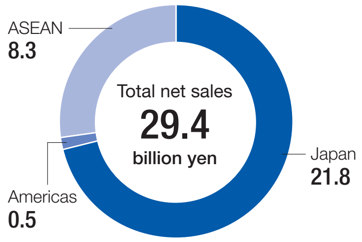
Through collaboration with a partner company that possesses advanced technology capable of converting a wide range of PET container scrap into film, we successfully developed and commercialized a pressure sensitive label as an environmentally friendly solution.

To bring this initiative to commercialization, we reused scrap generated during the manufacturing process of Rohto Pharmaceutical Co., Ltd.'s eye drop containers. In addition, we improved product quality by modifying the printing process used for pressure sensitive labels, ultimately leading to successful commercialization.

Rohto C Cube
Premium Moisture (Class 3 OTC Medicine)

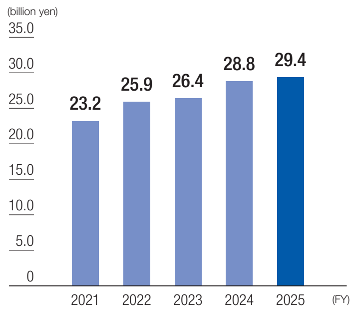
Spouted Pouches

Net sales by segment (FY2025)



* Since the figures for the respective regional segments include interregional transactions, their sum is not equivalent to the total net sales shown in the center of the pie chart.

Net sales of spouted pouches



As part of the growth strategy for our spouted pouches business under FSG.30, we began construction of new plants in Yamagata, Japan, and Thailand. At these facilities, we are advancing the development of differentiated products to create new flexible packaging solutions. At the same time, we are introducing labor-saving equipment in anticipation of a declining workforce and building a stable supply structure to support long-term growth.

In Japan, Thailand, and the Americas, we are also strengthening collaboration with ODM and OEM partners to promote the transition from rigid containers to flexible pouches. Through these partnerships, we are advancing total packaging solutions that encompass everything from package development to filling services.

In response to increasingly stringent environmental regulations for plastic products, including the PPWR in Europe and Extended Producer Responsibility (EPR) initiatives in ASEAN countries, we have continued to develop mono-material pouches and successfully achieved commercial adoption in the ASEAN market.

TOPICS Expanding possibilities in food packaging with the inverted pouch

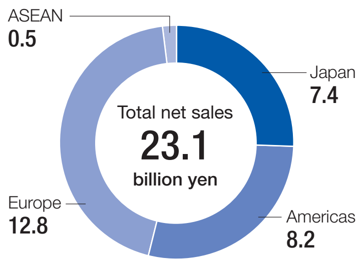
In the Americas market, where the use of spouted pouches remains limited, our proprietary inverted pouch was adopted for a sour cream product. Through collaboration with a filling partner, we successfully developed a flexible pouch solution that offers greater convenience and improved product preservation compared to conventional cup containers.

Looking ahead, the inverted pouch has the potential to expand beyond the Americas Region and serve as a new packaging solution for food products in other regions as well.

Inverted pouch product adopted in the Americas Region

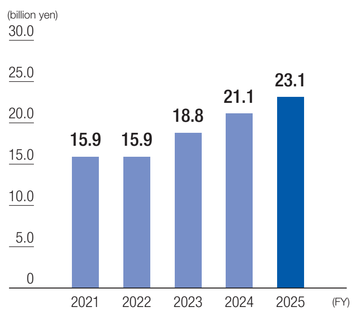
Machinery

Net sales by segment (FY2025)



* Since the figures for the respective regional segments include interregional transactions, their sum is not equivalent to the total net sales shown in the center of the pie chart.

Net sales of machinery



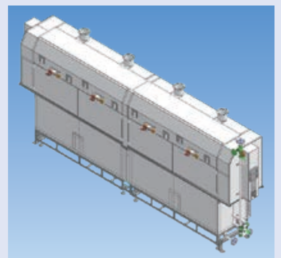
In response to changes in society and the market environment, the Japan Region has identified the expansion of environmentally friendly products and improvements in productivity through labor-saving initiatives as key strategic priorities. By sharing medium to long-term goals with our customers, we are working not only to achieve our own growth strategy but also to contribute to our customers' targets, particularly the reduction of greenhouse gas emissions, including Scope 1 emissions.

As a specific initiative, we are reducing environmental impacts through the promotion of our "label-to- label" concept, including recyclable design labels and lightweight labels developed in collaboration with the shrink sleeve label business. In addition, by leveraging our strength in systems sales as the starting point for machinery development, we are enhancing customer value and strengthening our competitive advantage.

In addition, we have established a DX roadmap toward FSG.30 and are working to enhance profitability and create sustainable corporate value by strengthening upstream management and improving operational efficiency.

TOPICS Development of a new shrink tunnel

As part of our environmentally friendly packaging initiatives, we began development of the new DST-shrink tunnel in FY2025, and plan to introduce it to the market in FY2026. The DST-V is being developed with the goal of reducing steam consumption by more than 50% compared to conventional models. By helping customers reduce greenhouse gas emissions, including Scope 1 emissions, while lowering operating costs, the new shrink tunnel is expected to deliver both environmental and economic value.



New DST-V shrink tunnel

Focusing on “management with a focus on the cost of capital,” we aim to maximize corporate value by balancing investments in sustainable growth with shareholder returns.

Sachiko Yashiro Executive Officer in charge of Finance

Looking Back on FY2025

FY2025, the second year of the FSG.30 management plan, began with the United States imposing reciprocal tariff measures. Amid rising global economic and political uncertainty, the consolidated financial results for the fiscal year ended March 2026 showed net sales of 217.7 billion yen, up 2.5% year-over-year, operating income up 8.6% year-on-year to 20.4 billion yen, and ordinary income up 20.1% to 22.0 billion yen, securing both revenue and profit growth. Net income attributable to owners of the parent company rose 69.3% to 20.6 billion yen, with every profit metric reaching a new record high. The operating margin stood at 9.4% and ROE at 9.3%,*1 marking steady progress toward the double-digit percentages set forth in FSG.30.

Since FY2025 was my first year as Executive Officer in charge of Finance, I focused on engaging with stakeholders both inside and outside the company. Externally, I received a variety of opinions from domestic and international investors during financial results briefings and SR/IR meetings. Investors showed a strong interest in the growth and sustainability of our business. Regarding shareholder returns, while some investors preferred cash returns such as dividends, others emphasized the importance of investing in business growth. I gained a deep appreciation for the high regard investors holding for Fuji Seal’s top-share products and our business model of bundled sales of labels and machinery, as well as their high expectations for the future of our business.

Internally, on a quarterly basis, we briefed not only executives but also senior managers on the status of achievement of the FSG.30 financial KPIs and investor expectations, while also urging them to understand and put into practice the importance of generating cash. Specifically, this involves focusing on operating cash flow and strengthening our ability to generate cash by enhancing our profit-generating capabilities and improving the cash conversion cycle (CCC). Through repeated discussions at Board of Directors’ and Executive Officers’ Meetings, the importance of these initiatives has taken root, and Regional Executives are now taking ownership of and driving initiatives to improve the CCC. Going forward, we will continue to work tenaciously by combining all our efforts as a unified company.

*1 Excluding one-time effects related to the liquidation of the Swiss subsidiary

Management with a focus on the cost of capital

Under FSG.30, we have placed “Management with a focus on the cost of capital” at the core of our financial strategy, and have set a PBR of 1.5x or higher and a double-digit ROE as our financial KPIs to be achieved by FY2030. We will explain the measures we are taking to achieve these goals, along with our progress to date.

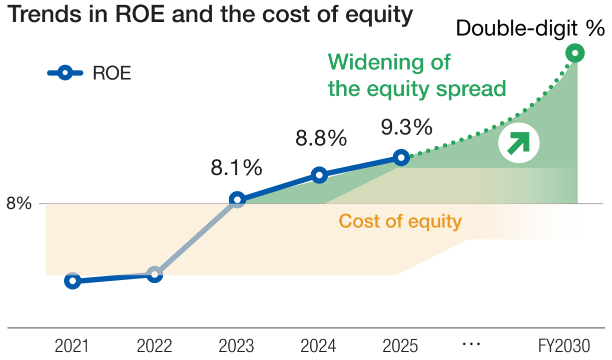
◆ Regarding ROE and the cost of capital

As mentioned earlier, ROE for FY2025 was 9.3%,*2 an improvement of 0.5 percentage points from the previous year. This was due to increased profits achieved through cost reductions and structural reforms in Europe and ASEAN, while profit margins in Japan and the Americas remained solid.

Our cost of capital*3 stood at 7–9% as of April 26, representing a 1-point increase from the previous fiscal year. This is primarily due to a rise in the yield on 10-year Japanese government bonds, which serve as the risk-free rate. We will continue to strengthen our profitability with the goal of achieving a double-digit ROE.

*2 Excluding one-time effects related to the liquidation of the Swiss subsidiary
*3 Calculated using the CAPM (Capital Asset Pricing Model)

Trends in ROE and the cost of equity

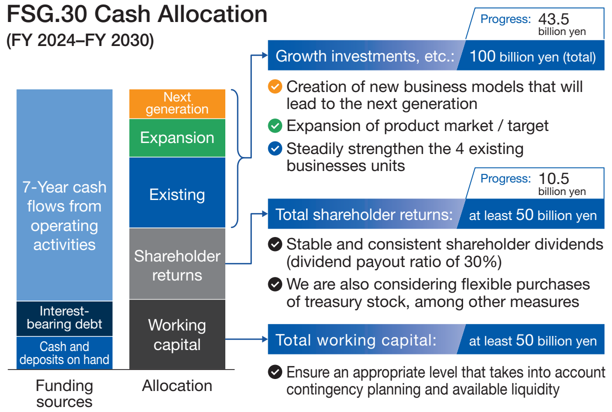


◆ About cache allocation

Under FSG.30, the company plans to generate a total of 200 billion yen in cash inflows through FY2030 by combining operating cash flow with cash and deposits. Regarding cash outflows, the plan calls for 100 billion yen in investments in growth areas, 50 billion yen in shareholder returns, and 50 billion yen in working capital necessary for business continuity. Regarding growth investments, 43.5 billion yen has been approved over the past two years, including for the shrink sleeve label factory in North Carolina, the new soft pouch factory in Yamagata, and the Phraeksa factory in Thailand. From FY2026 onward, in addition to investments in sales growth, we will focus on efficiency improvements and labor-saving initiatives that have a positive impact on profitability. We will also make timely investments in businesses that will lead to the next generation.

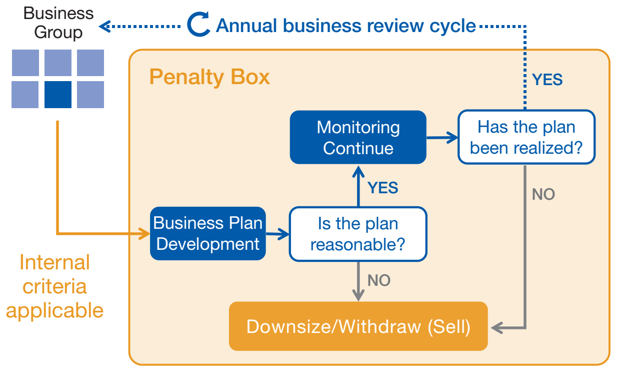
Regarding shareholder returns, we have returned a total of 10.5 billion yen over the past two years through stable dividends based on a 30% dividend payout ratio and treasury stock buybacks. For FY2025, the dividend was set at 81 yen, an increase of 13 yen from the previous fiscal year. Going forward, we will continue to strive to return value to shareholders by paying dividends and flexibly considering treasury stock buybacks. Furthermore, regarding working capital, as mentioned earlier, we will improve capital efficiency while focusing on CCC activities.

FSG.30 Cash Allocation
(FY 2024–FY 2030)



◆ Portfolio management

We conduct a business review to improve profitability and capital efficiency every year. This review covers not only currently unprofitable businesses but also those that are projected to become unprofitable in the future. Based on plans formulated by the affected business units, we monitor progress and determine whether they should be removed from the performance review box. As a result of this review process, we decided to close the Yamagata Sagae Factory, which ceased operations in March 2026. Through this system, both management and employees develop a strong awareness that the businesses they are involved in must generate profits that meet investors’ expectations, and they are driving these businesses forward with this goal in mind.



◆ Optimal capital structure

Our equity ratio for FY2025 was 71.3%, up 2.1 percentage points from the previous fiscal year. This was the result of an increase in retained earnings due to higher profits. While a high shareholders' equity to total assets ratio constitutes a solid financial foundation, as mentioned earlier, it is also essential to utilize capital efficiently. Regarding liabilities, our debt-to-equity (DE) ratio stood at a low level of 0.07 times in the most recent period. Going forward, with an eye toward utilizing debt financing, we will continue to manage our balance sheet with a target shareholders' equity ratio of 60%—a level that allows us to maintain a long-term credit rating of A (Single A) and ensure smooth access to funding.

Rating
Maintained at **A**

Capital adequacy ratio
Target: **60%**

◆ The Resilience of Fuji Seal Group

In the 1950s, FSG pioneered the development of shrink sleeve labels, a world’s first. At that time, paper labels were the norm, and labels featuring additional information such as product functions or contents did not yet exist. During that era, we introduced labels designed to convey a product’s appeal to consumers and enhance our clients’ brand value, thereby contributing to the creation and expansion of new markets. I believe that our product development capabilities—as exemplified by these shrink sleeve labels—are the Resilience of FSG, and I believe it is essential to further enhance these capabilities to pave the way for the next generation of total manufacturing.

◆ Toward future business growth

As a leading company in the packaging industry, FSG has secured a world-class market share. This is a testament to our ability to “change along with changes” and continue to respond flexibly to the needs of the times, as well as to the fact that our customers and society have embraced and valued the products and services we have developed as a result.

Building on the trust we have earned over our long history, and guided by Our Credo—“Each day with renewed commitment, we create new value through packaging”—we will continue to drive development and investment aimed at creating new value that enriches people’s lives, with the goal of achieving business growth. To that end, I am committed to fulfilling my role as executive officer in charge of finance to the fullest and meeting the expectations of our stakeholders, including our investors.

Materiality for the Fuji Seal Group

Our materiality items link directly to our Vision, leading us to contribute to a sustainable society.

【Our Vision】

Sustainable and profitable growth in the packaging industry

Our Value to People and the Planet

Our proactive impact to realize the Circular Society

Generate "Waku-Waku" – No growth without "Waku-Waku" –

【Materiality】

- Development of people-friendly packaging materials
- Sustainable growth
- Development of environmentally friendly products
- Speedy launch of newly developed products
- Creation of next-generation businesses
- Open dialogue with stakeholders
- Stable supply (including BCP)
- Fair and transparent transactions
- Promotion of information security measures

Materiality identification process

Step1 Listing of priority items
Secretariat: Lists, examines, and adds priority items

Step2 Narrowing down priority items
Executive officers: Are involved in narrowing down the priority items

Step3 External evaluation
External evaluation organization: Gives advice on the items narrowed down

Step4 Validity evaluation
Outside directors: Evaluate the validity of those items from an external perspective

Step5 Setting targets and KPIs
Board of Directors: Sets qualitative and KPIs (key performance indicator) targets for the respective materiality items to oversee the promotion of Group-wide efforts to achieve them

Step6 Review
Review conducted as needed in consideration of the social situation and other circumstances

In 2020, FSG identified nine materiality items that it should tackle to contribute to realizing a sustainable society. In 2025, these materiality items were reviewed in cooperation with the outside directors from the perspective of whether they matched social requirements, resulting in updated qualitative and KPIs.

Nine materiality items

	Our ideals and long-term vision	Key performance indicator (KPI) targets for FY2026 to be achieved to fulfill the long-term vision	Results of FY2025 initiatives	Main initiatives	Value to society	Main responsible department(s)	Deliberating body in charge
Development of People-friendly Packaging Materials	● Creation of opportunities for all employees to take on the daily challenges of developing people-friendly packaging with a sense of purpose and pride	● Number of idea proposals submitted to the Idea Bank Jury: 2 or more per year from each base or business	● Number of idea proposals submitted to the Idea Bank Jury: Japan 10 ,Americas 3,Europe 2, ASEAN 2	● Promoting improvement activities at each base or business aimed at encouraging employees to submit idea proposals ● Establishing a system for producing ideas for sustainable growth	● Creation of products and services that contribute to the realization of a sustainable society ● Cultivation of a corporate culture of creating people-friendly packaging materials	Idea Bank Secretariat	Idea Bank Jury
Sustainable Growth	● Recruiting talent with appropriate skills and abilities while positioning human resources as the most important asset, and building a foundation for all employees to work with passion and "Waku-Waku" (excitement), thereby fostering a corporate culture of readily taking up new challenges	● Overall response rate for the Global Engagement Survey of 80% or higher ● Undesirable turnover rate for the entire workforce of less than 7% ● Average annual training hours per employee of 30 hours	● Initiatives to Develop Successors for Key Group Positions • Continued implementation of the Executive Leadership Program developed in collaboration with an overseas business school: 12 participants • FSI*1 Challenge Program: 14 participants • GO FAR*2 participants: 17 participants ● Engagement Score: Achieved the "FSG.30" response rate KPI: (80% or higher in each region)	● Talent management ● Culture creation ● Engagement & motivation ● Employer branding ● DE&I Committee ● Development & training ● Evaluation ● Digitalization of HR	● A company that continues to create value for society ● Creation of stable employment	Executive officer in Charge of Human Resources	Executive officer meeting
Development of Environmentally Friendly Products	● Providing environmentally friendly products to offer solutions to issues related to climate change, depletion of resources, and biodiversity through collaboration throughout the supply chain	● Expansion of R&D Investment	● Sales ratio of environmentally friendly products:86%	● Co-create value with customers through products designed to address environmental challenges ● Help customers reduce their resource and energy consumption through system solutions	● Mitigation of climate change ● Reduction of environmental burdens on water, air, soil, etc. ● Conservation of biodiversity ● Innovation of environmentally friendly technologies ● Promotions for raising environmental awareness through our products and services	Environmental Sustainability division	Group Sustainability Committee
Speedy Launch of Newly Developed Products	● Effectively combining the high-level verification capabilities of FSG*3 with its wide range of technologies to create many new-launch projects for packaging materials and for machinery, where its strengths lie, as well as system solutions that utilize both	● SSL*4: Speeding up product-launch processes by working with partner companies for sustainable product development (environmental responsiveness + functionality + economic efficiency) Number of newly launched products: 20 or more per year (100 or more by the end of FY2026) ● PSL*5: Added "streamlining and space saving" to the KPI development perspective of "automation and labor saving" ● Pouches: 15 projects per year to replace bottles with soft pouches from environmental and functional perspectives ● Machinery: Evaluating the results of collaboration with each business or package development project ● IP: 20 cases or more hypotheses per year (75 cases or more in 3 years) offered as a result of intellectual property landscaping (IPL) mainly concerning development themes	● SSL: 32 RecShrink projects, 11 label-to-label projects (Number of projects within FY2025) ● PSL: Set a target number of co-creation projects with strategic partners ● Pouches: 5 in Japan, 3 in the Americas, 16 in ASEAN (Selecting products with new fillings or packaging formats for our company) ● Machinery: 5 projects underway under the "Packaging Materials × Machinery" theme	● SSL: Developing a label system that "improves transportation and storage efficiency" and promoting businesses that "enhance environmental friendliness and contribute to sustainability" ● PSL: Developing automation and labor-saving systems ● Pouches: Collaborating with filling machine manufacturers and implementing pouch-filling and OEM business strategies ● Machinery: Developing necessary machinery in line with the strategy of each business or package development project ● IP: Establishing IP strategies that support the four existing businesses and new development projects and utilizing IPL in formulating and promoting business and development strategies	● Improvement of labor shortage and labor-saving ● Reduction of energy consumption and materials loss ● Realization of a sustainable society ● Realization of smart work through system solutions ● Creation of high-value-added system solutions	Executive officer in charge of each business; Intellectual Property Center	Development Council; Intellectual Property Strategy Council
Creation of Next-generation Businesses	● Create projects to promote new businesses other than the existing businesses (Shrink Sleeve Labels, Pressure Sensitive Labels, Spouted Pouches)	● Building a platform for next-generation businesses ● Number of projects created from the platform: At least 3 projects by FY2026 ● Number of newly started businesses: 1 project by FY2026	● Building a platform for next-generation businesses ● One project created from the platform; one project under consideration ● Start of New Business:On track to achieve the FY2026 target	● Implementing two α Development Council-led projects • Completing prototype aPT Tube machines, making capital investment in the first machine, and starting product development with Brand Owner • Starting deliberation of container design and equipment development for a new aPT format ● Promoting the Deep IS business for "constructing new business models that will be effective in the next generation" • Developing individual authentication technology and new technologies based thereon • Entering overseas markets	● Development of containers that provide head-on solutions to two global social issues: plastic waste and global warming ● Establishment of a closed-loop recycling system ● Employees' Waku-Waku, Society's Waku-Waku	Business Development Division; Corporate Planning Division	Development Council; Board of Directors
Open Dialogue with Stakeholders	● Increasing our corporate value through our interactive dialogue with stakeholders	● Number of investor-relations (IR) and shareholder-relations (SR) interviews: 120 or more per year ● Number of interviews between employees and directors: 4 per year	● Number of investor-relations (IR) and shareholder-relations (SR) interviews: 177 per year ● Corporate financial results briefings for management across all regions, with directors in attendance: 4 sessions	● Operating the Group Sustainability Committee ● Issuing the Integrated Report and the ESG Data Book in a timely manner ● Disclosing flash reports, supplementary financial results briefing materials, and timely disclosure documents in both Japanese and English at the same time ● Holding interviews between management and investors proactively	● Facilitation of all stakeholders' understanding of FSG ● Provision of investment opportunities to shareholders and investors	Investor Relations, Branding division	Group Sustainability Committee
Stable Supply (including BCP)	● Fulfilling our responsibility for product supply as an essential business	● Japan: Maintaining the supply chain based on autonomous Occupational Health And Safety (OHS*6) management ● Americas: Constantly fulfilling our responsibility for a stable supply with an OTIF (on-time and in-full) of 95% or more ● Europe: Setting specific (Scope 1, 2 and 3) GHG emissions targets ● ASEAN: Tracking and improving figures for key metrics (numbers of occupational accidents and filed complaints, monetary metrics, and OTIF)	● Japan: Based on evaluations of each site's natural disaster response capabilities, reduce risks and strengthen response capabilities; promptly identify supply disruptions caused by raw material shortages and geopolitical risks ● Americas: Strengthen OTIF management and explore ways to shorten delivery times; achieve a target of 95% or higher ● Europe: Conduct quarterly monitoring, mitigate risks, and establish a clear accountability framework for a structured risk management approach ● ASEAN: Increase the number of BCP suppliers for each material; evaluate each supplier's QCD performance to select partners	● Japan: Independent OHS compliance audits and OHS talent development (compliance training plan) ● Americas: [SSL] – Establishing a backup system for three SSL factories, including promoting the introduction of flexography [PSL] – Establishing and maintaining the BCP network utilizing external partners and our Europe region [Pouches] – Establishing and maintaining the BCP network utilizing our Japan and Europe regions ● Europe: Adopting a multiple-supplier system, building a multiple-location production system, and formulating and implementing GHG reduction action plans ● ASEAN: Formulating a safety investment budget and implementing safety measures at designated sites, planning equipment renewal investments, visualizing the impact of occupational and other accidents, and providing guidance to raise a sense of urgency to take preventive measures	● Provision of a secure, safe and comfortable work environment ● Sustainable supply of secure and safe products ● Contribution to secure and safe local communities ● Provision of people-friendly, high-value-added products and services	Executive officer in charge of each region	Executive officer meeting
Fair and Transparent Transactions	● Building a sustainable supply chain in line with the FSG Code of Ethics and Request Letter to FSG Business Partners (the Group Supplier Code of Conduct)	● Conducting sustainability dialogue with Strategic Sustainability Partners: 100%	● Conducting sustainability dialogue with Strategic Sustainability Partners:100% sustainability disclosure from key suppliers	● Providing Sustainable Supply Chain Lecture for FSG's purchasing personnel ● Conducting a Sustainable Supply Chain Questionnaire Survey targeting suppliers with whom we place a high priority on sustainability ● Informing business partners about the Group Supplier Code of Conduct, Sustainable Supply Chain Guidebook, and the Consultation Hotline ● Having dialogue on sustainability with business partners	● Protection of our business partners' rights ● Responsible manufacturing and consumption processes (raw materials, procurement, manufacturing, sales, and consumption) ● Sound corporate activities that serve as a model for others ● Respect for human rights	Sustainability Subcommittee (Supply Chain)	Group Sustainability Committee
Promotion of Information Security Measures	● Establishing an information security system to protect personal data and other information obtained in relation with our customers, business partners, and other stakeholders, including information about new products	● Number of serious cases of information leakage: 0	● Number of serious cases of information leakage: 0	● Implementing appropriate information security measures (maintaining and ensuring an adequate level of information security throughout the Group) ● Maintaining an effective emergency response system in case of an information security incident	● Protection of confidential information of customers and business partners, including new product information ➡ Provide safe and secure packaging in a stable manner ● Protection of all personal information handled by FSG	Legal & Risk Management division	FSI Board of Directors

*1 FSI:Fuji Seal International *2 GO FAR:Global Opportunities, Fast-Acting results *3 FSG: Fuji Seal Group
*4 SSL: Shrink Sleeve Labels *5 PSL: Pressure Sensitive Labels *6 OHS: Occupational Heath and Safety

Development of People-friendly Packaging Materials

Reasons for selecting the materiality items	Regarding the KPI of the Materiality
FSG aims to provide value to society through packaging, and to remain a company that is consistently needed. To achieve this, we believe it is essential for each and every employee to be committed to developing and providing people-friendly packaging, and to continue developing and manufacturing our products with pride, while feel that they are contributing to society.	FSG's "Idea Bank," which has been developed over the years, is an initiative open to all employees. By providing opportunities that each employee can think about our Vision and Value Behavior, we aim to further encourage participation. Furthermore, we place great importance on enabling employees to feel a sense of impact on society by engaging in the "development of people-friendly packaging" from their respective perspectives, while also fostering an environment that supports the generation of ideas aimed at achieving FSG.30.

Idea Bank Program

What is the Idea Bank Program?

The Idea Bank is part of FSG's intellectual capital creation initiatives, which the company has been pursuing for over 35 years. It is a system that encourages all employees—from new hires to managers—to identify challenges on the front lines during their daily work, develop their own solutions, and propose those solutions whose results have been recognized to the company, thereby fostering participation in improvement activities based on each individual's perspective.

Ideas are generated not only in the Development Department but also in daily operations and improvement activities across all departments, including production sites, the Sales Department, and staffing divisions. Depending on the nature of the proposal, we carefully consider how to utilize the results—whether by promptly rolling them out to other departments for on-site improvements, adopting them as development themes that may lead to future patent applications, or registering them as internal knowledge under the Know-how Management System—in consultation with the Intellectual Property Department.

Turning ideas into business growth

The Idea Bank Program is spearheaded by top management, who actively communicate its importance both inside and outside the company. The program aims to reliably translate the ideas generated into profits.

Proposed ideas are reviewed in detail by the employee's supervisor, after which a higher-level manager verifies their effectiveness and provides feedback to the proposer. Through this process, we aim to enhance each employee's creativity and ability to generate proposals, while fostering a culture of continuous improvement throughout the department.

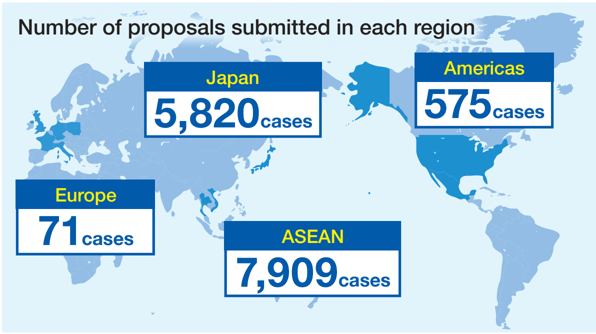
Employee's idea proposal	• Issue • Solution • Effect	Continuation of proposal activities
Section manager's verification	• Putting the ideas into practice • Giving improvement advice	Identification of issues
Department manager's assessment	• Scaling out the ideas within the division • Ranking the ideas	Solutions to the issues
Division manager's nomination	• Scaling out the ideas to other divisions • Nomination for screening by the jury	Sharing of the solutions
Idea Bank jury	• Scaling out outstanding ideas to the entire company • Commending the proposers in front of all employees	Implementation and realization

Outstanding ideas selected from each department undergo a final evaluation by the Idea Bank Jury, which is conducted by management executives at the end of each fiscal year. For the selected ideas, executive management appoints a project leader and establishes a support system with the goal of implementing them company-wide and having them impact corporate growth.

We recognize that, in order to achieve FSG.30, it is essential for every employee to be committed to improvement and reform, and that it is important to link the ideas generated to the company's growth.

Aiming to improve engagement

Those who submit ideas gain the satisfaction of knowing their ideas are recognized by the company, and can have an impact not only on their own workplace but also on other workplaces, departments, and regions. Furthermore, through these idea-generation activities, we expect to foster a sense of unity by stimulating a culture of improvement and encouraging the exchange of ideas across departments, as well as by aligning everyone on the direction for improvement. FSG will continue to strengthen employee engagement by utilizing the Idea Bank.




Tokyo

Yuki


American Fuji Seal

Fuji Seal Packaging (Thailand)

FY2025 Case Study: Idea generation through the Machine Engineering Business Division's "Passion Category"

Implementation of idea proposals based on special themes

We have established a program called the "Passion Category" to recognize and reward employees' proactive efforts and ingenuity, which is implemented by each department. By evaluating not only results but also the process and enthusiasm behind them, we aim to foster a culture of fair evaluation, boost employee motivation, and drive continuous value creation. In FY2025, the Machine Engineering Business Division combined this Passion Category with its Idea Bank to conduct an idea proposal campaign centered on a special theme. We will present a case study of how this initiative led to product development.

Background and objectives of the initiative

This initiative was launched with the aim of enhancing the competitiveness of our existing products. Against the backdrop of diversifying market needs and an intensifying competitive environment—where increasing the value of existing products and accelerating the development speed have become critical challenges—we have positioned this initiative as a mechanism for incorporating insights from the field and lessons learned through daily operations into product development. Our goal is not merely to gather improvement suggestions, but to generate ideas that directly lead to sales growth and improved cost competitiveness.

To revitalize our existing machines, we are prioritizing fresh perspectives and future potential—which lead to improvements, evolution, and customer satisfaction. We welcome insights from daily work, irrespective of employees' level of specialized knowledge, and have made it possible for proposals to come not only from individuals but also from teams.

Results

Although the initiative was scheduled to run for four months, it generated more than 100 ideas—from one business division alone— helping revitalize frontline-led improvement activities and enhance the organization's overall problem-solving capabilities. The submitted ideas were evaluated based on feasibility (technology and cost), customer value and satisfaction, novelty and originality, and market potential and scalability. For outstanding ideas, award recipients were recognized during a company-wide morning meeting to raise awareness of these initiatives and boost morale.

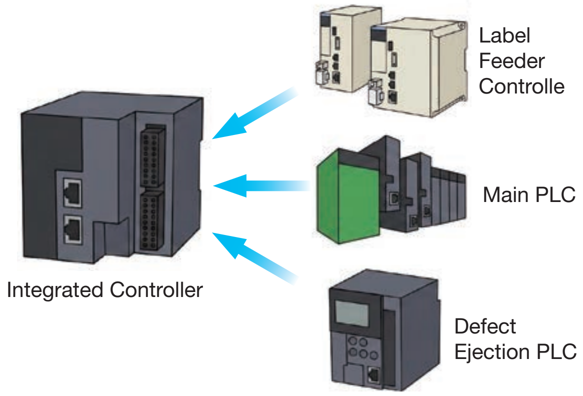
We will continue to sustain and expand this initiative, further accelerating the cycle from idea generation to product commercialization and impact on the business. Furthermore, through innovation driven by the front lines, we aim to establish a sustainable competitive advantage.

Examples of implementation in this business and incorporation into product specifications

◆ Integration of control equipment

We consolidated the multiple types of controllers that had been used for different purposes into a single unit, thereby saving space and improving efficiency.

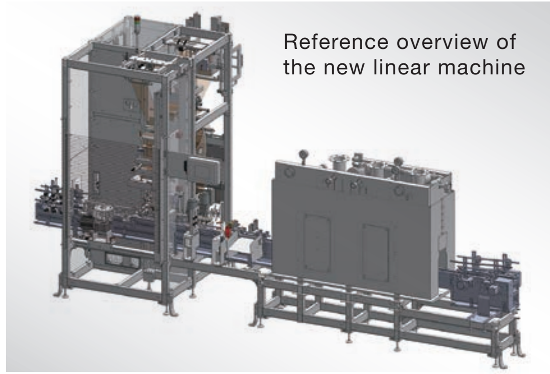
In addition, standardizing programs and improving their reusability will help improve development efficiency.



◆ Improving workflow and setup

By adopting a tool-free design and revising the label feeding method, we have improved work efficiency and reduced the operational workload.

Through these initiatives, we are promoting product development that achieves both improved cost competitiveness and enhanced customer value.



◆ Review of the main frame structure

By optimizing the manufacturing process, we expect to reduce costs by approximately 35% compared to conventional methods.

Current model

Stainless steel welded structures
- High price
- Attractive industrial design
- All stainless steel
- Large footprint due to design-first approach

Development machine

Aluminum frame construction
- Low price
- Lightweight (safe)
- Features a high-rigidity aluminum frame
- Space-saving
- Easy to expand thanks to the aluminum frame

Sustainable Growth

Reasons for selecting materiality	Regarding the KPI of the Materiality
FSG believes that the growth of employees who share our values is fundamental to our sustainable growth. Therefore, we actively introduce advanced technology to establish and improve our operational systems and working environment to ensure the safe and healthy lives of employees. We also provide employees with the opportunity to develop themselves under a fair and equitable evaluation system to enable them to continue to fully demonstrate their abilities. This is because we desire to continue to be a good partner for our customers and suppliers in furthering our ongoing mutual development. We strive to be an exemplar employer to all stakeholders.	Keeping a closer eye on the effects and efficiency of our investments, we will establish a solid financial base for sustainable growth. Furthermore, we will continue to cultivate candidates for the next management team who will realize FSG's sustainable growth with the aim of enhancing the content of our HR programs.

FY2025 initiatives and ongoing initiatives for achievement

GO FAR – Global Opportunities- Fast Acting Results- Program

The GO FAR program is a core initiative supporting Fuji Seal Group's sustainable growth by strengthening leadership capabilities in international environments, strategic thinking, and cross-regional collaboration. GO FAR equips leaders with broader international and business skills which adds value to both the hosting region as well as bringing back the knowledge and experience to the home region. In 2025, 10 business challenges were defined in different regions, in which in total 16 FSI High Potentials from different regions and nationalities participated. The business challenges varied from growth related projects, to manufacturing excellence topics as well as pricing, capacity, HR or governance related topics.

The participants were encouraged to move beyond their own functional or regional boundaries and develop their skills and contribute to the companies goals at the same time. The teams presented their learnings and results to CEO and Executive Officers and are further following up on their defined actions to keep momentum and realize the expected results.

Marieke Sauer-Ploegmakers, Executive in Charge of Human Resources, who oversees the education program

Executive Leadership Program

The Executive Leadership Program is a customized program, established together with Vlerick Business School in Belgium. The program is a strategic learning initiative focusing on strengthening managerial capabilities and reinforcing a growth-oriented and add-value mindset across the FSI High Potentials within our group. The program combines academic insights with practical business application and contributing to a concrete business challenge at the same time.

Participants engage in topics such as strategy planning and strategy implementation with focus on value propositions, as well as on themes such as global mindset and intercultural successful management, personal reflection and leadership and managing financial successful models fitting to stakeholders expectations.

The exchange between FSI High Potentials from all regions, broadens perspectives, increases network and supports critical reflection on existing business models while identifying opportunities to improve profitability.

Executive Leadership Program Participants

Enrichment of Human Capital

Human capital is a key driver of Fuji Seal Group's sustainable growth. The Group invests continuously in leadership development, succession planning, and skill building aligned with evolving business needs. In 2025, not only programs such as GO FAR, Vlerick, FSI Business Challenge and individual coaching supported the growth of our high potentials. Also the investment in a global online learning program available for selected members as a trial, increased focus on making training hours available for our members, regular follow up on individual development plans, keep a continuous momentum in the development and enrichment of our Human Capital, which is supported by both global and strong regional HR teams.

Enrichment of Human Capital	To be ready for further growth, we need to challenge, train and develop them our employees and next generation leaders.
Shared Value Improve engagement	To retain our excellent employees and to have their best performance, we need them to be committed, excited and motivated to show drive and will power to act in FSG purpose.
Respect for DE&I The success of diverse human capital	We regard DE&I as one of the group strategies necessary for sustainable growth. On global and regional level pro-active measures and actions are defined and executed.

Shared Value

Employee engagement is regularly monitored and feedback is translated into concrete actions to strengthen communication, leadership, collaboration and trust. Through these efforts, Fuji Seal enables employees to contribute to business success while supporting employee well-being and long-term organizational resilience.

By conducting both international Value Seminars per region as well as starting up activities for local Value Seminars, Fuji Seal makes sure that the companies values are spread and maintained consistently and whilst expanding and becoming more and more international, still our group`s values are kept high and easy relatable in all regions. Value Seminars are synchronized on general value topics but are also customized per region based on the specific regional needs for development.

Voice Join the GO FAR project

Paulina Razo Padilla
Fuji Seal Packaging de Mexico, S.A. de C.V.

Recently, I have had the good fortune to participate in the GO FAR project. It has been a valuable and challenging experience. Through the program, I had the opportunity to meet wonderful people from other regions, as well as to grow professionally and personally. This experience has given me a broader perspective on my role and its impact within the company, and how I can contribute to it. Most importantly, it has provided me with tools and techniques to improve my leadership and develop projects, as well as to understand other ways of thinking and expand my vision. I feel proud and pleased to work for a company that has programs like this and cares about its people.

Respect for DE&I

Fuji Seal Group respects diversity, equity, and inclusion as essential elements of sustainable growth. Diversity in background, experience, and perspective strengthens innovation and decision-making.

The Group promotes equal opportunity, fair treatment, and inclusive leadership through policies and daily practices. By fostering an inclusive culture, Fuji Seal builds teams capable of addressing diverse customer needs and global challenges.

The global DE&I committee focuses on central DE&I topics, making sure that all initiatives are aligned with our commitments and policy, whilst the regional DE&I committees make sure that the regional activities fit well to the regional and cultural needs. In this way we focus on consistency and at the same time tailor based on the reality.

Voice Join the Local Value Seminar

Mijke Rensen
Fuji Seal B.V.

In 2025, we launched Local Value Seminars in Europe. This new setup was designed to make the seminar accessible to all employees and all entities within Europe. Previously, only European Value Seminars were organised, and therefore only a few colleagues received inspiring information about the Fuji Seal Values.

In these local Value Seminars, organised in the local languages, we inform our colleagues about our mission, vision, ambition toward the FSG.30 goals, and the connection to our values. We explain why Fuji Seal has defined these and what they mean for us as employees. We explore which values we share, what unites us, how we work and create together, and what Fuji Seal promises employees with regard to a safe, inclusive, and inspiring work environment. We aim to contribute to a culture of sustainable growth, created with passion.

Creating and hosting these Local Value Seminars brings joy to the organisation and inspires our colleagues to think about what creates waku waku in their work.

Voice Join the Vlerick Executive Leadership Program

Ryo Seike
President, Fuji Seal Business Associe, Inc.

I participated in this program for about five months, from July to November, and systematically learned management fundamentals such as strategic thinking, business models, and an integrated view of finance and operations. A key benefit was confirming the validity of the perspectives and judgment I had developed through experience. Exposure to new ideas and values also broadened my thinking.

Going forward, I will continue to grow through practice while sharing the knowledge and insights gained from the program with my organization and the next generation, helping to foster a culture of continuous learning.

Development of Environmentally Friendly Products

Reasons for selecting the materiality items

FSG recognizes that developing products and manufacturing processes that take environmental aspects into account is a critical challenge shared by all of humankind. Therefore, we aim to develop environmentally friendly products and endeavor to achieve environmental targets not only for FSG but also for our customers through our business activities.

Regarding the KPI of the Materiality

FSG is implementing initiatives for "creating value," focusing on the development and supply of environmentally friendly products in order to realize sustainable growth as a company, in addition to social sustainability, while solving environmental issues such as climate change, marine plastic issues, and depletion of resources.

FY2025 initiatives

FSG's sales of environmentally friendly products reached 86% in FY2025, marking a significant increase over the past five years from the 41% recorded in FY2021, when the target was set.

This growth is the result of strengthening our product lineup by expanding our range of environmentally friendly products, such as energy and resource-efficient designs, recyclable products, and products containing recycled materials, which we have developed in response to market needs and regulatory trends in each region.

In addition, even for technologies that were initially developed and deployed in a single region, we have customized them to comply with regional recycling guidelines. Over the past five years, we have evolved these technologies into a business infrastructure that can be applied across multiple regions, and ultimately all regions.

- **Shrink sleeve labels**: Global support for both recyclable design and the use of recycled materials
(Examples: RecShrink, label-to-label, recycled labels)
- **Spouted pouches**: Global expansion of recyclable design and incorporation of recycled materials in Japan
(Examples: monoolefin pouches, recycled pouches)
- **Pressure sensitive labels**: Expanding the use of recycled materials globally, while focusing on recyclable design initiatives primarily in Japan
(Examples: recycled labels, recycled liner labels, RecTack)

Through these initiatives, we have been able to offer a wide range of products and value to help our customers achieve their environmental goals. However, we did not meet our FY2025 target of 100% sales of environmentally friendly products. Factors contributing to this included regional differences in regulations and guidelines, as well as the continued use of conventional products in applications where no alternatives were available due to the specific performance and functional requirements of the packaging (e.g., resistance to the contents in the pharmaceutical and chemical sectors). Looking ahead, we anticipate further developments in the EU's Packaging and Packaging Waste Regulation (PPWR) and Extended Producer Responsibility (EPR) systems in various regions. Building on our past efforts, we will seek to capitalize on market opportunities, and aim to enhance our corporate value by leveraging these changes as drivers of growth.

Future initiatives

At FSG, we have increased the proportion of environmentally friendly products in our sales by expanding our product lineup through the development and global business expansion of such products, in response to regulatory trends and market needs in each region.

At the same time, customer needs are expanding beyond compliance with environmental regulations to include resource conservation and the optimization of energy use in manufacturing. Through system solutions that combine packaging materials with packaging machinery, areas where we have traditionally held a competitive advantage, we will build on our past efforts to improve productivity and drive further evolution toward reducing environmental impacts on manufacturing and providing integrated value.

Going forward, we will expand our solutions by increasing investment and strengthening R&D efforts in key areas of our portfolio. Through these efforts, we will further capitalize on market opportunities arising from our customers' efforts to achieve their environmental goals and comply with regulations, and we aim to enhance our corporate value sustainably by delivering value to our customers and society.

Speedy Launch of Newly Developed Products

Reasons for selecting the materiality items

One of FSG's strengths lies in its ability to develop both packaging materials and the machinery needed to apply them. What supports this strength is our capability to satisfy customer demand by combining various technologies, which includes the evaluation and the verification of its results. This capability enables us to launch newly developed products in a short period of time.

Regarding the KPI of the Materiality

We have rapidly developed and launched a wide range of system solutions by leveraging our packaging material business, our machinery business, or a combination of both, effectively combining the high-level verification capabilities of FSG with its broad range of technologies.

Intellectual property activities underpinning the Fuji Seal Group

At FSG, to realize our vision of "Our Value to People and the Planet," we regard FSG's intellectual property as an effective intangible asset for sustainable growth. We have established intellectual property governance frameworks necessary for ensuring fair decision-making and management, and we continue to strengthen these frameworks year after year.

1. Intellectual Property Center

The Intellectual Property Center consolidates FSG's intellectual property functions within Fuji Seal International (FSI). With a staff of 11 members, it works in collaboration with the heads of each business unit and region to promote the appropriate protection and effective utilization of FSG's intellectual property as a whole, as well as to develop intellectual property strategies based on IP landscape (IPL) analysis.

2. Intellectual Property Strategy Council

Intellectual Property Strategy Councils attended by business unit heads, R&D members, and IP team members are held monthly for each business unit. At these councils, participants formulate IP strategies aligned with each unit's development and business policies, and engage in active discussions on how to accelerate development through effective IP investments.

3. Discussions at management councils

At FSG, senior management is responsible for leveraging intellectual property and making IP investments in line with the company's growth strategy. IP strategies and challenges raised by the IP department are actively discussed at Board of Directors' meetings and Development Councils. The progress of the decisions made are monitored and supervised in collaboration with the heads of each business unit and region.

Promoting the use of IP landscapes

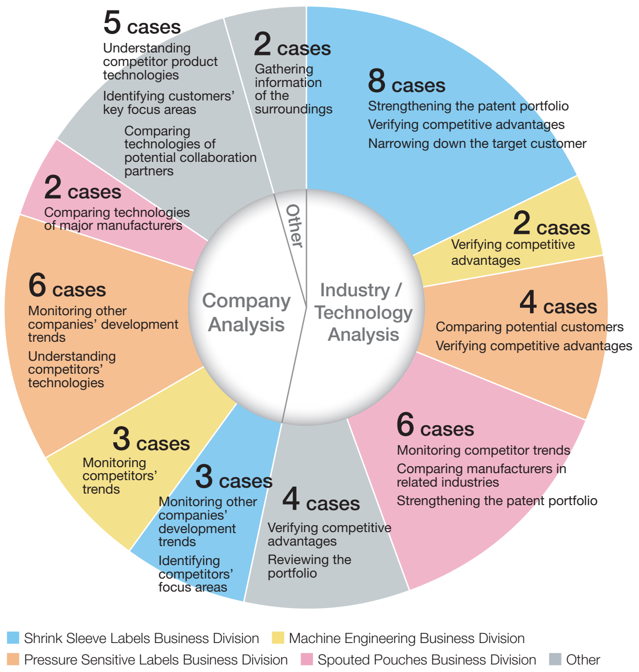
At FSG, we are engaged in ongoing discussions regarding development and investment based on our intellectual property (IP) portfolio, with the aim of leveraging IP investments to build competitive advantage and strengthen our competitiveness. We review our portfolio in alignment with our business strategy, development acceleration, and rapid time-to-market objectives, and are working to strengthen our IP strategy and governance to ensure appropriate and effective investments.

To that end, we actively utilize "IPL," an analytical report that combines intellectual property and non-intellectual property information. We encourage its use in all business contexts; the content ranges widely, from simple, one-page competitive analysis reports featuring graphs illustrating competitors' business and filing trends, to detailed strategies summarizing hypotheses regarding market information, competitors' development status, and the likelihood of new entrants. In FY2025, we produced over 40 IPL reports, which had a significant impact on business decision-making.

Rather than simply preparing documents, our intellectual property team is strongly committed to ensuring that "analytical insights are used to inform business decisions," and we are dedicated to providing information to executives and business leaders exactly when they need it.

Going forward, we aim to impact the success rate of business decisions and reduce risks by offering hypotheses based on IPL, with the ultimate goal of establishing IP governance in which IPL is standard practice. To that end, we are working to enhance the business acumen of our IP team members and to foster a better understanding of our business divisions, while also striving to create a culture where discussions can take place based on a common language.

FY2025 results of IP landscape



Creation of Next-generation Businesses

Reasons for selecting the materiality items

FSG is constantly driving the evolution of the packaging industry by creating new packaging in response to changes in containers and distribution, including succeeding in the world's first practical application of 20 µm packaging material and biomass film. As technology evolves, it is essential to create next-generation businesses that maximize our strengths.

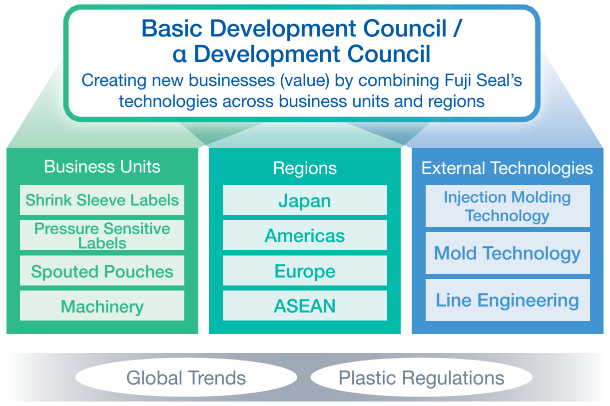
Regarding the KPI of the Materiality

To achieve our sales target of more than 350 billion yen under FSG.30, we will create new businesses and proactively take on projects that will contribute to sales as soon as possible.

New business creation initiatives

In this era of rapid change, the key is how well we can adapt to those changes. One of the systems inherited from FSG's past is its matrix management structure for businesses and regions. This structure enables us to quickly incorporate information and insights that emerge anywhere, and use them for global business expansion.

When creating new businesses, it is crucial to incorporate external capabilities alongside this existing DNA. Rather than simply imitating and adopting technologies from other companies, the potential for new business creation emerges when we focus on technologies that are effective from the perspective of FSG's core technologies, and then thoroughly refine them.



FY2025 initiatives and ongoing initiatives for achievement

In Europe, the PPWR (Packaging and Packaging Waste Regulation) will come into full effect in 2026, making the use of recycled materials mandatory. In Japan as well, the amended Act on the Promotion of the Effective Utilization of Resources took effect in April 2026. This law requires manufacturers that use a certain amount of plastic to submit and have verified a roadmap for the use of recycled materials. The fact that the use of recycled materials in containers has been codified into law in Japan is a landmark development.

Furthermore, any disruption in the petroleum supply chain will have an immediate impact of virgin plastic. When recycled plastic is used in containers through horizontal recycling, the impact of petroleum is expected to be indirect rather than direct. In FY2025—a year that marked a shift from mere talk of ESG to tangible action—FSG will remain steadfast in this commitment and aim to create even greater value through total manufacturing. We will further promote the aPT_Package initiative reported in FY2025.

The environmental value, consumer value, and customer value of the aPT_Package initiative have been refined, and we are currently discussing commercialization with the brand owner. We have brought the material assessment, product assessment, manufacturing technology, production technology, product quality, and cost to a level that is nearly ready for commercial release, and are currently addressing the final specific challenges.

FSG's focus is on global projects, which are currently under development in collaboration with overseas partners. By leveraging FSG's strong core technologies, we aim to enter the primary container sector while flexibly adapting to new changes. We will strive to enhance customer and consumer value by capitalizing on the strengths of our proprietary core technologies.

Film containers made from PET (aPT_Package)

■ Resin made without fossil fuels (recycled resin)
- Recyclable resin
- ➡ PET resin (technology already established)

■ Containers that minimize the use of resin
- Film containers
- ➡ Containers made from labels

■ Environmental considerations ········· Environmental value
- 90% reduction in virgin plastic usage
- Elimination of aluminum (AL)

■ Reduced waste ········· Consumer value
- Elli* *Name of the aPT_tube shape

■ Increased formulation flexibility ········· Customer value
- PET material

■ Creating a premium feel ········· Customer value
- Transparency, printing technology

Open Dialogue with Stakeholders

Reasons for selecting the materiality items

In addition to financial information, FSG is working to increase engagement with various stakeholders by promptly disclosing non-financial information. In particular, we believe it is important to clarify expectations through dialogue with each stakeholder and to foster mutual trust by meeting those expectations.

Regarding the KPI of the Materiality

We will establish a system to provide accurate and timely information in both Japanese and English to all stakeholders, both financial and non-financial, across the entire Group. This will increase engagement with stakeholders and lead to improved evaluations from external evaluation agencies.

FY2025 initiatives

Intended for investors

- Financial results briefings for institutional investors: 2 briefings (May and November)
- Meetings with shareholders and investors (IR/SR): 177 meetings
- Of which, meetings attended by internal directors and executive officers: 24 meetings
- Small-group meetings attended by the CEO: 2 meetings
- Investor meetings attended by outside directors: 1 meeting
- Revamping of supplementary materials for financial results
- Disclosure of price revision information and product supply information on our website

Intended for employees

- Internal financial results briefings for management across all regions, attended by directors: 4 sessions
- Value seminar to share an investor's perspective on our company: 1 session


At the Exhibition

Intended for customers

- Participated in exhibitions around the world

Region	Exhibition name	Period	Location	No. of exhibitors
Japan	Interphex Tokyo 2025	July 9–11, 2025	Tokyo Big Sight	Approx. 950 companies
	Lifestyle Week [Summer] 2025 (Tokyo)	July 2–4, 2025	Tokyo Big Sight	Approx. 1,100 companies
	The 10th Drink Japan (Beverage & Liquid Food Development & Manufacturing Exhibition)	December 3–5, 2025	Makuhari Messe	Approx. 400 companies
	Cosmetics Development Exhibition 2026 (COSME Tech 2026 TOKYO)	January 14–16, 2026	Tokyo Big Sight	Approx. 750 companies
ASEAN	AllPack Indonesia	October 21–24, 2025	Jakarta (Indonesia)	Approx. 1,500 companies
	ProPak Asia 2025	June 11–14, 2025	Bangkok (Thailand)	Approx. 2,000 companies
	2025 ISTA Asia Pacific & APN International Packaging Symposium	November 12–14, 2025	Bangkok (Thailand)	Approx. 10 companies
Europe	Drinktec 2025	September 15–19, 2025	Munich (Germany)	Approx. 1,100 companies
	Sustainability in Packaging Europe	October 21–23, 2025	Barcelona (Spain)	Approx. 40 companies
	Sustainable Packaging Summit	November 10–12, 2025	Utrecht (Netherlands)	Approx. 55 companies
	Paris Packaging Week	February 5–6, 2026	Paris (France)	Approx. 915 companies

Ongoing initiatives for achievement

FSG is committed to open and proactive two-way dialogue with all stakeholders, including shareholders and investors.

Disclosure of information

With regard to financial information and non-financial information—such as information on management strategies, management issues, risks, and governance—we ensure appropriate disclosure in accordance with applicable laws and regulations, and disclose information beyond what is required by law in a timely and fair manner to the extent possible.

In FY2025, we continued to disclose information on price revisions, product supply, and updates to FSG.30 through our website and supplementary materials for financial results, among other channels, while also focusing on disclosures in our Corporate Governance Report and regarding our sustainability, human capital, and environmental initiatives. Going forward, we will continue to enhance the transparency of our corporate information and communicate our corporate value in a timely, accurate, and consistent manner.

Stable Supply (including BCP)

Reasons for selecting the materiality items

FSG is engaged in businesses classified as essential, such as beverages, HPC (home personal care), and medical care. Since we offer products indispensable to daily living, we believe it is our social responsibility to ensure a stable supply of these products both in normal and emergency situations.

Regarding the KPI of the Materiality

By implementing the Group's OHS Management System to promote a safe and secure working environment throughout FSG, we aim to achieve zero workplace accidents for 365 consecutive days at one or more plants in each business region. Rather than being content with only fulfilling the conventional function of a SCMC, we will build a future-oriented ordering and reception system to establish a comprehensive business continuity planning (BCP) system that secures a competitive position in the market from the perspective of our customers.

FY2025 initiatives

In FY2025, building on the foundation for self-sustaining OHS management established in FY2024, we promoted company-wide initiatives led by the Safety and Disaster Prevention Department, to consolidate and further strengthen their implementation. Regarding OHS regulatory audits, we improved audit accuracy by updating check-lists to reflect the legal revisions enacted in FY2025.

We also ensured the proper operation of the compliance system by conducting on-site audits at our eight domestic locations, and completing corrective actions. Furthermore, by collecting and utilizing information related to legal revisions, we identified trends early, disseminated this information to relevant internal stakeholders, and established a system capable of prompt response.

In terms of human resource development, in addition to organizing the relevant laws and regulations and conducting training, we established an in-house instructor system for foreman training and promoted practical training based on real-site examples, in order to enhance safety awareness and response capabilities. Furthermore, we conducted natural disaster response capability assessments at each location and, based on the results, identified risks and implemented countermeasures. As a result, we strengthened our safety and disaster prevention infrastructure to ensure stable supply (BCP).

OHS regulatory audits

Ongoing initiatives for achievement

To maintain and enhance our supply chain based on independent OHS management, we will promote company-wide safety initiatives led by the Safety and Disaster Prevention Department and complete the establishment and consolidation of the foundation by FY2026. Regarding OHS regulatory audits, we will improve audit accuracy by continuously incorporating amendments to laws and regulations and updating checklists. At the same time, we will thoroughly identify fundamental issues based on audit results and implement measures to prevent recurrence. By completing the establishment of a continuous improvement cycle, we will complete the establishment of an autonomous operational system by FY2026. Furthermore, in terms of human resource development, we will promote the development of OHS management personnel through the formulation and implementation of legal compliance training plans, and achieve self-sufficiency within the company by FY2026. Furthermore, to address natural disaster risks, we will complete facility improvements and build reinforcements based on inspection results by FY2026, thereby strengthening our safety and disaster prevention infrastructure.

In addition, to address the risk of supply chain disruptions caused by raw material shortages and geopolitical factors, we will conduct material supply risk assessments, regularly share information with business partners, explore alternative procurement routes, and implement measures to reduce the risk of supply disruptions.

Status of natural disaster risk mitigation measures at each facility

Production facilities	Earthquakes (seismic resistance)	Lightning strikes (power outages, fires)	Flooding (drainage capacity)	Wind damage (building design)	Standards
A	Old seismic standards (reinforced)	○	○	○	All compliant
B	New seismic standards	○	○	○	All compliant
C	New seismic standards	○	○	○	All compliant
D	New seismic standards	○*	○	○	All compliant
E	New seismic standards	○	○	○	All compliant
F	Old seismic standards (reinforced)	○*	○	○	All compliant
G	New seismic standards	○	○	○	All compliant

*Although not required under the installation standards, lightning surge protection was adopted as an additional safety measure.

Fair and Transparent Transactions

Reasons for selecting the materiality items

FSG places emphasis on reliable and trustworthy transactions with our customers and business partners. We consider it important to realize fair and transparent transactions with our partners carefully selected based not only on pricing but also on a comprehensive evaluation of their quality management and quality assurance systems, experience, capabilities, performance, and social standing.

Regarding the KPI of the Materiality

Through sustainability dialogue and daily transactions with Strategic Sustainability Partners, we will work together to solve the challenges faced by our customers and society, thereby achieving responsible production and consumption practices.

FY2025 initiatives

FSG believes that collaboration with our business partners is essential to creating value that meets the demands of our customers and society. Furthermore, the environment in which we operate is changing every day. To view these changes as opportunities rather than risks and achieve significant results, it is becoming increasingly important for us to act in a manner that earns the trust of society.

Based on this philosophy, and in order to deepen mutual understanding and work together with our business partners toward shared growth, we conducted our Sustainable Supply Chain Questionnaire again in FY2025.

Starting in FY2025, we invited our business partners to participate in our first preliminary briefing session. During the session, we shared FSG's core values, our approach to a sustainable supply chain, and the topics we would like to explore together.

Following the questionnaire, we held a results briefing session where we shared the scorecards with our business partners, including evaluation comments and suggestions for improvement based on their responses. We also introduced recent ESG trends and provided insights into relevant ESG initiatives.

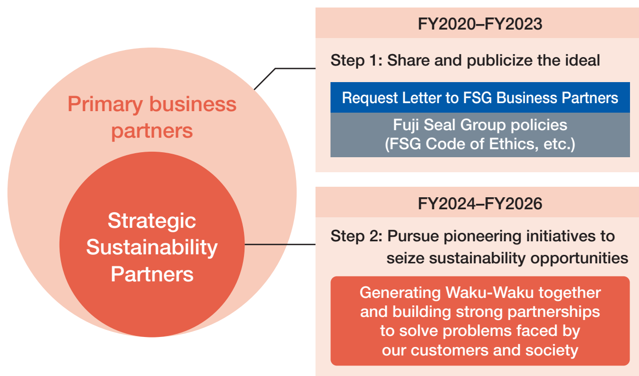
Sustainable Supply Chain Guidebook

Although this was the first time we held a briefing session for our business partners, our Sustainable Supply Chain Guidebook has been available on our website since 2021, for our stakeholders, including our business partners, to review. During the briefing, we also provided a concise overview of the Group Sustainability Basic Policy, the Fuji Seal Group Sustainable Supply Chain Flow, and the Request for FSG Business Partners (Group Supplier Code of Conduct).

Sustainable Supply Chain Guidebook

Ongoing initiatives for achievement

Building on our emphasis on dialogue, which we have been pursuing since FY2025, we will take this initiative to the next level in FY2026. At FSG, we view the Sustainable Supply Chain Questionnaire not merely as a means of reducing risk, but also as a tool to help us seize new opportunities. Based on the results, we will explore opportunities for individual dialogues that go beyond the scope of the questionnaire itself, with a view to establishing new partnerships through our sustainability initiatives with our strategic sustainability partners who are implementing advanced sustainable practices.



Promotion of Information Security Measures

Reasons for selecting the materiality items

FSG protects and responsibly manages confidential information entrusted to us by our customers and business partners, as well as personal information handled by FSG. We also believe it is important to eliminate risks that threaten business continuity, such as cyberattacks.

Regarding the KPI of the Materiality

FSG regards the leakage of confidential information (including information of business partners) as the most important management risk. We believe that it is critical to continue to improve information security measures, aiming to establish protection systems that ensures zero information leakage.

FY2025 initiatives

Standardizing and enhancing security measures across the entire Group

In light of the recent increase in the number and sophistication of cyberattacks, we believe that raising the overall level of security measures across the Group is of paramount importance. To that end, we have been preparing to issue Group-wide information security regulations and standards that clearly define the minimum security measures each Group company must implement, so that Group companies can work toward achieving clear security objectives. We plan to issue these regulations and standards early in FY2026, taking another step forward in improving security measures across the entire Group.

We are continuing our ASM (Attack Surface Management)*1 and credential monitoring initiatives, which began in December 2024, addressing various vulnerabilities while continuing to monitor for leaks of credential information.*2


M'B'S'D
Fuji Seal International,inc
CAAV マネージドサービス
月次報告書（2026年3月）
※JPリージョン
CAAV Managed Service
Monthly Report (March 2026)
＊JP Region
April 2026
Mitsui Bussan Secure Directions, Inc.

ASM Monthly Reports

Maintaining an effective emergency response system in case of information security incidents

To prepare for the possibility of cyberattacks, each region has established crisis response procedures for cybersecurity incidents. We have also implemented a structure that enables incident information to be promptly escalated to headquarters, ensuring rapid coordination and response at the Group level.

In addition, improving security resilience*3 is a key focus area. As an initial step, we have strengthened backup measures for critical systems. Furthermore, by conducting regular restore tests*4 and implementing measures to contain the impact of potential breaches, we continue to strengthen our overall security resilience.

*1 (Attack Surface Management) ASM: A series of processes for discovering and investigating IT assets accessible from outside the organization (the internet), and continuously detecting and assessing risks such as vulnerabilities present in those assets

*2 Credential information: All information used for authentication. This primarily includes data such as IDs, passwords, PINs, and biometric authentication data.

*3 Security Resilience: An organization's ability to minimize damage, quickly restore systems, and maintain business continuity on the assumption that a cyberattack will occur

*4 Restore Test: A test to restore business operations using the system's backup data

Ongoing initiatives for achievement

Governance

By issuing Group Information Security Policies and Standards and establishing a framework that enables all Group companies to enhance their security measures under a unified set of standards, we will ensure that the entire Group acts as one to respond swiftly to rapidly evolving threats, such as attacks leveraging AI.

In addition, we are facilitating regular information sharing between the newly established Global IT Office at FSI and the IT organizations in each region to ensure alignment and improve security measures across FSI and Group companies.

Strategy (risks and opportunities)

We recognize that cyberattacks, the suspension of business operations due to leaks of confidential information regarding customers and business partners—such as new product information—and the loss of public trust in FSG resulting from leaks of personal information related to FSG pose significant risks to the company. At the same time, we believe that by strengthening our cybersecurity measures and enhancing the management of information assets—including confidential information and personal information—we can maintain and improve public trust in FSG, thereby driving business growth.

After establishing the Group Confidential Information Management Regulations, we will conduct an inventory of information assets across the entire Group to identify them, and then follow up to ensure that their management is carried out in accordance with their respective confidentiality levels.

Risk management

At FSG, our fundamental approach is to establish information security rules for each region in accordance with the Group Information Security Policies and Standards issued by FSI, to build and operate IT systems, and to manage risks related to information security.

In addition, we are implementing solutions such as ASM to monitor the ICT security status across the entire Group.

Corporate Governance

Corporate governance system

FSG transitioned to a Nominating Committee, etc. (then, a "Company with Committees") in June 2004, and has continued to strengthen its corporate governance system. Under the Board of Directors, the Company has established the Nominating Committee, the Remuneration Committee, and the Audit Committee, each of which is composed of a majority of outside directors, in order to enhance management oversight functions and improve transparency.

The Company clearly separates the supervision of management from the execution of business operations. Specifically, this framework aims to:

(1) Strengthen corporate governance throughout the Group;
(2) Improve management transparency for shareholders and investors;
(3) Clarify the roles of Group management and business execution at each Group company, while enhancing the efficiency and quality of Group strategy; and
(4) Diversify management perspectives by utilizing the expertise of outside directors and strengthen the Group's ability to respond to change.

The Nominating Committee deliberates on and resolves matters related to the appointment of directors and executive officers. In addition, from the perspectives of enhancing Group management and developing next-generation talent, the Committee also deliberates on and submits proposals regarding the nomination of officers of Group companies.

The Remuneration Committee determines the remuneration of directors and executive officers in accordance with the Basic Policy on Remuneration. From the perspective of strengthening Group governance, the Committee also deliberates on and determines the remuneration of officers of Group companies.

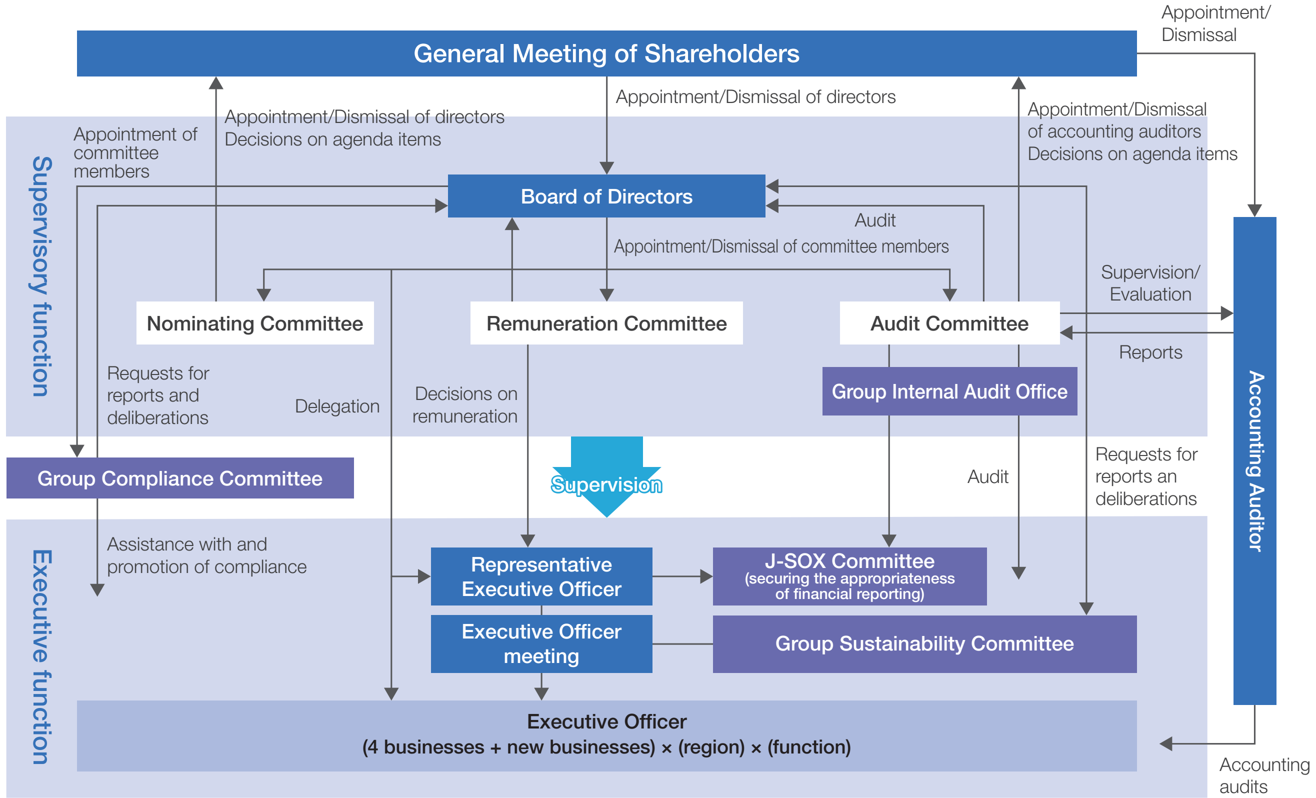
The Audit Committee consists of three outside directors, and has been established to ensure that the Group's operations are conducted lawfully, appropriately, and efficiently, in accordance with its annual policies and medium- to long-term management policies.

Enhancement of executive functions

At FSI, each executive officer is delegated authority by the Board of Directors to make decisions on and execute business operations under the overall supervision of the CEO and COO. Since adopting a Nominating Committee, etc. governance structure, the Company has continuously appointed women and foreign nationals as executive officers, thereby bringing diverse perspectives and experience to management and strengthening its ability to respond to changes in the global business environment.

In FY2021, the Company adopted a matrix management structure based on the two dimensions of business and region. By appointing executive officers to each business and region, the Company has accelerated decision-making and established a framework capable of responding flexibly to emerging challenges.In FY2025, the Company appointed executive officers responsible for its three new businesses to strengthen its business portfolio for future growth. To further reinforce executive functions and support the development of new businesses, the Company amended its Articles of Incorporation to increase the maximum number of executive officers from 14 to 20.

Fuji Seal Group's corporate governance system



Effective Governance

The Board of Directors consists of six directors, including three independent outside directors, with due consideration given to ensuring expertise and diversity. Internal directors possess broad practical experience, including knowledge of overall management such as management strategy, as well as experience as heads of Group operating companies and in managing overseas businesses. Outside directors include professionals with high levels of expertise and insight in their respective fields, such as attorneys, certified public accountants, individuals with experience in safety, disaster prevention and manufacturing in the field of technology development, and executives of listed companies. Through the appointment of such personnel, the Company seeks to strengthen its supervisory function from an independent standpoint.

While one of the six directors is female and all the directors are Japanese nationals, the Board possesses diverse knowledge, experience and capabilities across a wide range of fields, including overseas business operations, thereby contributing to an effective governance structure.

Assessment of Board Effectiveness

The Company works to strengthen corporate governance and ensure the effectiveness of the Board of Directors through the evaluation and supervision of directors and executive officers by the Nominating, Audit and Remuneration Committees, as well as through the annual assessment of Board effectiveness.

In FY2025, the Company selected themes with reference to the Guidance for Collaborative Value Creation 2.0, and held discussions in March 2026 based on the results of a non-anonymous questionnaire completed by all directors. The use of a non-anonymous questionnaire helped promote shared understanding among the directors, clarify priority issues, and facilitate more focused discussions on concrete measures.

As a result, the Board identified the following priority issues: (1) responding to market changes and strengthening competitiveness; (2) strengthening the financial base and promoting management with greater awareness of capital costs and share price; (3) advancing DX initiatives; (4) enhancing risk management; (5) reviewing executive skills in response to changes in the business environment; and (6) strengthening succession planning. Based on these findings, the Company will further improve the quality of Board discussions by enhancing decision-making and monitoring processes, while promoting the practical development of next-generation management candidates through participation in key meetings and other initiatives.

The Company will continue to reflect the issues identified through the effectiveness assessment in the deliberations and operation of the Board in the following fiscal year, and will strive for continuous improvement.

Remuneration of directors and executive officers

The Company has established a Remuneration Committee to ensure transparency in the management of the Group.

To maintain transparency and independence, the Remuneration Committee consists of four members: three outside directors and one internal director.

The Remuneration Committee mainly determines the policy for decisions on individual remuneration, etc. for directors and executive officers, the details of individual remuneration, etc. for directors and executive officers, and the evaluation of company-wide performance targets and individual performance targets for each executive officer in relation to performance-linked remuneration for executive officers (see the Annual Securities Report).

Risk Management

FSG has established the Group Risk Management Rule to appropriately address various risks that may arise in the course of business, setting forth the basic policy and management structure for risk management. In addition to responses to individual risks such as disaster prevention and crime prevention, this Rule defines the establishment and roles of the Risk Response Headquarters at the Group and regional levels as a framework for responding to incidents and crises.

FSG regards the regular identification of potential risks, the organization of such risks on a risk map based on their impact on management and likelihood of occurrence, and the establishment of a corresponding response structure as its basic risk management framework. In addition, FSG works to accurately capture increasingly diverse and sophisticated risks, clarify the risk areas to be managed from the perspective of Group management and governance, and organize the scope of risk recognition while also taking geopolitical risks into account.

Each year, FSG shares a common understanding of risks based on the risk map, and works to enhance the Group's overall risk response capabilities through the continued consideration and implementation of response measures and action plans for these risk events, including avoidance, transfer, mitigation, and acceptance.

TOPICS Sharing risk recognition across regions and strengthening effective crisis response capabilities

In FY2025, FSG improved visibility into the status of crisis response manuals across regions and shared the results throughout the Group. This initiative helped deepen mutual understanding and strengthen crisis response capabilities while reflecting the unique business environments and risk profiles of each region.

Specifically, FSG confirmed how each region is preparing for major risks amid differing risk environments.

As a shared understanding among all regions, the manuals are intended not merely as documents, but as a means of ensuring that frontline employees can act promptly in the event of an emergency. FSG also emphasizes the continuous enhancement of crisis response effectiveness through regular drills and operational reviews.

In areas where risks are highly common across the Group, such as cybersecurity, FSG places particular emphasis on strengthening response capabilities through collaboration among regions. FSG will continue to review and refine its approach in line with evolving circumstances, and strive to ensure effective crisis response operations.

Crisis response manuals

Compliance

Fuji Seal Group (FSG) Code of Ethics

As a global firm, FSG has established and published the FSG Code of Ethics, positioning compliance, which is a prerequisite for business activities, as the most important management issue. The FSG Code of Ethics defines the universal values to be observed and followed by each director, executive officer, senior management member, and employee of FSG from a corporate ethics perspective as Ethical Standards, and establishes a Code of Conduct to sincerely implement them.

Group-wide compliance management system

FSI has established the Group Compliance Committee to promote and support compliance management throughout the Group.

The Group Compliance Committee bears responsibility for important compliance-related matters, including devising and deciding on organizations and systems related to compliance; deliberating on the revision and abolishment of provisions in the FSG Code of Ethics; developing and finalizing Group-wide compliance action plans; and monitoring the implementation of those action plans. The Committee also submits reports and deliberation requests on these matters to the Board of Directors.

Consultation Hotline

To detect injustices, such as human rights infringements and harassment, as well as bribery and other misconduct and compliance-related problems, as early as possible and respond appropriately and promptly to them, FSG has established a whistleblowing system, the Consultation Hotline, which allows employees to report suspected cases. The Consultation Hotline operates while ensuring complete confidentiality and preventing any disadvantageous treatment of whistleblowers. The system can also be used anonymously.

In addition, the details of reports and the status of responses are regularly reported to the Group Compliance Committee, the Board of Directors, and the Audit Committee, and are used to improve compliance and risk management throughout the Group.

FSG Ethical Standards

1. Compliance of Laws, Regulations, Rules and Policies, and Honest and Ethical Business practice

FSG's policy is to comply with all applicable laws and regulations of the countries and regions in which FSG conducts its business and to conduct its business in an honest and ethical manner.

FSG Personnel shall comply with all applicable laws and regulations, as well as all internal company rules and policies (hereinafter "LAWS") related to their business activities. It is the responsibility of FSG Personnel to understand, implement and comply with all the requirements of LAWS.

2. Relationship with Stakeholders

Pursuing sustainable growth and increasing corporate value through sound business activities is the basis of FSG's responsibility to stakeholders, including customers, employees, business partners, shareholders, and society.

FSG recognizes that FSG's business activities have direct and indirect impact on society, therefore, the business practices of FSG require that business decisions give due consideration to the interests of its stakeholders.

FSG Personnel will conduct the business of FSG accordingly.

3. Appreciating Diversity

FSG conducts its business worldwide. Conduct which is socially and professionally acceptable in one culture or region may be viewed differently in another region.

Therefore, FSG Personnel are required to understand the cultural and regional differences while performing their duties.

4. Principles of Business Execution

FSG Personnel will make each business decisions in good faith, based on sufficient information and with confidence that they are the best interest of FSG. FSG Personnel will also verify that these decisions fulfill at least each the following conditions:

1) Legal and fair decision making (the decision complies with LAWS)
2) No conflict of interest (no personal interest or self-dealing transactions exist)
3) Have clear scope of responsibility (the decision is made within the scope of authority granted by the respective company)
4) Prudent decision (the decision is made based on sufficient information, and only after exercising reasonable diligence to acquire familiarity with the concerned facts as much as possible)
5) Consideration in good faith (reasonable confidence in the respective company's best choice)
6) No abuse of discretion (the decision is made based on the reasonable exercise of discretion)

Management

Board of Directors

From left: Yuichi Seki, Tatsundo Maki, Kimihiko Uemura, Shigeko Okazaki, Yoichi Okazaki, and Hideaki Umeda (As of June 24,2026)

Tatsundo Maki

Outside Director
Independent Director

Born on September 14, 1972

Brief history

April 1997: Joined Asahi & Co. (currently KPMG AZSA LLC)
April 2000: Registered as a Certified Public Accountant
April 2009: Representative Partner, SCS Global LLC (present)
October 2012: Representative Director, SCS Global Consulting K.K. (present)
June 2017: Director, Fuji Seal International, Inc. (present)
February 2025: Outside Director, Hioki E.E. Corporation (present)

Length of service as an outside director

9 years

Yuichi Seki

Outside Director
Independent Director

Born on June 28, 1953

Brief history

April 1978: Joined Kobe Steel, Ltd.
June 2011: Senior Managing Director, General Manager of the Technical Development Group, Kobe Steel, Ltd.
June 2012: Executive Vice President and Representative Director, OSAKA Titanium technologies Co., Ltd.
June 2014: President and Representative Director, OSAKA Titanium technologies Co., Ltd.
June 2019: Director, Fuji Seal International, Inc. (present)
June 2021: Corporate Auditor, Fuji Seal, Inc. (present)

Length of service as an outside director

7 years

Kimihiko Uemura

Outside Director
Independent Director

Born on November 15, 1958

Brief history

April 1987: Registered as a lawyer; joined Midosuji Legal Profession Corporation
April 1993: Partner, Midosuji Legal Profession Corporation (present)
June 2013: Outside Auditor, METAWATER Co., Ltd.
March 2024: Outside Auditor, Konoike Construction Co., Ltd. (present)
June 2025: Director, Fuji Seal International, Inc. (present)

Length of service as an outside director

1 year

Shigeko Okazaki

Born on April 5, 1957

Brief history

August 1990: Joined Fuji Seal International, Inc.
December 1999: Director, Fuji Seal Europe Ltd.
January 2001: General Manager of the Corporate Planning Center, Fuji Seal International, Inc.
December 2001: Director, American Fuji Seal, Inc.
June 2002: Director, Fuji Seal International, Inc.
November 2002: Director, Fuji Seal Europe S.A.S.
June 2004: Director and Executive Officer, Fuji Seal International, Inc.
October 2004: Director, Fuji Seal, Inc.
March 2007: President and Representative Director, Fuji Seal Europe S.A.S.
March 2008: Director, Representative Executive Officer, and President, Fuji Seal International, Inc.
March 2010: President and Representative Director, Soho KK (present)
July 2012: Chairperson,Fuji Seal Switzerland AG
June 2020: Director, Representative Executive Officer, President, and CEO, Fuji Seal International, Inc.
June 2021: Director, Representative Executive Officer, Chairperson, and CEO, Fuji Seal International, Inc.
March 2023: Director, Representative Executive Officer, President, and CEO, Fuji Seal International, Inc. (present)

Yoichi Okazaki

Born on July 26, 1982

Brief history

October 2012: Joined Fuji Seal International, Inc.
January 2017: General Manager of the Machinery Segment, Fuji Seal Germany GmbH
February 2019: Representative Director and President, Fuji Seal Germany GmbH
January 2020: General Manager of the Corporate Planning Division, Fuji Seal International, Inc.
February 2022: General Manager of the Machinery Division, Fuji Seal, Inc.
June 2022: Executive Officer, Fuji Seal International, Inc.
December 2022: Representative Director and President, Fuji Seal B.V.
June 2023: Director and Executive Officer, Fuji Seal International, Inc.
June 2025: Director, Executive Officer, Vice President, COO , Fuji Seal International, Inc. (present)

Hideaki Umeda

Born on December 31, 1971

Brief history

April 1997: Joined Fuji Seal International, Inc.
February 2013: Corporate Planning Manager, Paris Branch, Fuji Seal International, Inc.
August 2014: Factory Manager, Fuji Seal Europe Ltd.
March 2016: Production Director, Fuji Seal Europe S.A.S.
July 2018: Director, American Fuji Seal, Inc. (present)
April 2021: Executive Officer, Fuji Seal International, Inc.
June 2025: Director and Executive Officer, Fuji Seal International, Inc. (present)

Executive Officers

Shigeko Okazaki

Representative Executive Officer,
President and CEO

Yoichi Okazaki

Executive Officer,
Vice President, COO

Hideaki Umeda

Executive Officer
in charge of the Labels Division

Takeshi Kyogane

Executive Officer
in charge of the Japan region

Masahisa Fukuda

Executive Officer
In charge of the Spouted Pouches Division and the ASEAN region

Satoru Kawasaki

Executive Officer
in charge of the American region

Marieke Sauer-Ploegmakers

Executive Officer in charge of Human Resources and in charge of the European region

Honey Hiranand Vazirani

Executive Officer
in charge of India region

Sachiko Yashiro

Executive Officer
in charge of Finance

Norio Satake

Executive Officer
in charge of the Deep IS Business

Yoshinori Inagawa

Executive Officer
in charge of the aPT Business

Hideki Omae

Executive Officer
in charge of the CMO Business

Standards for Appointment of Directors

The Nominating Committee appoints candidates for directors based on the Standards for Appointment of Directors as shown right:

Field	Items
Basis	Practices our mission statement / Participatory Awareness / Capability to detect changes
Formulation of strategies	Show one's vision / Formulates and decides strategies / Capability of setting goals
Implementation of initiatives to solve challenges	Capability of implementation and practice / Capability of analyzing problems / Capability of detecting risks / Leadership
Leadership	Capability to respond to changes / Determination to take on new challenges
Traits	Credibility within the Company / Credibility outside the Company / Gaining credibility
Experience and knowledge	Achievements in developing new business fields / Positive track record/ Expertise and experience

Skill Chart

Skills	Reason for selection	Number of applicable directors
Corporate management	In order to realize the Group's vision "Our Value to People and the Planet" and establish and implement growth strategies as a leading packaging company amid a dramatically changing business environment, we require directors with experience and a track record in management.	6
Sustainability and environmental management	In order to become a company that contributes to realizing a sustainable society by solving ESG issues with packaging, we require directors with knowledge of decarbonization, eco-design, diversity, and work-life balance, as well as the ability to promote initiatives in those areas.	4
Marketing	In order to achieve sustainable growth in the packaging market, we require directors with experience in consistently listening to the market and customers, understanding the essence of their needs, and growing alongside them.	5
Manufacturing and development	In order to develop eco-friendly packaging to achieve a circular society, we require directors with a track record in promoting various innovations, solid knowledge in the fields of technology, quality, and the environment, and experience in strategic planning based on an understanding of those fields.	4
Global business	In order to accelerate global business expansion and enhance profitability, we require directors with overseas business management experience and extensive knowledge and experience in overseas lifestyles, cultures, and business environments to address local needs.	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. We require directors with solid knowledge in the field of human resource development, including promoting diversity, as well as experience in strategic planning based on an understanding of those fields.	6
Financial strategy	To build a strong financial base, promote growth investments (including M&As) for the sustainable enhancement of corporate value, and increase shareholder returns, we require directors with solid knowledge in the fields of finance and accounting, as well as experience in strategic planning based on an understanding of those fields.	5
Compliance, governance, and risk management	Establishing an appropriate governance system is the foundation for sustainable enhancement of corporate value needed by society. To enhance the effectiveness of the Board of Directors' management supervision, we require directors with solid knowledge in the fields of corporate governance, risk management, and compliance, as well as experience in strategic planning based on an understanding of those fields.	6
Digital transformation (DX) promotion	To create exciting new value and maintain and strengthen competitiveness in the market, we require directors capable of driving change utilizing data and digital technology.	2

Name	Outline of expectations	Expected skills & experience
Tatsundo Maki	Drawing on his extensive experience and broad expertise in accounting and taxation as a certified public accountant, he plays a key role in strengthening the Board's decision-making and oversight, particularly in supporting business expansion across Asia, including India, and enhancing governance of overseas Group companies. We expect him to continue contributing to the Board's effectiveness through robust oversight, constructive advice from diverse stakeholder perspectives, and a commitment to transparent and fair management.	● Corporate management ● Global business ● Financial strategy ● Compliance, governance, and risk management
Yuichi Seki	Drawing on his extensive expertise in manufacturing, R&D, safety, disaster prevention, and production management, together with his experience as a listed company executive, he plays a key role in strengthening the Board's decision-making and oversight, particularly in the areas of safety, quality, and production systems. We expect him to continue enhancing the Board's effectiveness through robust oversight, constructive advice from diverse stakeholder perspectives, and a commitment to transparent and fair management.	● Corporate management ● Manufacturing and development ● Human resource development ● Compliance, governance, and risk management
Kimihiko Uemura	Drawing on his extensive expertise and practical experience in corporate law, compliance, and risk management as an attorney, he plays a key role in strengthening the Board's decision-making and oversight. We expect him to continue enhancing the Board's effectiveness through robust oversight, constructive advice from diverse stakeholder perspectives, and a commitment to transparent and fair management.	● Corporate management ● Sustainability and environmental management ● Human resource development ● Compliance, governance, and risk management
Shigeko Okazaki	Drawing on his extensive experience and broad expertise as the Group's chief executive, he plays a key role in strengthening the Board's decision-making and oversight. We expect him to continue contributing to effective Group governance by overseeing management across the Group and reinforcing governance that reflects the diverse perspectives of each region and business.	● Corporate management ● Sustainability and environmental management ● Human resource development ● Promotion of digital transformation (DX)
Yoichi Okazaki	Drawing on her extensive experience and broad expertise in corporate strategy and innovation, she plays a key role in strengthening the Board's decision-making and oversight by bringing diverse perspectives to Board discussions and contributing to effective oversight of the Group's management. We expect her to continue contributing to effective Group governance by leveraging his experience as a business and regional leader and reinforcing governance that reflects the diverse perspectives of each region and business.	● Corporate management ● Marketing ● Global business ● Promotion of digital transformation (DX)
Hideaki Umeda	Drawing on his extensive experience and expertise as the executive responsible for the Group's core businesses, he plays a key role in strengthening the Board's decision-making and oversight by bringing insights from manufacturing transformation and new product development to Board discussions. We expect him to continue contributing to effective Group governance by reinforcing governance from the perspectives of global operations, manufacturing, and technology.	● Corporate management ● Manufacturing and development ● Global business ● Human resource development

A Message from Our Outside Directors

Deepening investor dialogue under the new management structure, and the next stage of our financial strategy

Tatsundo Maki
Outside Director
(9 years of service)

I feel that management practices focused on the cost of capital are already well established. Management is centered on sustainable profit growth, improved capital efficiency, and an optimal capital structure. In terms of investor relations, the company is responding to changes in investor interest by providing more specific disclosures and enhancing dialogue; furthermore, each region has established its own metrics and is incorporating them into its management decisions.

To drive profit growth, the company is focusing on generating operating cash flow through improved profitability, in addition to investing in growth areas, with the aim of creating a positive cycle in which the results of these efforts are reinvested to fuel further growth. In addition, to achieve FSG.30, the growth strategies for each market and business segment have been clarified. To improve capital efficiency, business portfolio reviews are ongoing, and investment decisions are being made based on an optimal capital structure.

The challenge moving forward is to demonstrate how non-financial assets—such as the customer base and technological capabilities, in addition to environmental, human capital, and governance factors—are linked to the financial targets outlined in FSG.30. If these connections can be made visible, our ability to explain them to investors will certainly improve. Under the new management structure, discussions regarding investment decisions and capital allocation have increased, and the company is required to be accountable for its investment objectives and returns. Disclosure and dialogue regarding the balance between cash allocation and shareholder returns are also progressing. Amid an uncertain business environment, I look forward to the continued advancement of financial strategies that balance both offensive and defensive approaches.

Promoting strategic investments to achieve FSG.30

Yuichi Seki
Outside Director
(7 years of service)

As the FSG.30 management plan, launched in FY2024, is being implemented, lively internal discussions are being held regarding strategic investments that will contribute to our company's growth. Building on market growth, decisions have been made to construct new factories aimed at further expanding the business scale. Following the factory in the United States (North Carolina), additional facilities have been set up in Japan (Yamagata) and ASEAN (Phraeksa, Thailand), with operations scheduled to begin sequentially from this year through next year. Furthermore, investments to enhance system infrastructure, automation, and digital transformation, aimed at thoroughly boosting profitability, are being progressively implemented not only at these new sites but also at existing factories and in staffing divisions, to thoroughly improve profitability. These initiatives are based on market trends in each region and the company's corporate strategy, and I view them as promising for the future.

Meanwhile, efforts to strengthen organizational capabilities continue, including investments in talent and technology. For FY2025, capital expenditures were approved for the CMO Business, which is leading the way in commercialization, to facilitate entry into and expansion within growth areas. Although each new business initiative is at a different stage, I assess that they are progressing steadily. Going forward, we will need to ensure that new assets are launched as quickly as possible, following meticulous preparation. All stakeholders are working with this mindset, and we will continue to monitor these efforts closely.

Board discussions that support appropriate risk-taking

Kimihiko Uemura
Outside Director
(1 year of service)

Within the Group, each region develops a risk map tailored to its specific circumstances, and manages risks by prioritizing them. Given differences in culture, legal systems, and values, it is crucial for each region to take the lead in managing risks. Through dialogue with regional leaders, we gather information to verify the effectiveness of risk management and implement improvements or revisions as necessary. We assess that no major risk events occurred in FY2025, and that we were able to respond agilely to geopolitical risks. However, risk management is an ongoing process, and continuous efforts are essential.

Similarly, when it comes to important management decisions such as M&A, capital expenditures, and new business ventures, taking appropriate risks is essential for corporate growth. As an outside director and member of the Audit Committee, I have placed great importance on adopting a stance that supports taking on challenges while managing risks. Since management decisions involve forecasting the future, management's discretion should be respected, and I approach discussions from that perspective. The Board of Directors is an open forum for free and frank discussion, and we reach conclusions through a lively exchange of views. To achieve sustainable growth as a global company, I believe it is important not only to support growth in each region but also to standardize and further enhance corporate governance practices across all regions.

Activities of the Group Sustainability Committee

Sustainability Management Initiatives

The Fuji Seal Group (FSG) cherishes the vision "Our Value to People and the Planet," aiming to add "Our proactive impact to realize the Circular Society." Our Mission is defined as follows: "Fuji Seal will impact to realize the Circular Society that brings peace and happiness to all through packaging."

To achieve these ideals of ours, we constantly review our sustainability management system.

Organizational structure and roles of the Group Sustainability Committee

The aim of the Group Sustainability Committee (established in December 2020) is to promote and support sustainability management in the Group.

Group Sustainability Committee

The Group Sustainability Committee serves as the hub for the promotion of FSG's sustainability management by considering and formulating basic policies (including reviewing materiality items); submitting proposals and reports to the Board of Directors on action plans, their results, and other sustainability-related matters; and managing and monitoring the progress of sustainability management. The Committee is chaired by the CEO and consists of all executive officers. The FSI Sustainability Subcommittee has been established as its subordinate organization. ▶In FY2024, it met four times.

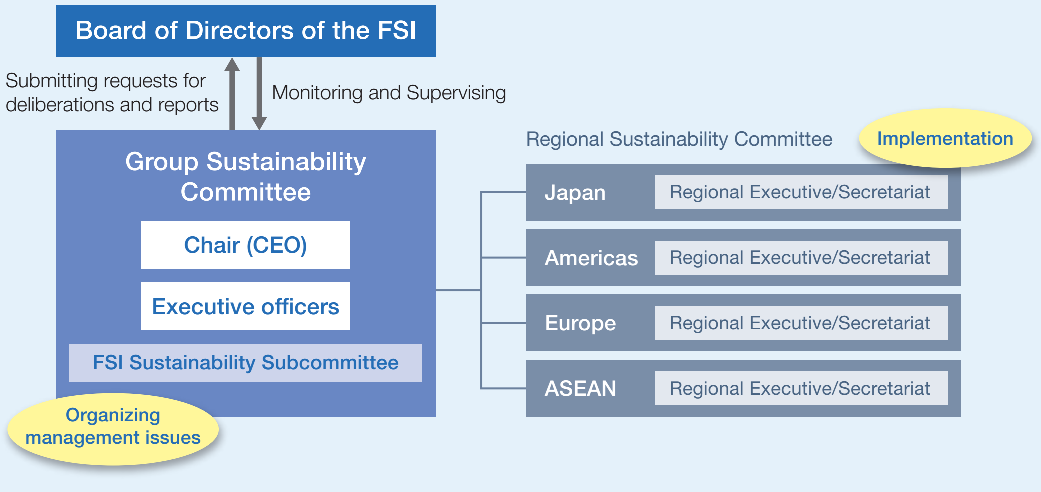
FSI Sustainability Subcommittee

The FSI Sustainability Subcommittee will support the deliberations and activities of the Group Sustainability Committee by drafting and proposing basic policies to the Committee and will also work in cooperation with the Regional Sustainability Committee to manage and monitor the progress of each measure and regional KPI as well as implement various policies such as CO_2 reduction.

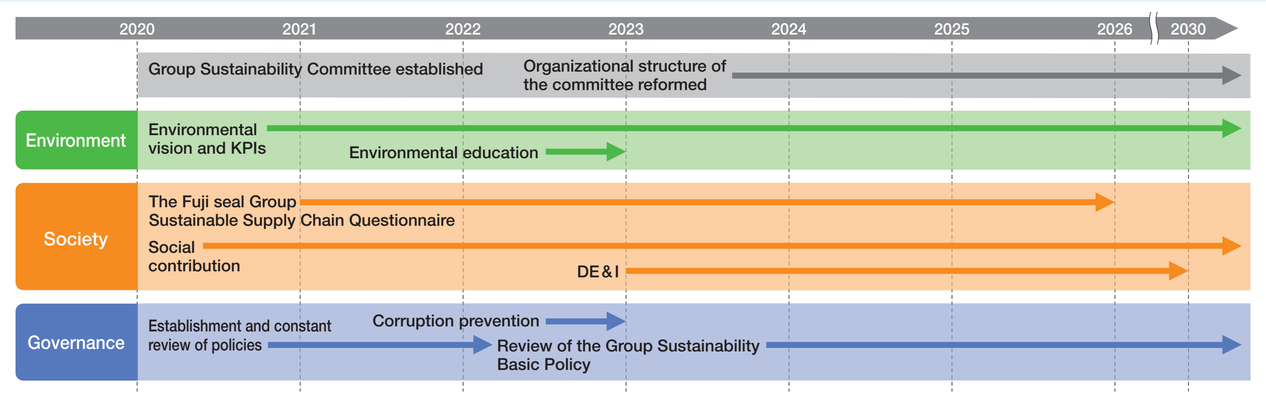
▶In FY2025, it met 12 times to support various activities.

Furthermore, in each region, we have in place a Regional Sustainability Committee chaired by the executive officer in charge of the region to enforce the Group policies, build and operate execution frameworks, and implement measures.

Chart of the organizational structure of the Group Sustainability Committee



Priority items



ESG

FY2025 External Evaluation

To achieve our vision,various external organizations have highly rated us as a company that promotes initiatives to help realize a sustainable society.

We are actively committed to obtaining such external ratings as indicators of the outcomes of the activities of the Group Sustainability Committee.

■ EcoVadis

EcoVadis is Third-party organization which provides holistic sustainability ratings service of companies via a global cloud-based SaaS platform.

The EcoVadis Rating covers a broad range of non-financial management systems including Environmental, Labor & Human Rights, Ethics and Sustainable Procurement impacts. Each company is rated on the material issues as they pertain to their company's size, location and industry.

Winning the Bronze medal in FY2025(Bronze medal winners account for only the top 35%)

We continue to advance our initiatives toward realizing a sustainable society.

BRONZE | Top 35% ecovadis Sustainability Rating JUL 2026

Certificate

■ Sedex

Sedex is a platform for sharing data on various social responsibilities in supply chains, such as responsibilities concerning working conditions, human rights, the environment, and business ethics. We conduct evaluations and reporting for each region and factory and disclose the results to customers in Japan and around the world.

■ CDP

CDP is a not-for-profit organization established in the UK in 2000 that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. CDP's global disclosure system is renowned for presenting highly influential data, which are used by major purchasing companies.

In FY2025, we received an "A" rating, the highest evaluation, in the "Supplier Engagement Assessment (SEA)",and received a "B" rating for "Climate Change" and "Water," and a "C" rating for "Forests"

CDP Discloser 2025 | B Climate 2025 | B Water 2025 | C Forest 2025 | A SEA 2025

■ FTSE Blossom Japan Sector Relative Index

FSG has been selected since FY2021

■ FTSE Blossom Japan Index

FSG has been selected since FY2021

* FTSE Russell confirms that Fuji Seal International, INC. has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE JPX Blossom Japan Index, and FTSE JPX Blossom Japan Sector Relative Index. Created by the global index and data provider FTSE Russell, these indices designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. These indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

FTSE Blossom Japan Sector Relative Index

FTSE Blossom Japan

■ SOMPO Sustainability Index

FSG has been selected since FY2021

2026 Sompo Sustainability Index

- Sompo Sustainability Index
  - Incorporated Stocks: Approx. 300 stocks which show superior ESG evaluation based on proprietary research (Reviewed annually)
  - Inception Date: August 2012
- Japan Value Equity Sustainable Strategy
  - Investment Style: Constructing the portfolio that tracks the active index "Sompo Sustainability Index"
  - Smart Beta strategy which tracks an active index (Sompo Sustainability Index), created using both ESG evaluation and stock valuation
  - Sophisticated proprietary evaluation system in collaboration with Sompo Risk Management, a leading company in Japan ESG research
  - Diversified investment in stocks with high management quality, determine the stock weights in accordance with their intrinsic values
  - Long-term investment style (buy-and-hold), unsusceptible to short term market price fluctuations

■ S&P/JPX Carbon Efficient Index

FSG has been selected since FY2019

S&P/JPX Carbon Efficient Index

*Logo obtained from: S&P Dow Jones Indices

■ MSCI Japan Empowering Women Index (WIN)

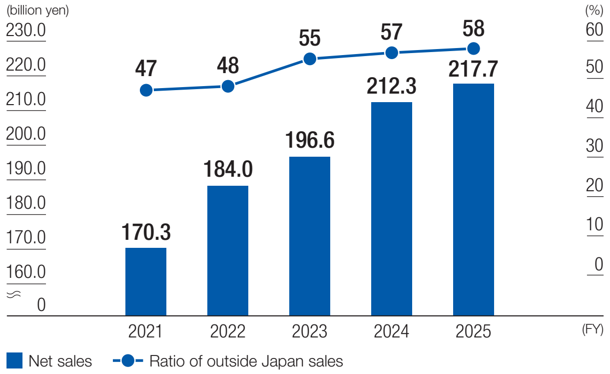
FSG has been selected since FY2019

2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

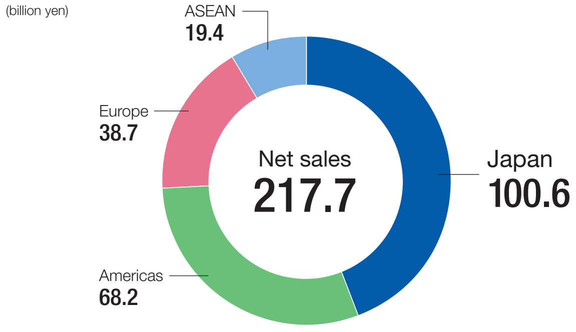
* THE INCLUSION OF FUJI SEAL INTERNATIONAL, INC IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF FUJI SEAL INTERNATIONAL, INC BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

Financial Highlights

Net sales / Ratio of outside Japan sales

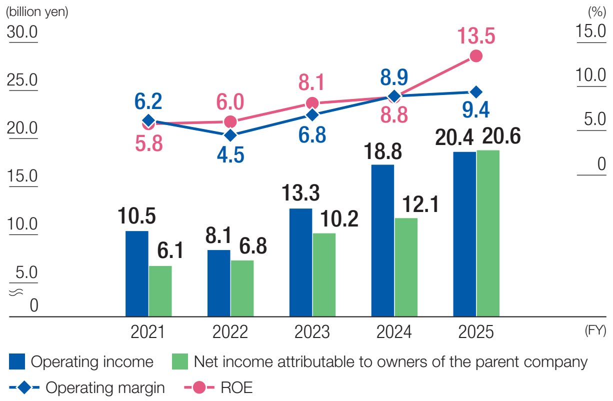


Net sales by Segment (FY2025)



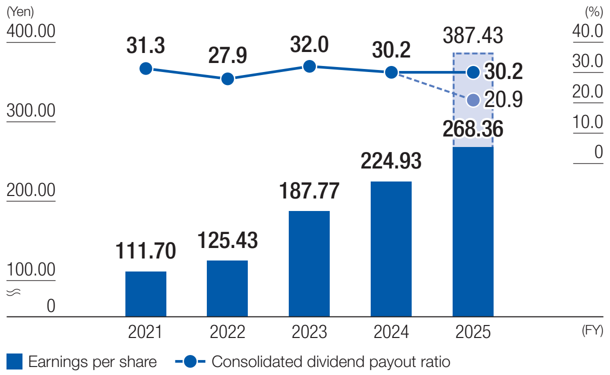
* Since the figures for the respective regional segments include interregional transactions, their sum is not equivalent to the total net sales shown in the center of the pie chart.

Operating income / Net income attributable to owners of the parent company/ Operating margin / ROE



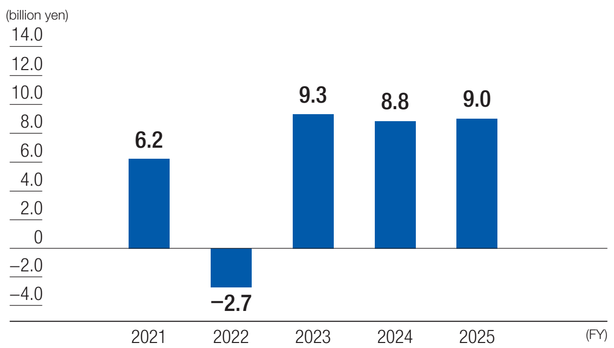
* The ROE of 13.5% for FY2025 includes the one-time impact of the liquidation of our Swiss subsidiary. Excluding this one-time impact, the ROE would be 9.3%.

Earnings per share / Consolidated dividend payout ratio

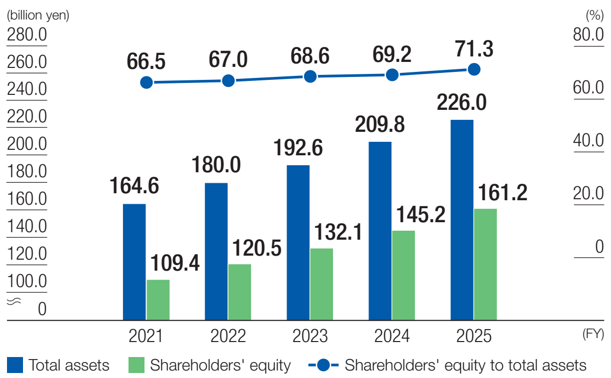


* The "Earnings per share" and "Consolidated dividend payout ratio" for FY2025 exclude the one-time impact resulting from the liquidation of the Swiss subsidiary. Including this one-time impact, "Earnings per share" would be 387.43 yen, and the "Consolidated dividend payout ratio" would be 20.9%.

Free cash flow



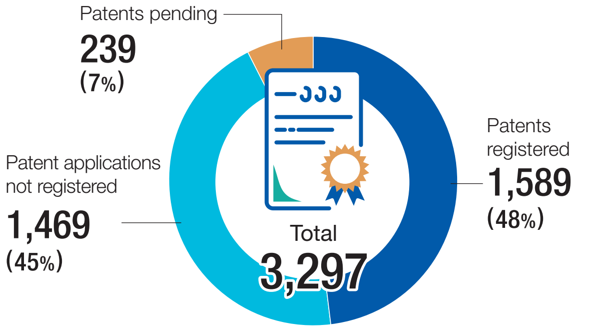
Total assets /Shareholders' equity/ Shareholders' equity to total assets



Non-financial Highlights

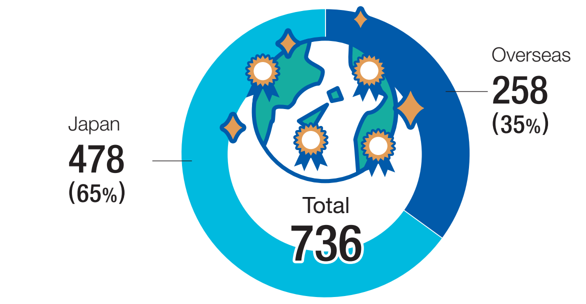
No. of patents applied for (accumulation from 1973)

(As of the end of March 2026)

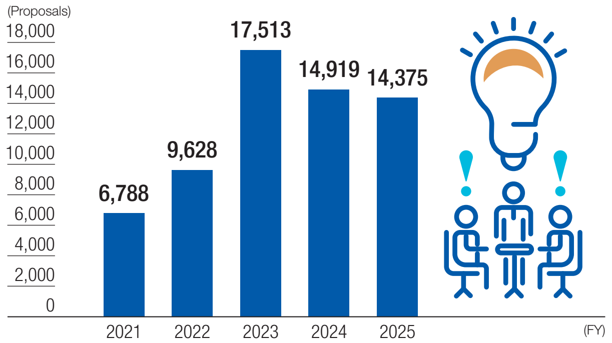


* Limited to patent applications from within Japan

No. of patents held (in Japan / Overseas) (As of the end of March 2026)

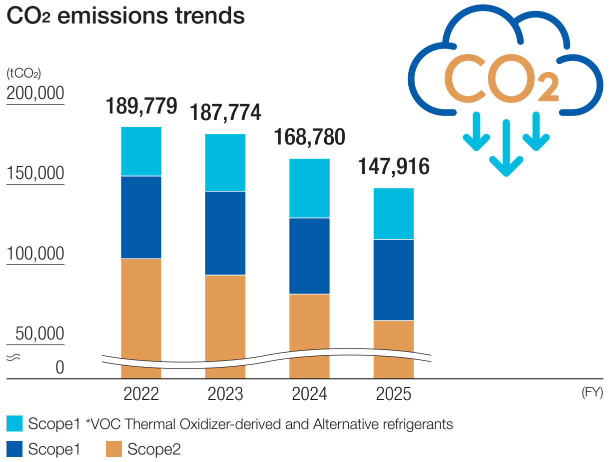


No. of proposals submitted in the Idea Bank Program



* See page 27-28.

CO_2 emissions trends

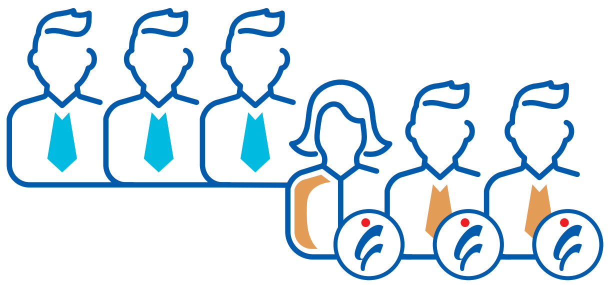


* According to Fuji Seal (as of June 30, 2026)

Outside directors (elected at the General Meeting of Shareholders on June 24, 2026)

3/6 directors

(Outside directors) (All directors)



Business deployment areas (As of the end of March 2026)

26 group companies in 14 countries

Consolidated Results (Profit/Loss) for FY2025 Management Indicator

In fiscal 2025, the business environment remained uncertain due to changes in the international landscape, including trade policies in various countries, fluctuations in raw material prices, and continued inflation.In this environment, FSG strives for sustainable growth alongside our customers and to increase corporate value, guided by Our Credo, "Each day with renewed commitment, we create new value through packaging." We have also continued to set "Our Value to People and the Planet" as Our Vision, aiming to continuously increase corporate value alongside all stakeholders, including customers,employees, business partners, shareholders, and society.

	FY2024	Change	FY2025
Net sales	212.3 billion yen	Increased by 2.5%	217.7 billion yen
Operating income	18.8 billion yen	Increased by 8.6%	20.4 billion yen
Ordinary income	18.3 billion yen	Increased by 20.1%	22.0 billion yen
Net income attributable to owners of the parent company	12.1 billion yen	Increased by 69.3%	20.6 billion yen

Cash Flows

Cash and cash equivalents at the end of FY2025 were 35,344 million yen, an increase of 6,293 million yen from the end of FY2024. The main details are as follows:

Cash flows

(Unit: Million yen)

	End of FY2025	
Balance of cash and deposits at the beginning of the fiscal year	29,051	
Cash flows from operating activities	21,553	Income before income taxes: +24,324; Depreciation: +8,423; increase (decrease) in trade payables: (2,777); income taxes paid: (4,465)
Cash flows from investing activities	△ 12,483	Proceeds from withdrawal of time deposits:+5,896; purchase of property, plant and equipment: (16,984)
Cash flows from financing activities	△ 4,361	Purchase of treasury shares: (1,077); dividends paid: (3,934)
Effect of exchange rate change	1,584	
Balance of cash and deposits at the end of the fiscal year	35,344	
Free cash flows	9,069	

Management Indicator Targets

● About FSG.30

In order to make appropriate decisions in response to changes and continue to grow, the Fuji Seal Group formulated FSG.30 = Fuji Seal Sustainable Growth 2030 Strategy in May 2024, with the seven-year period up to 2030 positioned as a turning point. Under FSG.30, our consolidated management targets for the fiscal year ending March 2031 are as follows: net sales of 350 billion yen or more and a double-digit operating profit margin. FY2024 was the first year of the strategy period. In FY2026, the third year of the strategy period, we will continue the various initiatives to achieve the FSG.30 targets.

To tackle this challenge, the Group will leverage the following as it strives to continue to grow: 1) the ability to respond flexibly and agilely with local manufacturing, sales and development systems to meet the diverse packaging needs of customers who are leading the global market, and to deploy the technologies and experience cultivated in other regions; 2) the ability to respond to and verify market demands and to provide QCD through the possession of integrated technology covering materials technology, production, customer applications, and after-sales service; and 3) the strong relationships with innovative global customers cultivated through the above abilities. In particular, building strong relationships with customers is essential for developing in-demand packages. We will promote the creation of collaborative and co-creative initiatives born from mutual dialogue.

● Overview of FSG.30

FSG.30 was formulated to realize the future vision of the Group. We will accelerate our global efforts to implement the three business strategies for sustainable growth by utilizing our strengths—valued customer,global presence,production—as well as the business foundation we have built thus far—financial affairs,human capital,governance,IP strategy, and coexistence with the environment.

Dividends

By providing packaging, we aim to contribute to achieving a circular and sustainable society where all people can live with smiles and peace of mind, thereby increasing our corporate value. We recognize that our top management priority is offering continuous and stable profit returns to shareholders based on our consolidated business performance for each fiscal year. For these reasons, we have revised our basic policy regarding profit distribution as follows:

① Invest in continuous growth (technology development, human resource development, capital investment, M&A).

② Aim for a consolidated dividend payout ratio of 30%, in principle, while steadily and continuously increasing the dividend per share after comprehensively considering changes in the business environment and other factors.

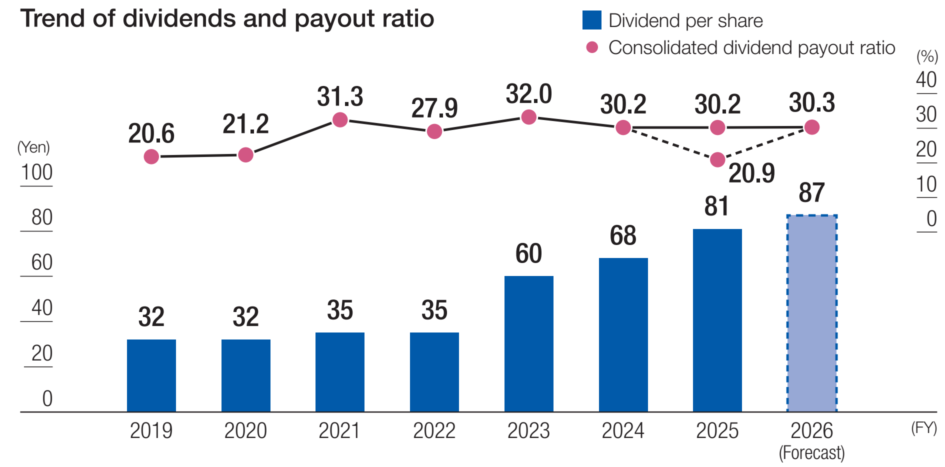
③ Adjust for the impact of one-off or non-recurring factors when they cause significant fluctuations in net income.

④ Build a stable financial foundation in preparation for emergencies and acquiring and disposing of treasury stock flexibly.

In FY2025, Net Income reached a record high, supported by profitability improvement initiatives implemented across each region. Based on our revised basic policy on profit distribution and our financial performance for the fiscal year, the Board of Directors resolved at its meeting held on May 21, 2026, to pay a year-end dividend of 46 yen per share. Combined with the interim dividend of 35 yen per share, the annual dividend for FY2025 will total 81 yen per share, resulting in a consolidated dividend payout ratio of 20.9%.This payout ratio reflects our decision to exclude the temporary impact arising from the closure of our overseas subsidiary, Fuji Seal Switzerland AG, from the basis for determining dividends, in order to allocate the corresponding funds to growth investments for achieving the goals of "FSG.30." Excluding this temporary impact, the consolidated dividend payout ratio would have been 30.2%.

For FY2026, we plan to pay an annual dividend of 87 yen per share, which is expected to result in a forecast consolidated dividend payout ratio of 30.3%.

Trend of dividends and payout ratio



* The consolidated dividend payout ratio of 20.9% for FY2025 includes the one-time impact of the liquidation of our Swiss subsidiary.

Summary of Consolidated Financial Results (1)

Fiscal year		2021	2022	2023	2024	2025
Net sales (million yen)		170,321	184,035	196,624	212,345	**217,752**
YoY growth (%)		4.1	8.1	6.8	8.0	**2.5**
Gross profit (million yen)		30,638	29,677	35,855	44,989	**48,337**
YoY growth (%)		–2.1	–3.1	20.8	25.5	**7.4**
Ratio of gross profit to net sales (%)		18.0	16.1	18.2	21.2	**22.2**
Operating income (million yen)		10,572	8,194	13,309	18,844	**20,463**
YoY growth (%)		–14.9	–22.5	62.4	41.6	**8.6**
Operating margin (%)		6.2	4.5	6.8	8.9	**9.4**
Ordinary income (million yen)		10,600	8,426	14,732	18,323	**22,009**
YoY growth (%)		–12.4	–20.5	74.8	24.4	**20.1**
Ordinary income to net sales (%)		6.2	4.6	7.5	8.6	**10.1**
Net income (million yen)		6,117	6,869	10,277	12,199	**20,655**
YoY growth (%)		–27.0	12.3	49.6	18.7	**69.3**
Net income to net sales (%)		3.6	3.7	5.2	5.7	**9.5**
Earnings per share (yen)		111.70	125.43	187.77	224.93	**387.43**[*1]
Shareholders' equity (million yen)		109,492	120,571	132,142	145,269	**161,264**
Total assets (million yen)		164,646	180,004	192,684	209,822	**226,082**
Shareholders' equity to total assets (%)		66.5	67.0	68.6	69.2	**71.3**
Return on equity (ROE) (%)		5.8	6.0	8.1	8.8	**13.5**[*2]
Shareholders' equity per share (yen)		1,999.85	2,201.40	2,435.66	2,707.95	**3,023.11**

*1 The EPS includes one-time impact from the liquidation of a Swiss subsidiary. EPS excluding one-time impact is ¥268.36.
*2 The ROE includes one-time impact from the liquidation of a Swiss subsidiary. ROE excluding one-time impact is 9.3%.

Net sales by Product (million yen)

		2021	2022	2023	2024	2025
Shrink sleeve labels		99,877	112,642	122,697	130,882	**134,314**
	(Composition ratio)	58.6%	61.2%	62.4%	61.6%	**61.7%**
Pressure sensitive labels		17,398	16,697	16,014	17,167	**17,094**
	(Composition ratio)	10.2%	9.1%	8.1%	8.1%	**7.9%**
Spouted pouches		23,246	25,865	26,443	28,882	**29,477**
	(Composition ratio)	13.6%	14.1%	13.4%	13.6%	**13.5%**
Machinery		15,949	15,945	18,829	21,114	**23,170**
	(Composition ratio)	9.4%	8.7%	9.6%	9.9%	**10.6%**
Other		13,849	12,884	12,639	14,298	**13,695**
	(Composition ratio)	8.1%	7.0%	6.4%	6.7%	**6.3%**

* From FY2024, a portion of the "Shrink sleeve labels" category in the Japan segment has been reclassified as "Other."

By segment (million yen)

		2021	2022	2023	2024	2025
Net sales by Segment						
Japan		92,305	97,135	98,861	102,545	**100,635**
	(External customers)	(90,457)	(95,194)	(96,784)	(99,923)	**(98,347)**
Americas		42,261	50,149	57,882	66,176	**68,268**
	(External customers)	(42,254)	(50,111)	(57,873)	(66,172)	**(68,248)**
Europe		27,658	28,118	31,140	34,721	**38,738**
	(External customers)	(23,742)	(24,468)	(26,807)	(29,449)	**(33,178)**
ASEAN		16,237	17,460	18,089	19,541	**19,424**
	(External customers)	(13,866)	(14,261)	(15,159)	(16,801)	**(17,978)**
Eliminations		–8,141	–8,828	–9,350	–10,639	**–9,314**
Operating income by segment						
Japan		7,597	7,623	8,779	9,892	**9,637**
Americas		3,539	1,749	3,368	6,489	**6,602**
Europe		–837	–1,079	801	2,132	**2,628**
ASEAN		341	94	482	937	**1,722**
Eliminations		–68	–193	–122	–608	**–126**

		2021	2022	2023	2024	2025
Foreign exchange rates applied to overseas subsidiaries	USD (yen)	109.90	131.62	140.67	151.69	**149.61**
	EUR (yen)	129.91	138.14	152.11	164.05	**169.19**

Summary of Consolidated Financial Results (2)

Fiscal year	2021	2022	2023	2024	2025
(Profitability)					
Return on equity (ROE)	5.8%	6.0%	8.1%	8.8%	**13.5%**[*3]
Return on assets (ROA)	6.5%	4.9%	7.9%	9.1%	**10.1%**
(Safety)					
Current ratio	208.1%	200.9%	221.2%	236.7%	**262.0%**
Ratio of long-term capita	54.7%	55.9%	54.1%	50.0%	**50.5%**
Debt equity ratio (times)	0.11	0.10	0.06	0.07	**0.07**
Interest coverage ratio (times)	217.4	79.4	50.2	116.5	**73.5**
Cash flows (million yen)					
Cash flows from operating activities	14,021	8,269	19,930	21,339	**21,553**
Cash flows from investing activities	–7,804	–11,014	–10,568	–12,459	**–12,483**
Cash flows from financing activities	–4,834	–5,793	–4,338	–3,417	**–4,361**
Capital expenditure breakdown (million yen)	10,503	11,068	7,032	7,549	**17,614**
Capital expenditure breakdown by region (million yen)					
Japan	3,988	4,302	2,802	2,772	**8,866**
Americas	3,720	5,478	2,707	2,932	**4,609**
Europe	728	541	959	1,340	**1,981**
ASEAN	1,934	722	508	616	**2,119**
Depreciation breakdown (million yen)	8,069	7,738	8,366	8,750	**8,423**
Depreciation breakdown by region (million yen)					
Japan	3,963	3,165	3,430	3,376	**3,414**
Americas	1,795	2,336	2,747	2,986	**2,630**
Europe	1,433	1,208	1,146	1,356	**1,364**
ASEAN	891	1,051	1,058	1,051	**1,041**
R&D expenses (million yen)	2,493	2,464	2,524	2,603	**2,539**
Employees (Person)	5,892	5,767	5,692	5,639	**5,670**

*3 The ROE includes one-time impact from the liquidation of a Swiss subsidiary. ROE excluding one-time impact is 9.3%.

Consolidated Balance Sheet

(Unit: Million-yen)

Fiscal Year	2021	2022	2023	2024	2025
Assets:					
Current assets:	101,126	110,023	117,064	133,075	**138,630**
Cash and deposits	25,860	22,034	22,806	34,394	**35,801**
Notes and accounts receivable	40,854	45,951	50,695	52,849	**56,232**
Electronically recorded monetary claims	10,206	11,353	12,628	12,583	**10,296**
Merchandise and finished products	7,772	9,142	10,227	11,184	**11,162**
Work in process	4,127	5,239	6,033	6,699	**7,086**
Raw materials and supplies	7,956	11,140	9,093	9,739	**10,550**
Other	4,533	5,353	5,684	5,860	**7,595**
Allowance for doubtful accounts	−183	−192	−105	−236	**−95**
Noncurrent assets:	63,519	69,981	75,620	76,747	**87,451**
Tangible fixed assets:	55,958	61,989	62,774	65,097	**75,129**
Buildings and structures	21,131	21,345	26,182	26,365	**26,528**
Machinery, equipment and vehicles	18,976	19,335	21,185	20,782	**21,559**
Land	6,989	8,346	8,748	8,991	**9,331**
Other	8,861	12,962	6,657	8,957	**17,710**
Intangible fixed assets:	1,510	1,549	2,383	2,187	**2,197**
Goodwill	107	50	997	871	**936**
Other	1,402	1,498	1,386	1,316	**1,261**
Investments and other assets	6,050	6,442	10,462	9,462	**10,124**
Total Assets	164,646	180,004	192,684	209,822	**226,082**
Liabilities:					
Current liabilities:	48,596	54,769	52,917	56,220	**52,919**
Notes and accounts payable	13,758	15,279	17,474	15,811	**16,408**
Electronically recorded obligation	11,179	12,254	11,118	11,565	**8,672**
Short-term debts	4,382	9,034	4,020	6,000	**4,000**
Current portion of long-term debt	5,038	2,699	756	751	**745**
Income taxes payable	817	1,000	1,960	1,801	**703**
Accrued bonuses	1,630	1,591	2,246	2,598	**2,720**
Other	11,790	12,910	15,340	17,693	**19,668**
Long-term liabilities:	6,557	4,663	7,624	8,332	**11,898**
Long-term debts	2,387	56	1,841	2,781	**5,613**
Net defined benefit liabilities	2,630	2,791	2,865	2,751	**2,986**
Other long-term liabilities	1,538	1,815	2,916	2,799	**3,297**
Total liabilities	55,153	59,432	60,542	64,553	**64,817**
Net assets:					
Shareholders' equity:					
Common stock	5,990	5,990	5,990	5,990	**5,990**
Capital surplus	6,603	6,600	6,599	6,625	**6,665**
Retained earnings	97,677	102,629	110,990	119,188	**135,909**
Treasury stock	−8,512	−8,479	−9,556	−11,230	**−12,056**
Total shareholders' equity	101,758	106,740	114,024	120,574	**136,508**
Accumulated other comprehensive income:					
Valuation difference on available-for-sale securities	1,297	1,773	1,342	1,006	**991**
Deferred gains or losses on hedges	—	—	−3	0	**−3**
Foreign currency translation adjustment	6,259	11,898	16,781	23,423	**23,556**
Remeasurements of defined benefit plans	176	158	−1	265	**211**
Total accumulated other comprehensive income	7,733	13,830	18,118	24,695	**24,755**
Total net assets	109,492	120,571	132,142	145,269	**161,264**
Total liabilities and net assets	164,646	180,004	192,684	209,822	**226,082**

Consolidated Statement of Income and Comprehensive Income

(Unit: Million-yen)

Fiscal Year	2021	2022	2023	2024	2025
Net sales	170,321	184,035	196,624	212,345	**217,752**
Cost of sales	139,683	154,358	160,768	167,356	**169,415**
Gross profit	30,638	29,677	35,855	44,989	**48,337**
Selling, general and administrative expenses	20,066	21,482	22,546	26,145	**27,873**
Operating income	10,572	8,194	13,309	18,844	**20,463**
Non-operating income:	254	542	2,012	638	**1,983**
Interest income	24	122	352	293	**421**
Dividend income	70	78	82	100	**102**
Foreign exchange gains	—	2	1,409	—	**1,299**
Other	159	338	167	244	**159**
Non-operating expenses:	225	310	590	1,159	**437**
Interest expenses	72	100	382	261	**279**
Foreign exchange losses	35	—	—	779	**—**
Other	117	210	208	117	**157**
Ordinary profit	10,600	8,426	14,732	18,323	**22,009**
Extraordinary income	266	147	68	103	**4,996**
Extraordinary losses	1,416	840	938	556	**2,680**
Income before income taxes	9,449	7,733	13,862	17,870	**24,324**
Income taxes – current	3,202	2,604	3,731	5,503	**2,306**
Income taxes – deferred	129	−1,740	−147	167	**1,363**
Net income attributable to owners of the parent company	6,117	6,869	10,277	12,199	**20,655**
Other comprehensive income	3,063	6,097	4,287	6,577	**60**
Comprehensive income	9,180	12,966	14,565	18,776	**20,715**

Consolidated Statement of Cash Flows

(Unit: Million-yen)

Fiscal Year	2021	2022	2023	2024	2025
Cash flows from operating activities	14,021	8,269	19,930	21,339	**21,553**
Cash flows from investing activities	−7,804	−11,014	−10,568	−12,459	**−12,483**
Cash flows from financing activities	−4,834	−5,793	−4,338	−3,417	**−4,361**
Effect of exchange rate changes on cash and cash equivalents	1,172	1,781	415	800	**1,584**
Net increase (decrease) in cash and cash equivalents	2,555	−6,757	5,440	6,263	**6,293**
Cash and cash equivalents at beginning of the period	21,549	24,105	17,347	22,788	**29,051**
Cash and cash equivalents at the end of the period	24,105	17,347	22,788	29,051	**35,344**

Dividents to Shareholders

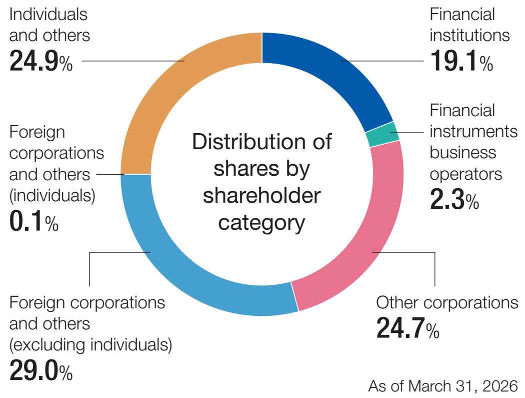
Fiscal Year	2021	2022	2023	2024	2025
Cash dividends per share (yen)	35	35	60	68	**81**
Total dividends (million yen)	1,916	1,916	3,287	3,699	**4,349**
Consolidated net sales (million yen)	170,321	184,035	196,624	212,345	**217,752**
Consolidated net income (million yen)	6,117	6,869	10,277	12,199	**20,655**
Net income per share (yen)	111.70	125.43	187.77	224.93	**387.43***4
Consolidated dividend payout ratio	31.3%	27.9%	32.0%	30.2%	**20.9%***5
Average number of shares outstanding during the period (Share)	54,764,416	54,764,711	54,735,245	54,236,144	**53,313,307**

*4 The EPS includes one-time impact from the liquidation of a Swiss subsidiary. EPS excluding one-time impact is ¥268.36.
*5 The dividend payout ratio includes one-time impact from the liquidation of a Swiss subsidiary. Dividend payout ratio excluding one-time impact is 30.2%.

As of March 31, 2026

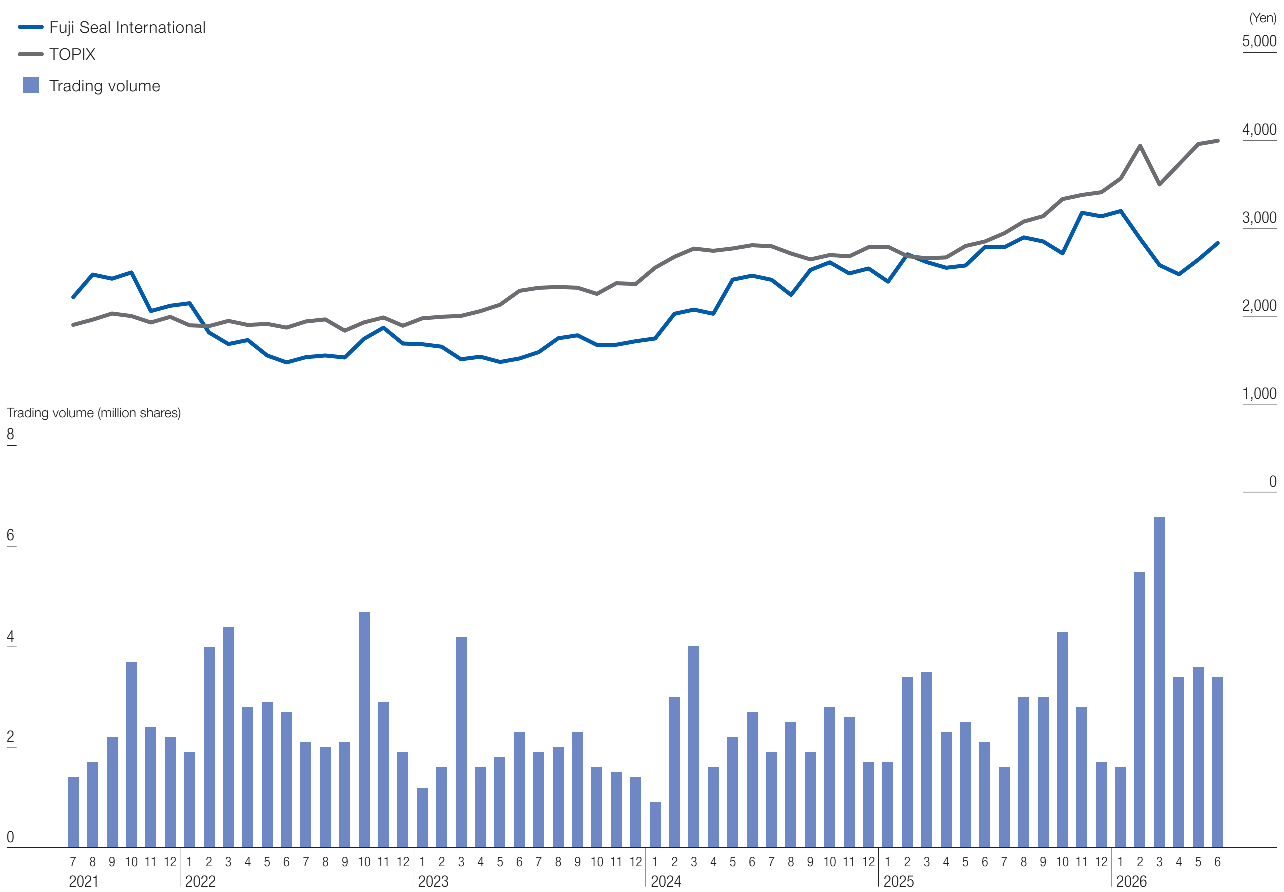
Shareholders and Stock Information

Stock Code	7864
Company Name	FUJI SEAL INTERNATIONAL, INC.
Established	October, 1958
Date of Stock Listing	December 25, 2003 (First Section of Tokyo Stock Exchange*) * Transitioned to the Prime Market on April 4, 2022 October 28, 1997 (JASDAQ)
Type of Business	Other manufacturing industries
Listed Stock Exchanges	Tokyo Stock Exchange
Date of Fiscal Year End	March 31
Interim Dividend System	Available
Unit Shares	100 shares
Number of Shares Outstanding	60,161,956 shares
Number of Shareholders	23,896 persons



As of March 31, 2026

Stock Price and Trading Volume Trends



As of March 31, 2026

Company Information

Company Name	Fuji Seal International, Inc.
Established	October 18, 1958 (Founded in 1897) *Renamed from Fuji Seal Co.Ltd. on October 1, 2004, due to conversion to a holding company.
Capital Stock	5.99 billion yen
Consolidated Net Sales	217.752 billion yen
Representative	Shigeko Okazaki, Director, Representative Executive Officer, President and CEO
Main Businesses	Formulating and implementing management strategies of the entire Fuji Seal Group, auditing the Group's business management, and executing other managerial functions as a holding company. *The Fuji Seal Group is a global packaging solutions company that provides complete systems, including shrink sleeve labels, pressure sensitive labels and spouted pouches, as well as the necessary machines and services to apply them.
Number of Employees	Fuji Seal International: 46 (2); Fuji Seal Group (consolidated): 5,670 (393) *The number of employees refers to full-time employees. The number of part-time and contract employees as of the end of the fiscal year is shown in parentheses and is not included in the total.
Head Office	Osaka Head Office: 4-1-9 Miyahara, Yodogawa-ku, Osaka City 532-0003, Japan TEL: +81-6-6350-1080

As of March 31, 2026

Principal Shareholders

Name	Address	Number of shares held	Ratio of shares held to the total number of shares outstanding (excluding treasury stock) (%)
Soho KK	Suita City, Osaka, Japan	7,803	14.5
The Master Trust Bank of Japan, Ltd. (Trust account)	Akasaka Intercity Air, 1-8-1 Akasaka, Minato-ku, Tokyo, Japan	6,431	12.0
Fuji Seal Foundation	4-1-9 Miyahara, Yodogawa-ku, Osaka City, Japan	4,800	8.9
Custody Bank of Japan, Ltd. (Trust account)	1-8-12 Harumi, Chuo-ku, Tokyo, Japan	3,051	5.7
Hiroko Fujio	Suita City, Osaka, Japan	1,784	3.3
Innovation of FUJI Foundation	4-1-9 Miyahara, Yodogawa-ku, Osaka City, Japan	1,780	3.3
CEPLUX- THE INDEPENDENT UCITS PLATFORM 2 (Standing Proxy: Citibank, N.A., Tokyo Branch)	31,Z.A.BOURMICHT, L-8070,BERTRANGE, LUXEMBOURG (6-27-30 Shinjuku, Shinjuku-ku, Tokyo, Japan)	1,745	3.2
THE CHASE MANHATTAN BANK,N.A. LONDONSECS LENDING OMNIBUS ACCOUNT (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	WOOLGATE HOUSE, COLEMAN STREET LONDON EC2P 2HD, ENGLAND(Shinagawa Intercity Tower A, 2-15-1 Konan, Minato-ku, Tokyo, Japan)	1,603	3.0
RBC IST 15 PCT Non Lending Account-Client Account (Standing Proxy: Citibank, N.A., Tokyo Branch)	7th Floor, 155 Wellington Street West Toronto, Ontario, Canada, M5V 3L3 (6-27-30 Shinjuku, Shinjuku-ku, Tokyo, Japan)	1,242	2.3
State Street Bank and Trust Company 505001 (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	One Congress Street, Suite 1, Boston, Massachusetts, U.S.A. (Shinagawa Intercity Tower A, 2-15-1 Konan, Minato-ku, Tokyo, Japan)	938	1.7
Total	–	31,182	58.1

Notes: 1. Of the abovementioned number of shares held, the number of shares held in trusts is as follows:
The Master Trust Bank of Japan, Ltd. (Trust account) 6,431,000 shares
Custody Bank of Japan, Ltd. (Trust account) 3,039,000 shares
These shares consist of 4,992,000 shares for investment trusts, 170,000 shares for pension trusts, and 4,307,000 shares for other trusts.
2. The number of treasury shares held by the Company is 6,460,000 (excluding 357,000 held in the employee stock option plan (ESOP) trust account), which is not indicated in the above table of principal shareholders.
3. Shares in the name of Soho KK are effectively held by Shigeko Okazaki. In addition to this, Shigeko Okazaki holds 247,000 shares of the Company's stock.
4. An amendment to a Substantial Shareholding Report dated August 20, 2025, available for public inspection, indicates that Burgundy Asset Management Ltd. held the following number of shares as of August 15, 2025. However, the Company has been unable to confirm the number of shares substantially held by Burgundy Asset Management Ltd. as of March 31, 2026, and therefore, said company is not included in the above table of principal shareholders.
For reference, the details of said Substantial Shareholding Report amendment are shown below.

Name	Address	Number of share certificates held	Percentage of share certificates held (%)
Burgundy Asset Management Ltd.	Suite 4510, 181 Bay Street, Toronto, Ontario M5J 2T3, Canada	1,389	2.3

5. An amendment to a Substantial Shareholding Report dated December 18, 2025, available for public inspection, indicates that Global Alpha Capital Management Ltd. held the following number of shares as of December 12, 2025. However, the Company has been unable to confirm the number of shares substantially held by Global Alpha Capital Management Ltd. as of March 31, 2026, and therefore that company is not included in the above table of principal shareholders. For reference, the content of the said Substantial Shareholding Report amendment is shown below.

Name	Address	Number of share certificates held	Percentage of share certificates held (%)
Global Alpha Capital Management Ltd.	1800 MCGILL COLLEGE SUITE 1300, MONTREAL, QUEBEC, CANADA	2,343	3.9

Fuji Seal International, Inc.

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