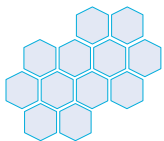


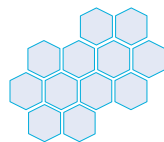
Results of Operations for the First Half of the Fiscal Year Ending February 29, 2024

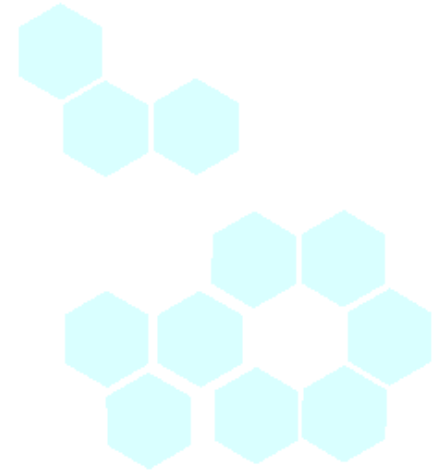
October 11, 2023

Jun Kawata, President



1.	1H FY2/24 Financial Summary	•••	P.3
2.	FY2/24 Outlook	•••	P.18
3.	Key Initiatives in FY2/24	•••	P.22
4.	Reference	•••	P.30





1H FY2/24 Financial Summary

1H FY2/24 Results of operations

1H consolidated sales increased but operating profit were down.

Consolidated sales: 22,279 million yen (+2.1% YoY)

Consolidated operating profit: 1,020 million yen (-6.5% YoY)

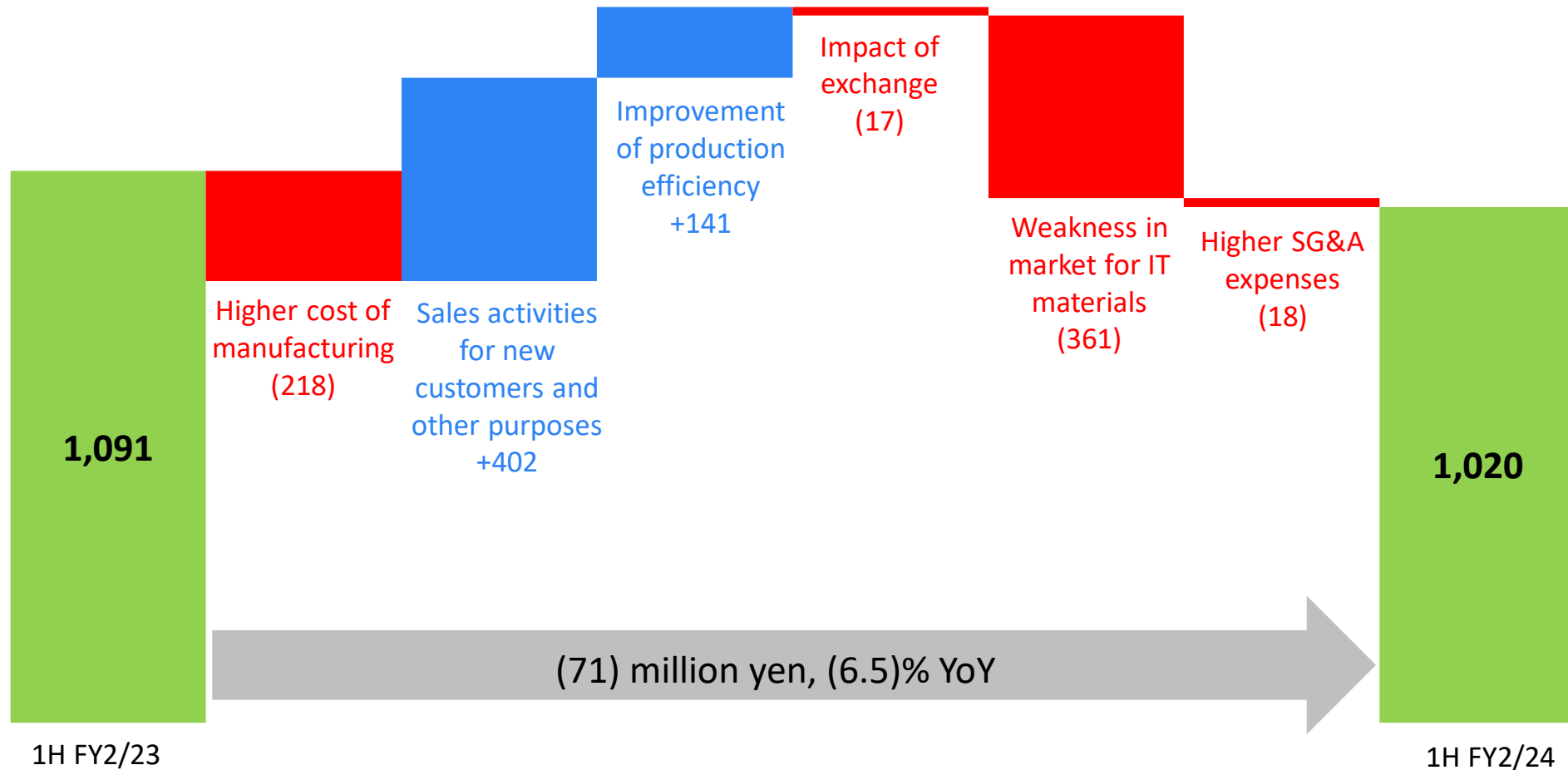
- Sales in the food packaging and containers category increased due to firm sales of packaging materials for frozen foods and tofu.
- In the IT and industrial materials category, sales decreased because of weak market conditions, especially products used in electronic component, and inventory adjustments on the part of customers.
- Earnings decreased because of the higher cost of electricity, ink and other components of the cost of manufacturing products.

Change in Operating Profit (YoY)

Consolidated Operating Profit

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen



Financial Highlights of the First Half of FY2/24 NAKAMOTO PACKS CO.,LTD.

(Consolidated)

(Millions of yen; (% to sales))

	1H FY2/23 Results	1H FY2/24					
		Results	YoY change		Plan	Vs. plan	
			Amount	%		Amount	%
Net sales	21,823 (100.0%)	22,279 (100.0%)	+455	+2.1%	22,441 (100.0%)	(161)	(0.7)%
Gross profit	3,397 (15.6%)	3,344 (15.0%)	(53)	(1.6)%	3,406 (15.2%)	(61)	(1.8)%
Selling, general and administrative expenses	2,305 (10.6%)	2,323 (10.4%)	+18	+0.8%	2,565 (11.4%)	(241)	(9.4)%
Operating profit	1,091 (5.0%)	1,020 (4.6%)	(71)	(6.5)%	841 (3.7%)	+179	+21.3%
Ordinary profit	1,392 (6.4%)	1,213 (5.4%)	(179)	(12.9)%	892 (4.0%)	+321	+36.0%
Profit attributable to owners of parent	915 (4.2%)	685 (3.1%)	(230)	(25.1)%	594 (2.6%)	+91	+15.4%
Capital expenditures*1	611 (2.8%)	883 (4.0%)	+271	+44.5%	1,063 (4.7%)	(180)	(17.0)%
Depreciation*2	643 (2.9%)	625 (2.8%)	(17)	(2.7)%	708 (3.2%)	(82)	(11.7)%

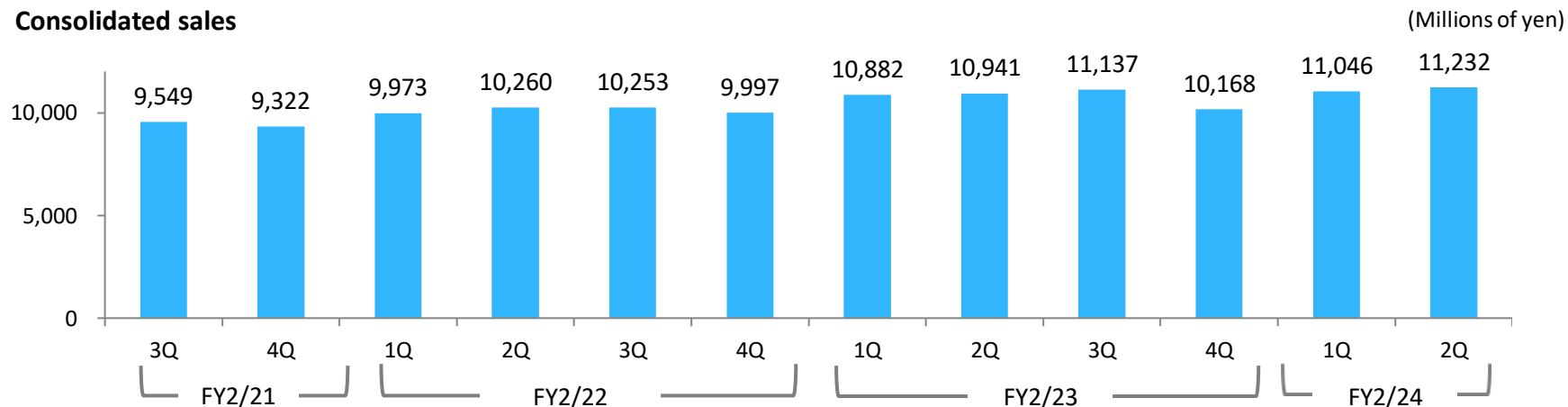
*1. Construction in progress is not included in capital expenditures. *2. Amortization of goodwill is not included. Note: Exchange rate for 1H FY2/24: 19.96 yen/yuan; 144.99 yen/dollar

Financial Highlights the First Half of FY2/24

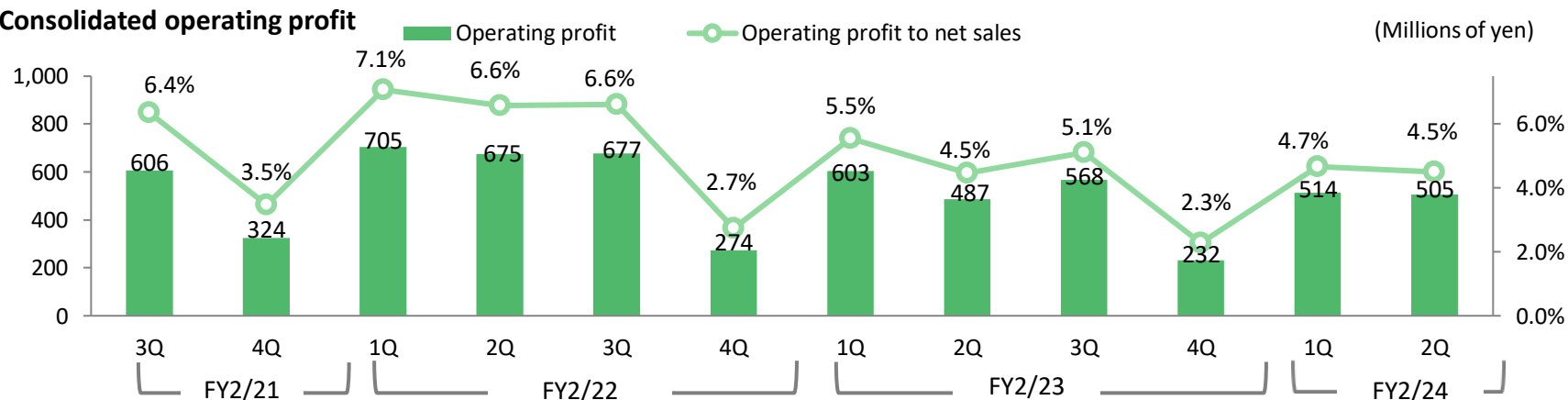
Quarterly sales and operating profit

- Sales were higher than one year earlier in the first and second quarters of FY2/24 but first half operating profit decreased mainly because of the higher cost of manufacturing.
- Difficult market conditions in the IT and Industrial Materials category continued to impact sales and earnings.

Consolidated sales



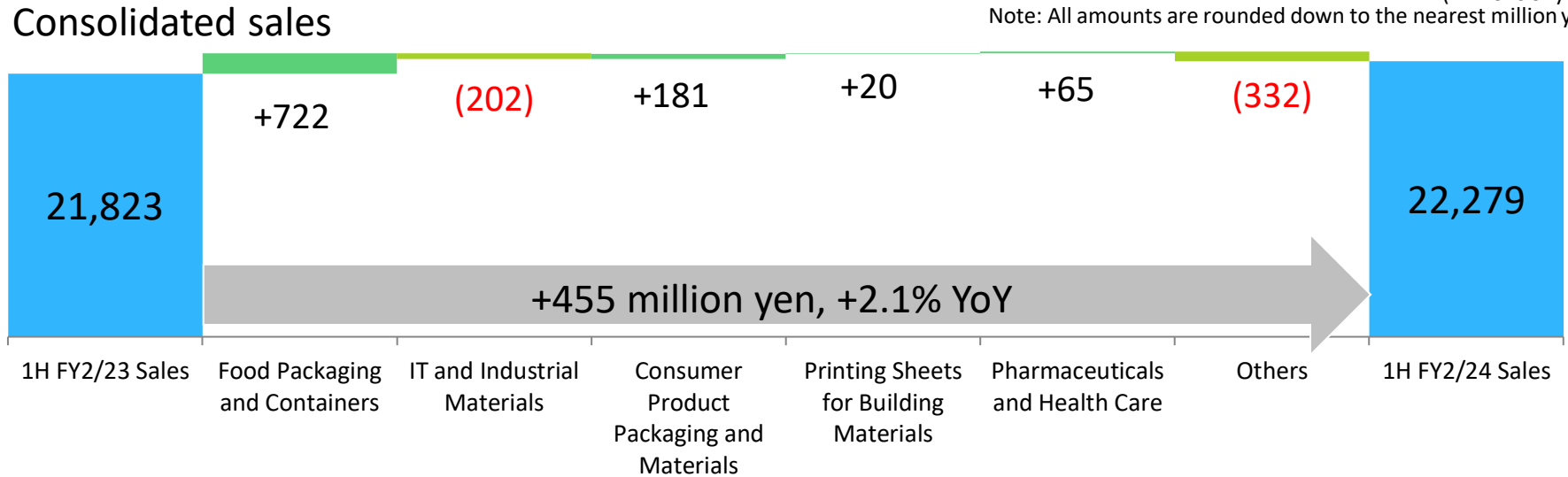
Consolidated operating profit



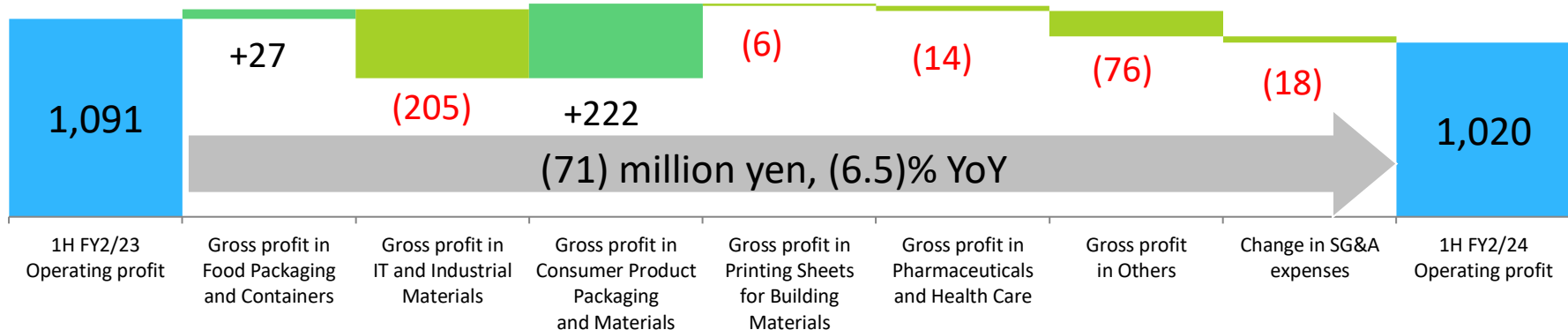
Change in Net Sales and Operating Profit (YoY) NAKAMOTO PACKS CO.,LTD.

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen



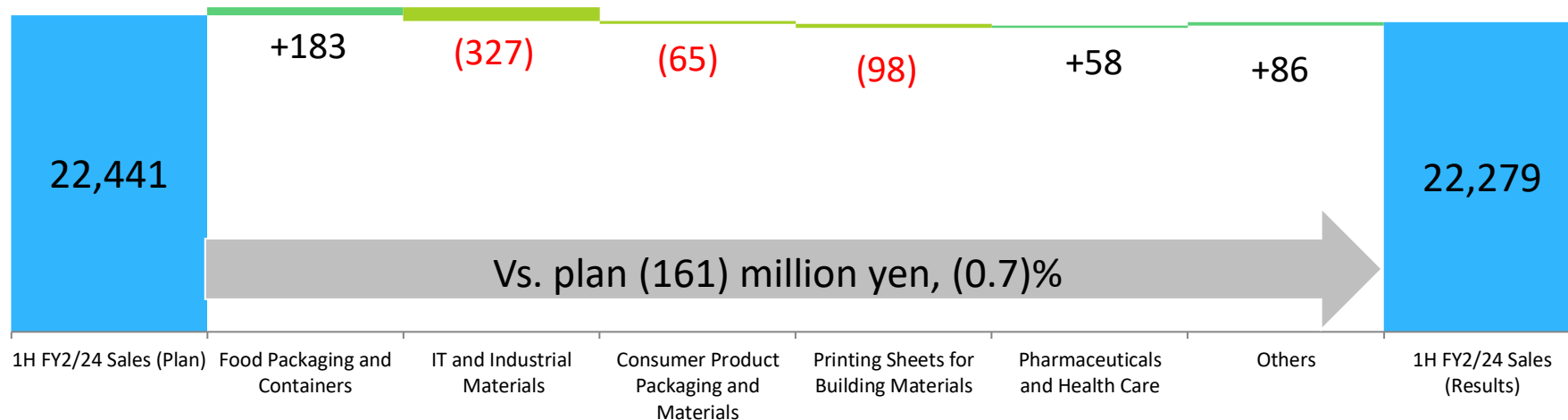
Consolidated Operating Profit



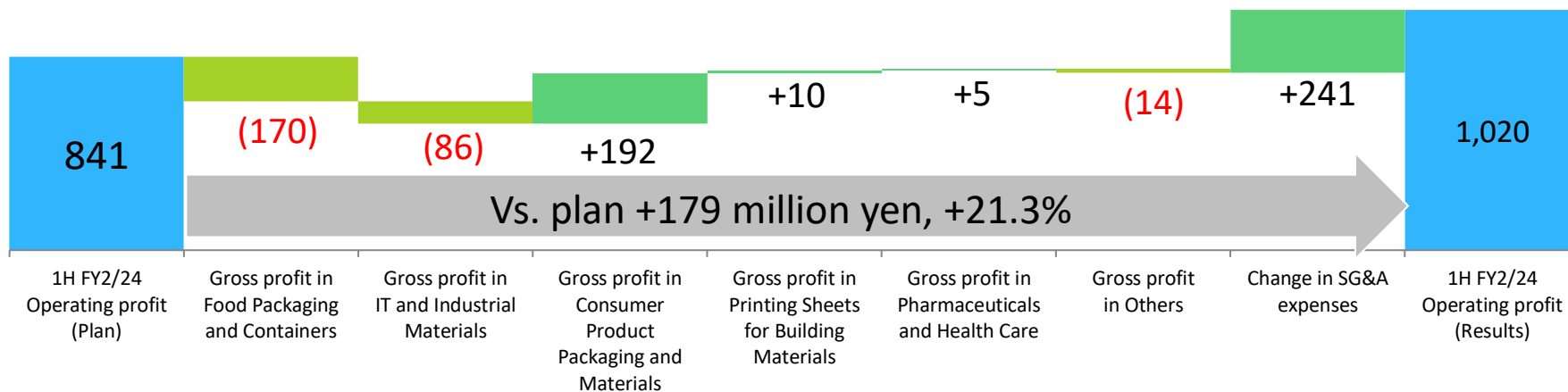
Change in Net Sales and Operating Profit (Vs. Plan) NAKAMOTO PACKS CO.,LTD.

Consolidated sales

(Millions of yen)
Note: All amounts are rounded down to the nearest million yen

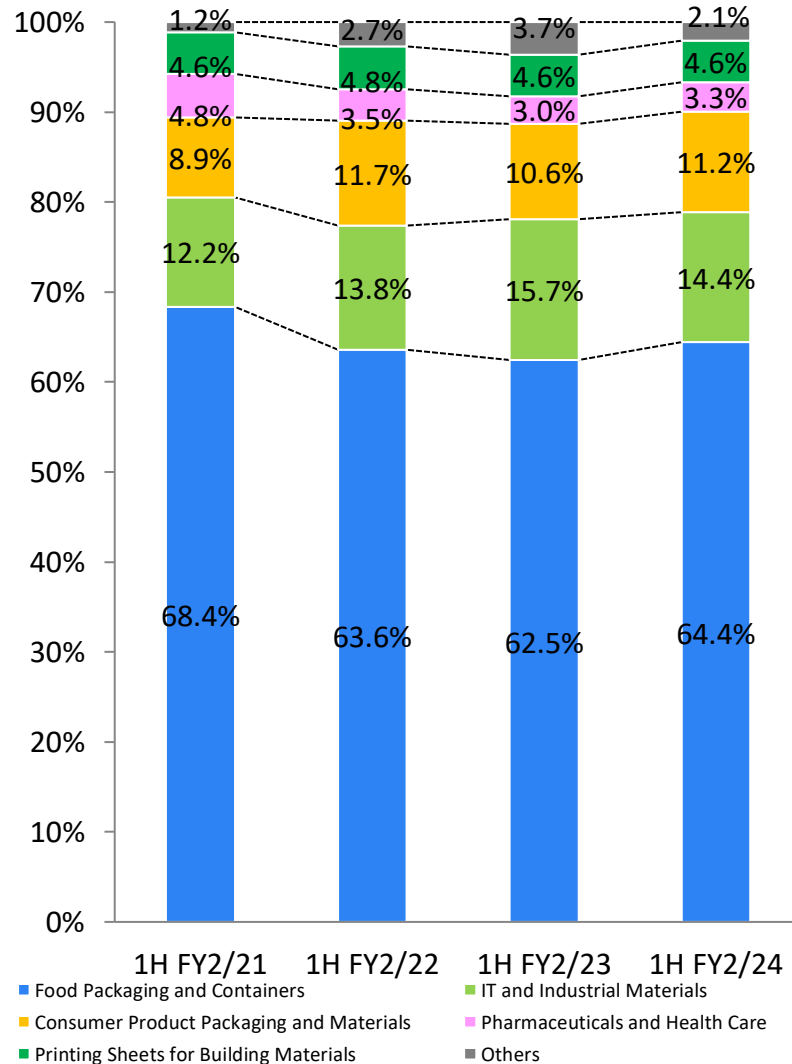


Consolidated operating profit

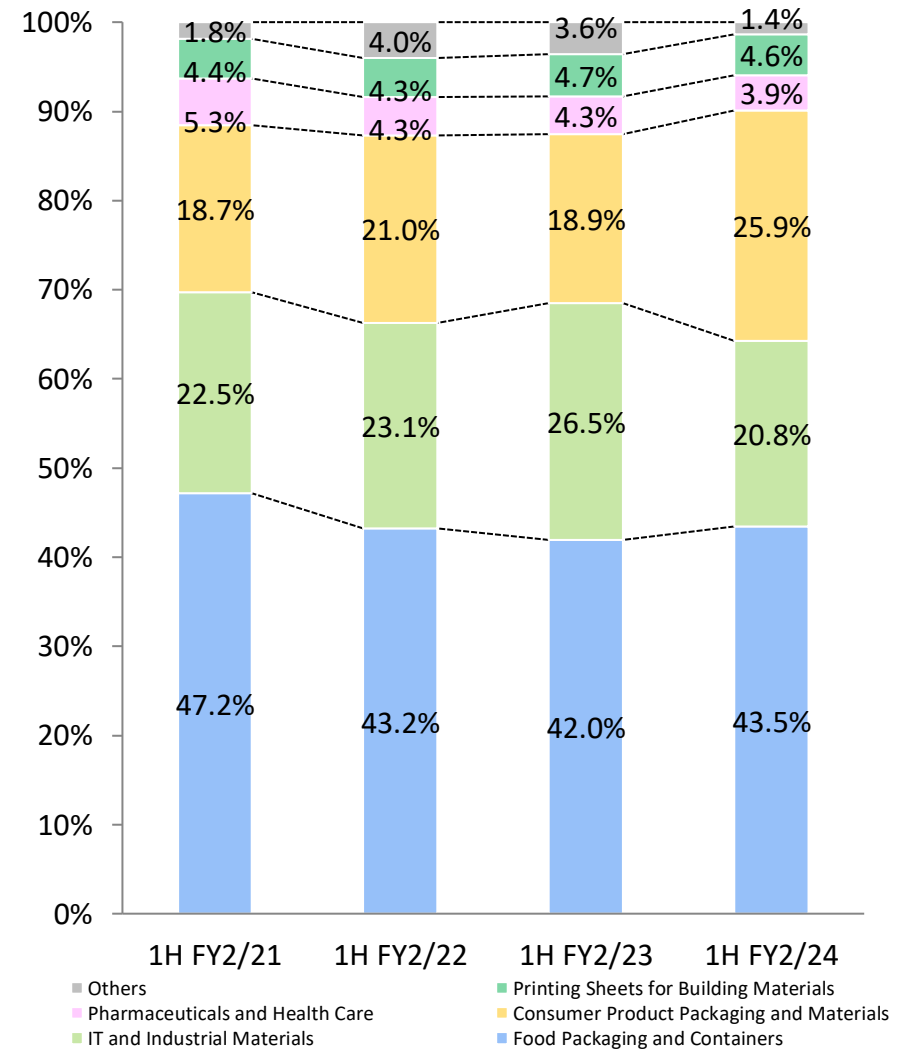


Trends in Sales and Gross Profit Composition for Product Applications

Consolidated sales



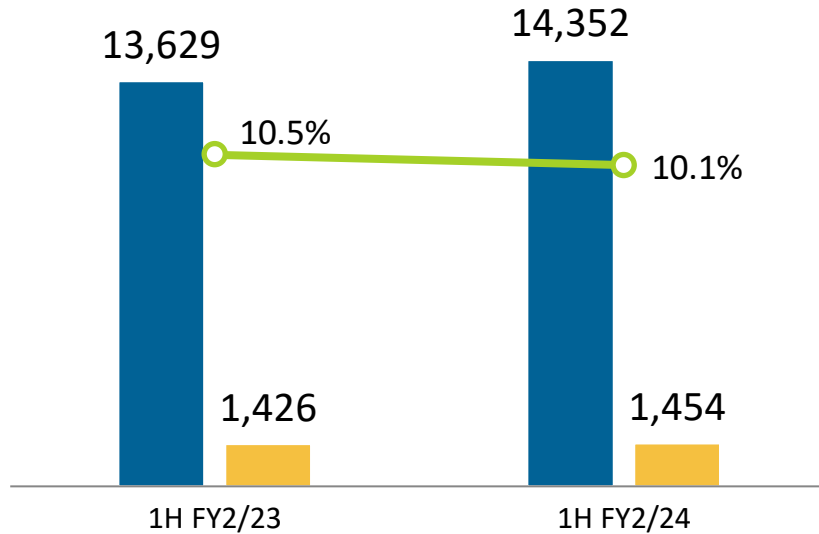
Consolidated gross profit



Food Packaging and Containers

(Millions of yen)

■ Sales ■ Gross profit ○ Gross profit margin



Examples of final products



Pasta container



Prepared food container (bento)

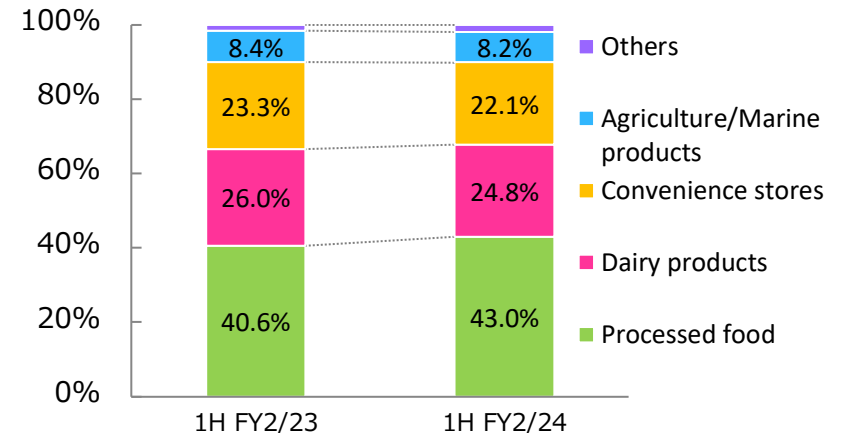


Beverage container lid

Sales in major product categories

Processed food	<ul style="list-style-type: none"> Strong sales of packaging materials for frozen foods and tofu Sales of packaging for products sold at department stores are recovering
Dairy products	<ul style="list-style-type: none"> Strong sales of packaging for cheese products and consumer yogurt
Convenience stores	<ul style="list-style-type: none"> Higher demand for container molding and processing
Agriculture/ Marine products	<ul style="list-style-type: none"> Strong sales of packaging for agricultural products

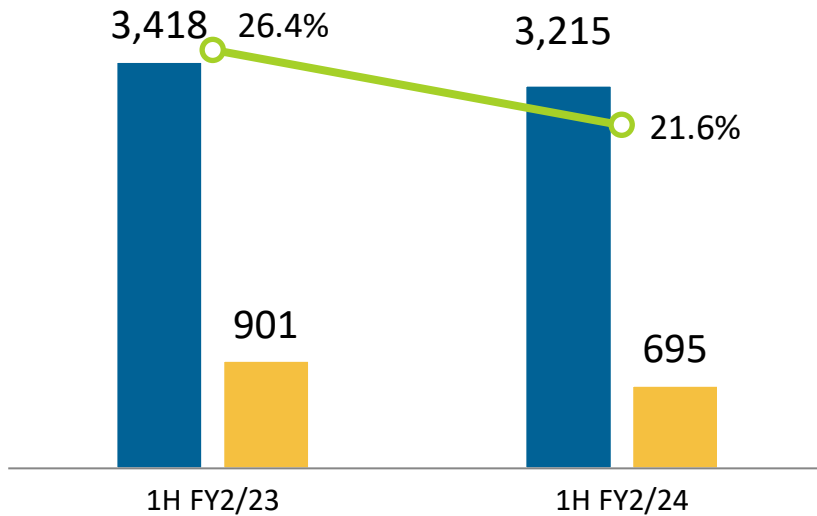
Sales composition for major categories (consolidated)



IT and Industrial Materials

(Millions of yen)

■ Sales ■ Gross profit ○ Gross profit margin



Examples of final products



Films for production processes

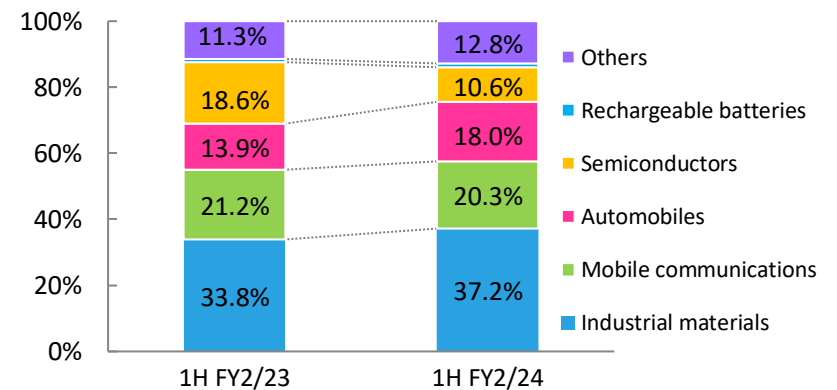


NS Separator

Sales in major product categories

Industrial materials	<ul style="list-style-type: none"> Higher sales of materials for heavy duty bags for petrochemicals and other products
Mobile communications	<ul style="list-style-type: none"> Sales down because of inventory adjustments on the part of customers.
Semiconductors	<ul style="list-style-type: none"> Orders continue to struggle due to weak market conditions mainly products used in electronic component
Automobiles	<ul style="list-style-type: none"> Orders for automotive interior materials are on a recovery trend
Rechargeable batteries	<ul style="list-style-type: none"> Currently one-time orders only
Others	<ul style="list-style-type: none"> Increase in various development projects

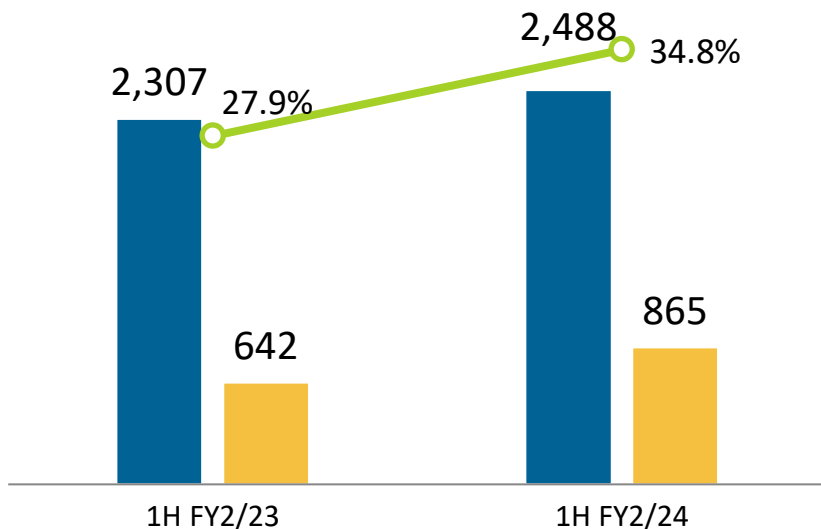
Sales composition for major categories (consolidated)



Consumer Product Packaging and Materials

(Millions of yen)

■ Sales ■ Gross profit ○ Gross profit margin



Examples of final products



AC outdoor unit thermal insulation sealing



A cutting board sheet that can be used in a frying pan sheet too

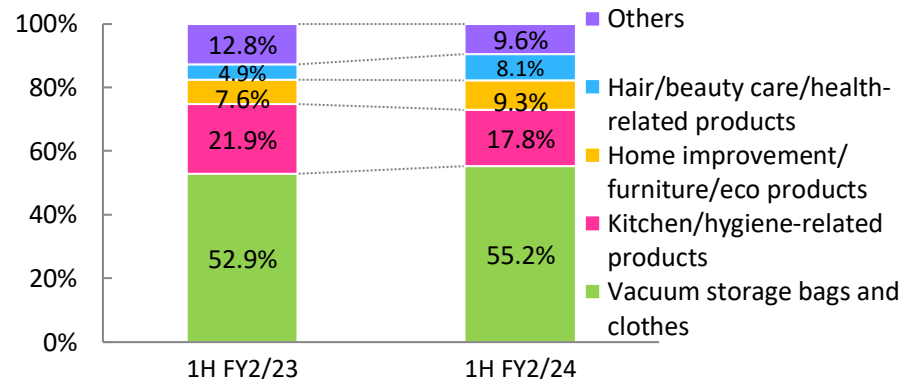


Waffle sheet scrubber

■ Sales in major product categories

Vacuum storage bags and clothes	• Higher sales of products sold on TV shopping channels
Kitchen/hygiene-related products	• Lower sales of hygiene products sold at home improvement stores
Home improvement/furniture/eco products	• Strong sales of seasonal products such as heat shield cover for air conditioner and thermal insulation sheets
Hair/beauty care/health-related products	• Sales of hair dyeing products (combs, gloves) are recovering

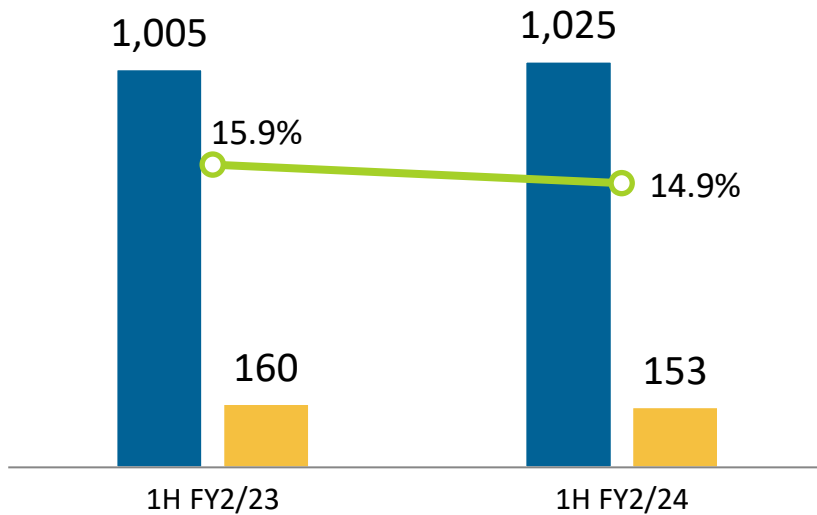
■ Sales composition for major categories (consolidated)



Printing Sheets for Building Materials

(Millions of yen)

■ Sales ■ Gross profit ○ Gross profit margin



Examples of final products



Kitchen



Closet

■ Sales in major product categories

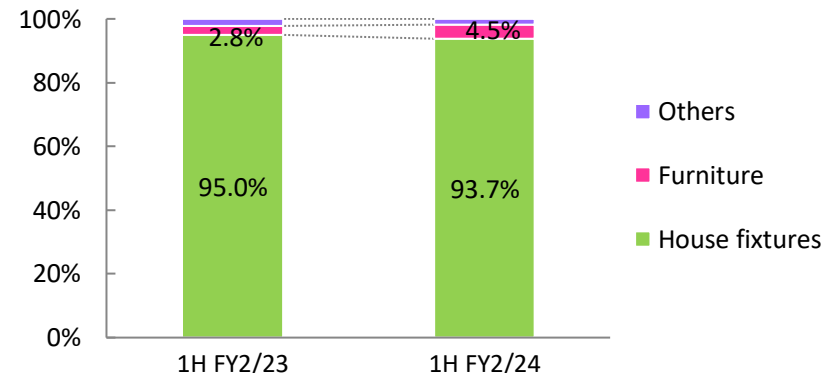
House fixtures	<ul style="list-style-type: none"> Steady growth in sheet processing for construction materials. Sluggish sales of functional surface coatings processing for houses and apartment buildings
Furniture	<ul style="list-style-type: none"> Orders involving exported furniture are recovering

■ N coat

N coat is a polypropylene-based synthetic paper. Due to its excellent resistance to water, N coat is used primarily for vending machine labels and floor materials.

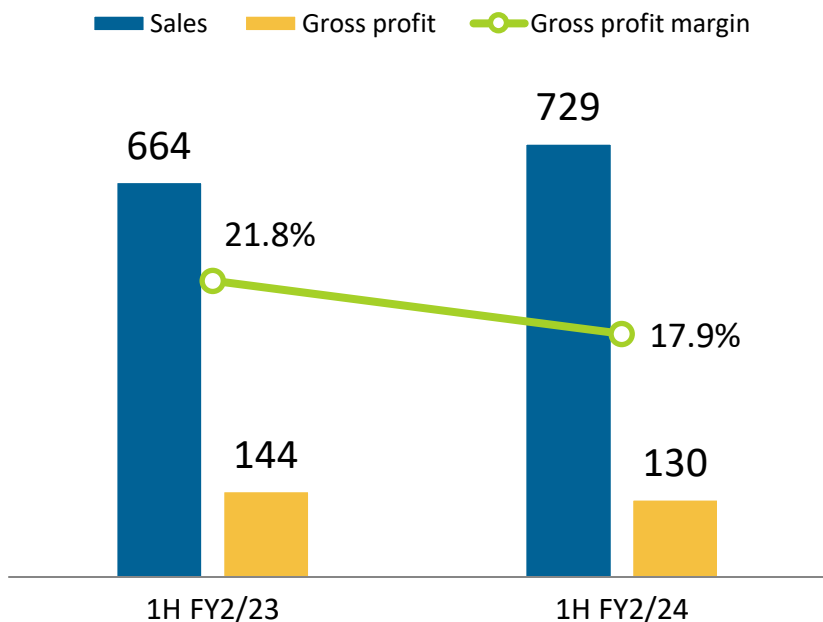


■ Sales composition for major categories (consolidated)

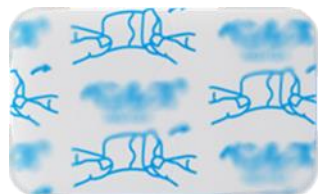


Pharmaceuticals and Health Care

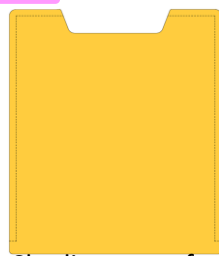
(Millions of yen)



Examples of final products



Anesthesia tape

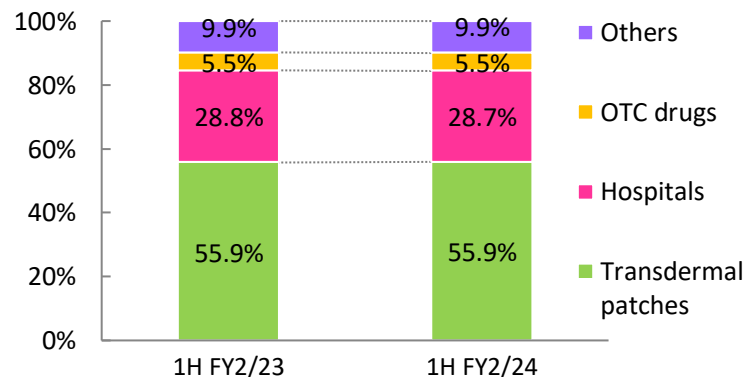


Shading cover for transfusion bags

Sales in major product categories

Transdermal patches	<ul style="list-style-type: none"> Overseas sales of transdermal patches increased Much higher cost of raw materials for some products
Hospitals	<ul style="list-style-type: none"> Strong sales of materials involving transfusions
OTC drugs	<ul style="list-style-type: none"> Sales of packaging for OTC drugs decreased

Sales composition for major categories (consolidated)



Assets and Liabilities

(Consolidated)

(Millions of yen; (% to total assets/total liabilities and net assets))

	As of Feb. 28, 2023	As of Aug. 31, 2023		
			YoY change	Major factors
Current assets	19,880 (57.5%)	20,129 (57.0%)	+249	Cash and deposits +195, Notes and accounts receivable-trade, and contract assets +95, Other +158, Inventories (249)
Non-current assets	14,698 (42.5%)	15,170 (43.0%)	+471	Property, plant and equipment +100, Intangible assets+128, Investments and other assets +242
Total assets	34,578 (100.0%)	35,299 (100.0%)	+720	
Current liabilities	15,616 (45.2%)	15,783 (44.7%)	+166	Electronically recorded obligations-operating +54, Income taxes payable +51, Provision for bonuses +59, Other +131, Short-term borrowings (107)
Non-current liabilities	2,493 (7.2%)	2,332 (6.6%)	(160)	Long-term borrowings +60, Other (202)
Total liabilities	18,109 (52.4%)	18,116 (51.3%)	+6	
Total net assets	16,469 (47.6%)	17,183 (48.7%)	+714	Retained earnings +432, Valuation difference on available-for-sale securities +106, Foreign currency translation adjustment +165
Total liabilities and net assets	34,578 (100.0%)	35,299 (100.0%)	+720	
Net interest-bearing debt	3,087 (8.9%)	2,820 (8.0%)	(266)	Long-term borrowings +75, Cash and deposits +195, Short-term borrowings (107)

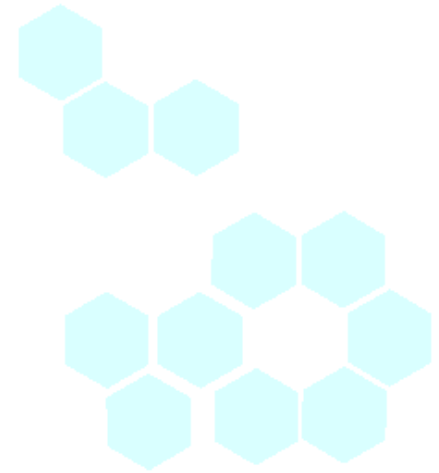
Net interest-bearing debt = Interest-bearing debt – Cash and deposits

Cash Flows

(Consolidated)

(Millions of yen)

		1H FY2/23 Results	YoY change	1H FY2/24
				Components
	Cash flows from operating activities	271	1,515	Profit before income taxes +1,157, Depreciation+625, Decrease in inventories +313, Increase in trade receivables (110), Other (202), Income taxes paid (333)
	Cash flows from investing activities	(120)	(983)	Proceeds from collection of loans receivable +0, Payments for the purchase of non-current assets (production processing equipment, etc.) (814), Purchase of investment securities (162)
	Free cash flows	151	531	
	Cash flows from financing activities	(783)	(435)	Proceeds from long-term borrowings +450, Net decrease in short-term borrowings (125), Repayments of long-term borrowings (375), Cash dividends paid (253)
	Effect of exchange rate change on cash and cash equivalents	188	93	
	Net increase (decrease) in cash and cash equivalents	(443)	189	
	Cash and cash equivalents at beginning of period	4,792	5,019	
	Cash and cash equivalents at end of period	4,348	5,209	



FY2/24 Outlook

Current Performance and Outlook (Overview)

Food Packaging and Containers

First half

- Strong sales in food packaging mainly for agricultural products, frozen foods and tofu
- Sales of packaging materials for products sold in the food sections of department stores are recovering
- Orders of trays for prepared food (bento) increased.
- Lower profit margins due to the higher cost of manufacturing

IT and Industrial Materials

- Orders for automotive interior materials are on a recovery trend
- Orders were significantly lower due to weak market conditions, especially products used in electronic component, and inventory adjustments on the part of customers

Consumer Product Packaging and Materials

- Strong sales of vacuum bags and other storage products on TV shopping channels
- Strong sales of seasonal products such as heat shield cover for air conditioner and thermal insulation sheets

Printing Sheets for Building Materials

- Weak performance of functional surface coatings and printing for wallpaper
- Steady sales in sheet processing for construction materials

Pharmaceuticals and Health Care

- Overseas sales of transdermal patches increased
- Much higher cost of raw materials for some products

Third quarter and afterward

- Strengthening activities for environmentally responsible and functional packaging
- Contribution to sales of the food container molding business acquired from NISSEY Co., Ltd.
- Will continue to raise prices and make improvements to offset the continuing increase in the cost of manufacturing

- A recovery in sales of materials for e-commerce and industrial materials like heavy bags
- Significant recovery in demand for products used in electronic materials is not expected to happen soon
- Prototypes and mass production in growing market sectors

- Growth in sales of the new “Goodna” brand, which prevents soiling and makes household chores easier, centered on the theme of preventive cleaning

- Improve production efficiency of existing products
- Create new types of functional building materials

- Focus on capturing new orders involving transfusions

(Consolidated)

(Millions of yen; (% to sales))

	FY2/23 Results	Plan	FY2/24	
			YoY change	
			Amount	%
Net sales	43,128	44,800	+1,671	+3.9%
Gross profit	6,482 (15.0%)	6,870 (15.3%)	+387	+6.0%
Selling, general and administrative expenses	4,590 (10.6%)	5,065 (11.3%)	+474	+10.3%
Operating profit	1,892 (4.4%)	1,805 (4.0%)	(87)	(4.6)%
Ordinary profit	2,206 (5.1%)	1,900 (4.2%)	(306)	(13.9)%
Profit attributable to owners of parent	1,285 (3.0%)	1,253 (2.8%)	(32)	(2.5)%

*All sales and earnings targets for FY2/23 and afterward incorporate the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

Projected exchange rate: 20.0 yen/yuan; 134.0 yen/dollar

Plan for Capital Expenditures and Depreciation Expenses

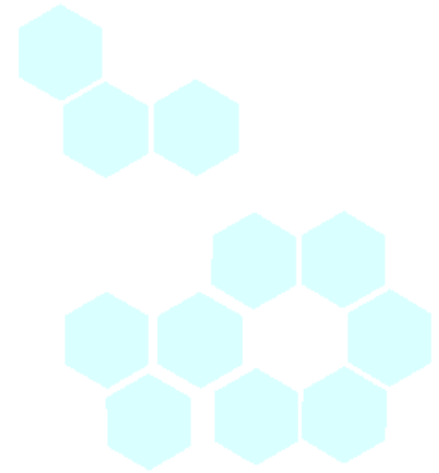
(Consolidated)

(Millions of yen; (% to sales))

	FY2/23 Results	Plan	FY2/24	
			YoY change	
			Amount	%
Capital expenditures	1,067 (2.5%)	1,415 (3.3%)	+348	+32.6%
Depreciation	1,306 (3.0%)	1,468 (3.4%)	+161	+12.4%

Major capital expenditures in FY2/24

Project	Description	Investment (Millions of yen)
Factory equipment update/replacement	Purchase of factory building (Nakamoto Inshokan Co., Ltd.), relocation of film lamination equipment (Mikunishiko), molding machine (Nakamoto Fine Pack), others	About 880
IT/System service equipment	New primary IT system and others	About 40
Air conditioning equipment	Air conditioning equipment (Nabari, Ryugasaki, Nakamoto Inshokan Co., Ltd. and others)	About 110
Inspection/measurement/analysis equipment	Inspection, measurement and analysis equipment (Saitama, Ryugasaki, Technology development and others)	About 150
Others	Purchases of land and business-use vehicles	About 240



Key Initiatives in FY2/24

1. Environmental responsibility
2. M&A activity and establishment of new companies
3. Higher earnings and optimization of the overseas business
4. More investments and development activities for IT and industrial materials
5. Strengthen technological progress to improve productivity and product quality
6. Improve efficiency by updating the primary IT system

Nakamoto Fine Pack acquires business of NISSEY Co., Ltd.

Acquired the food container molding business, which was part of the operations of NISSEY Co., Ltd.

The business was acquired on April 3, 2023

Sales contribution of the Yamanashi Plant: About ¥310 million (April-June 2023)

○ Summary of Yamanashi Plant

Location		Minamiarupusu city, Yamanashi
Equipment		Four molding machines and other equipment
Sales		Contribution of about ¥1 billion in the first year
Earnings	First year	Change in products manufactured One-time expenses for start of operations Production adjustments for the factory expansion
	Following years	Anticipate a significant contribution to earnings



Replacements of production machinery are under way and this business is expected to become profitable by the end of 2023.

RN Smart Packaging, a JV with Ricoh, starts operations

Planning, development and sales of no-label thermal and other functional packaging

Nakamoto Packs strengths

Packaging material designs,
functional coating technologies,
customer relationships



Ricoh strengths

Thermal printing
technologies

- ➔ Increase internal output of no-label thermal top seal film
- ➔ Use production facilities of other companies to cover a broader range of applications

Capital	310 million yen
Shareholding ratio	Ricoh 51%, Nakamoto Packs 49%
Establishment	April 3, 2023
Planned start of operations	July 3, 2023



Started sales of top seals, mainly to convenience stores, and nationwide operations

The heat sealing PET business was transferred to Mikunishiko

◆ Newly developed products

Developed product Peel, wrap, and recycle.

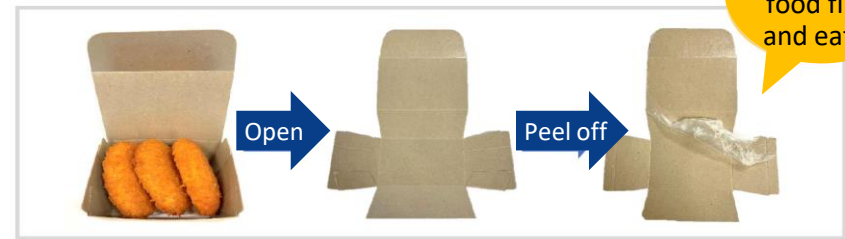
Peel off and eco-friendly

ペリットラミ
Peritto Lami

環境と人とパッケージコミュニケーション

株式会社 **クラウンパッケージ** <http://www.crown-grp.co.jp>

Crown Package Co., Ltd.



- POINT 1** Wrap the food in film to keep your hands clean.
- POINT 2** Eco-friendly because it can be disposed of separately.
- POINT 3** The laminate can be peeled off to print on food surfaces.



Speeding up the development of environmentally responsible products

Stock listing moved from Prime to Standard Market

(of the Prime Market listing requirements, only market cap of tradable shares falls short)

The Standard Market matches Nakamoto Packs' scale of operations and better enables the rebuilding of a framework for achieving growth in an industry that is changing rapidly.

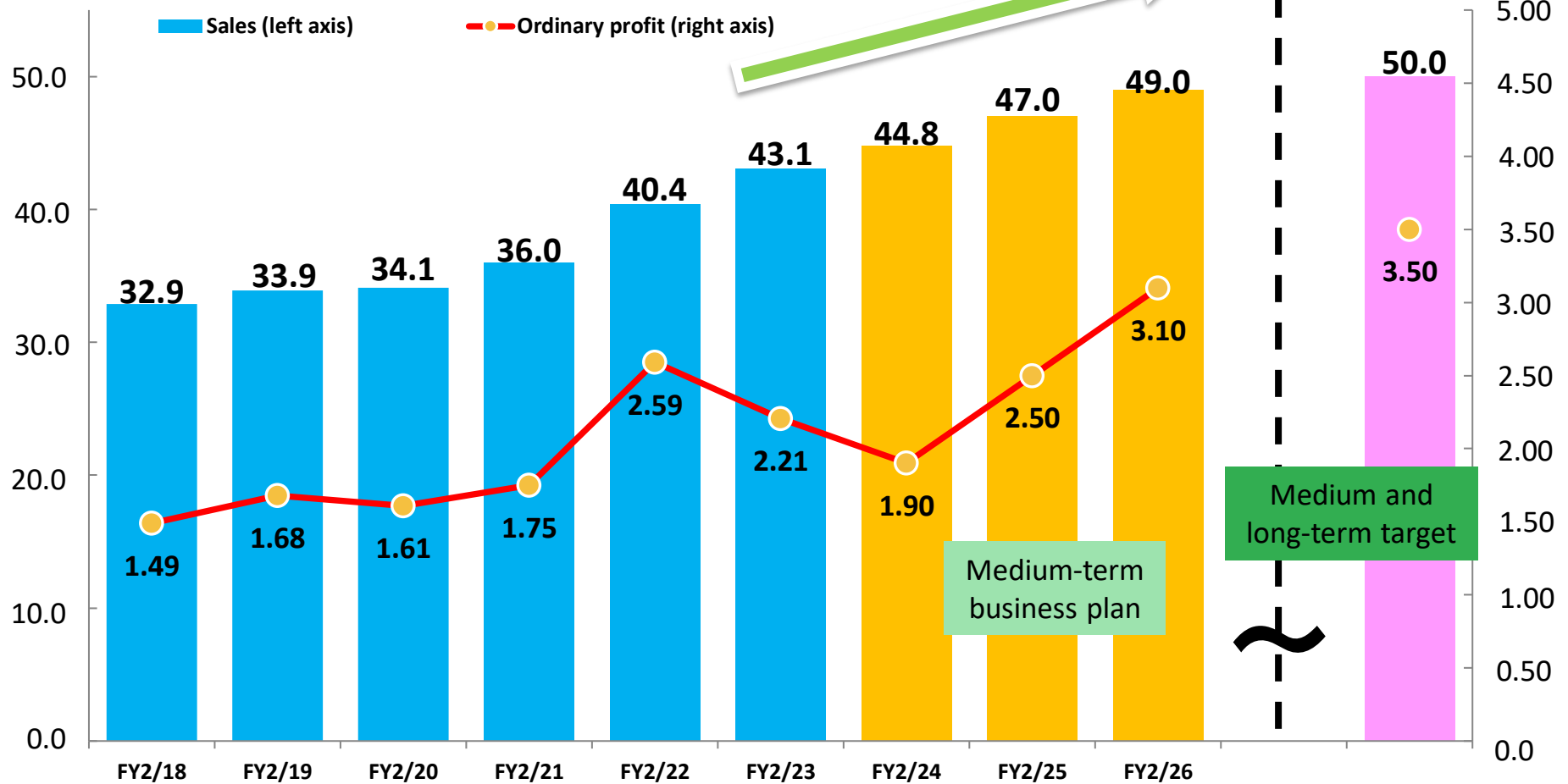
To continue to meet the listing requirements, Nakamoto Packs is holding down working time and the number of people while focusing resources on carefully selected businesses.

(Revitalize and reorganize unprofitable businesses, establish organizations that are needed, improve compensation for employees, and make substantial investments in businesses where investments can be recovered quickly.)

Medium-term Goals (Consolidated)

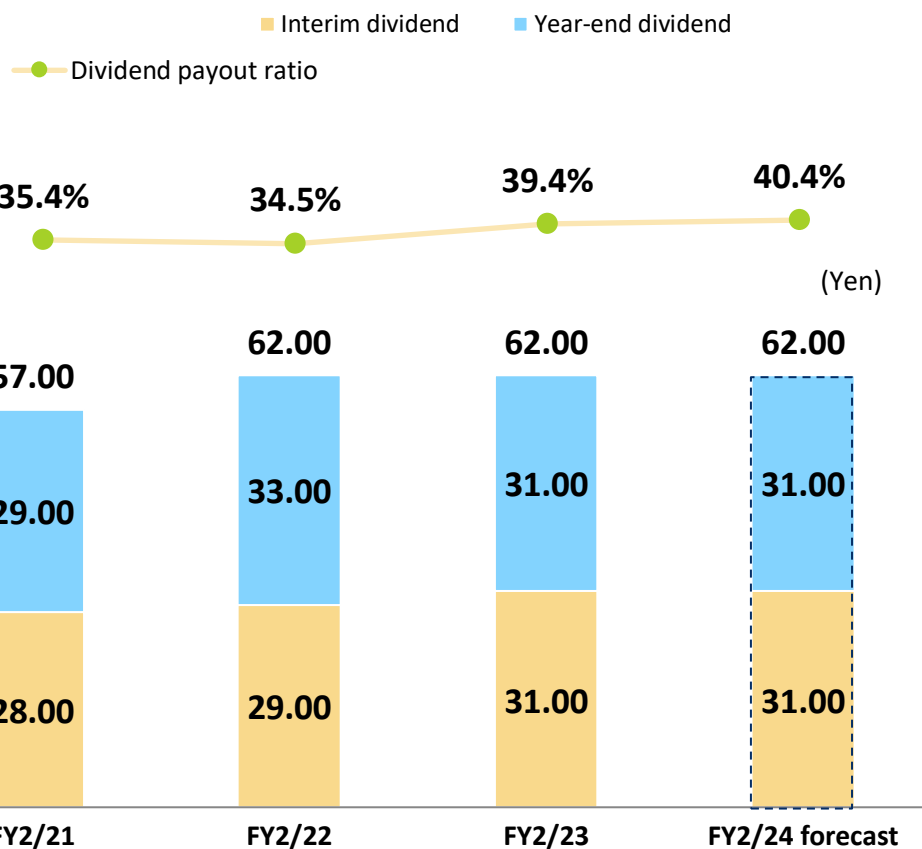
Medium-term plan aims for sales of 50 billion yen and ordinary profit of 3.5 billion yen

(Billions of yen)



*All sales and earnings targets for FY2/23 and afterward incorporate the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

■ Maintain a stable dividend while retaining earnings as needed



Shareholder special benefit plan

Eligible shareholders

Shareholders and beneficial shareholders of record as of the end of February in each year who own at least one unit (100 shares) of Nakamoto Packs stock

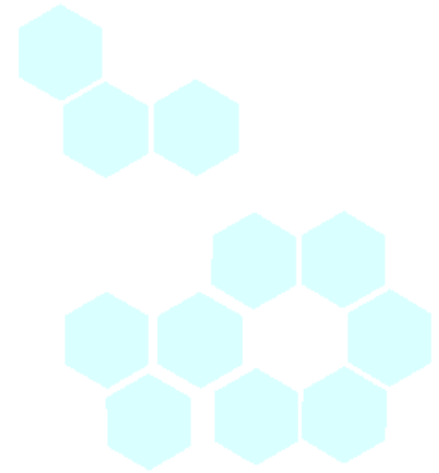
Description of shareholder benefits

100 to 199 shares	QUO card (¥1,000)
200 shares or more	QUO card (¥2,000)

Date of delivery

End of May in each year (tentative)

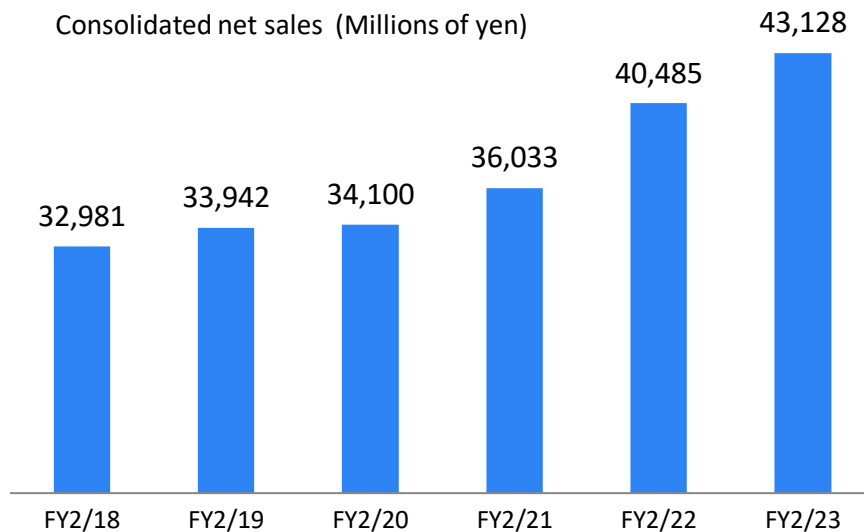




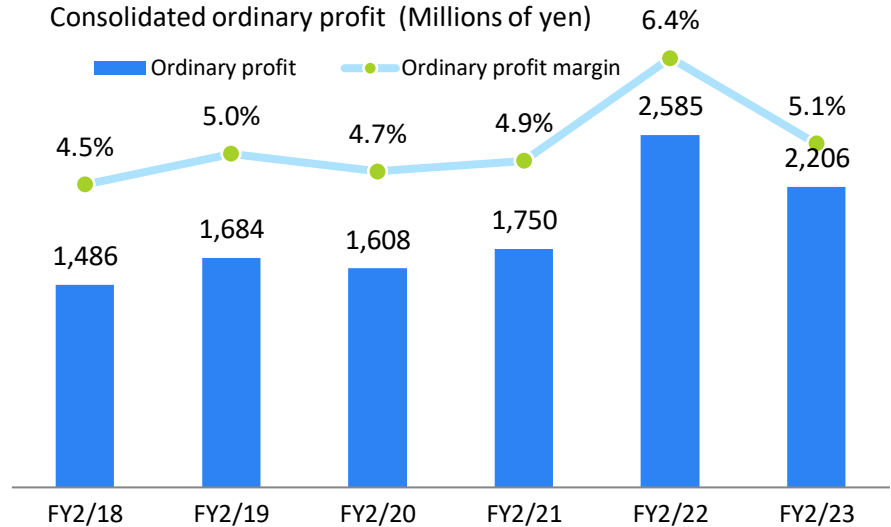
Reference

Trends and Results 1/2

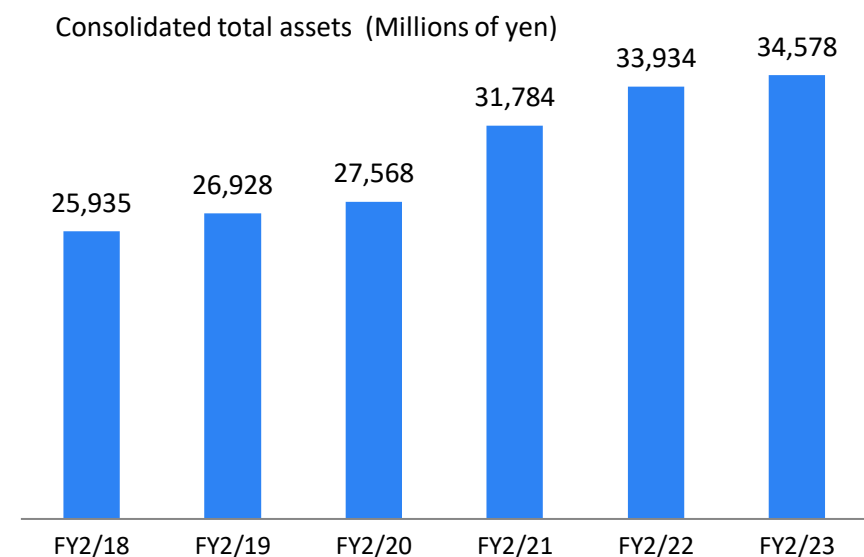
Consolidated net sales (Millions of yen)



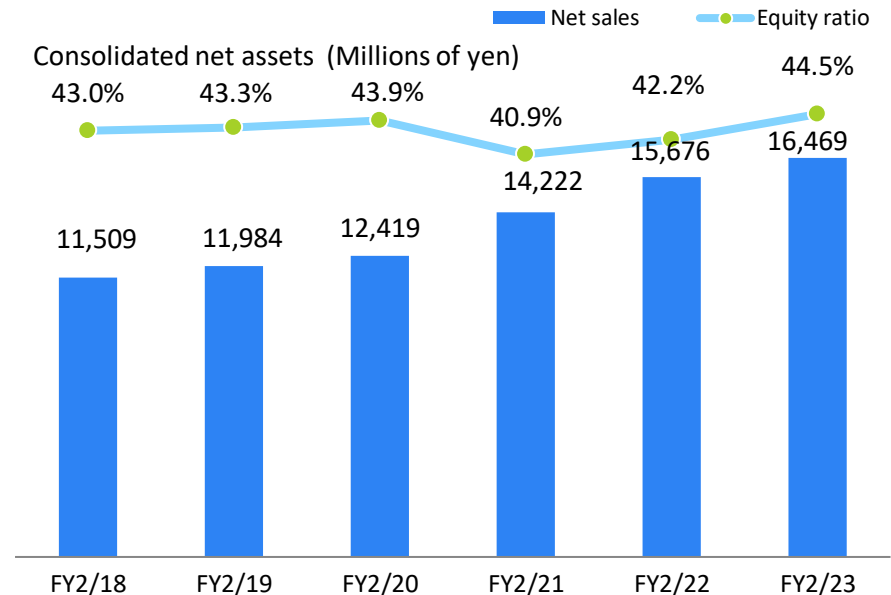
Consolidated ordinary profit (Millions of yen)



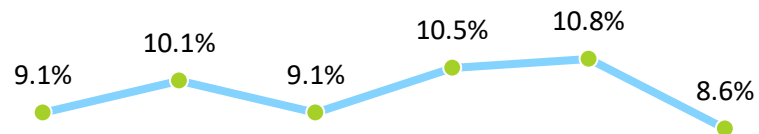
Consolidated total assets (Millions of yen)



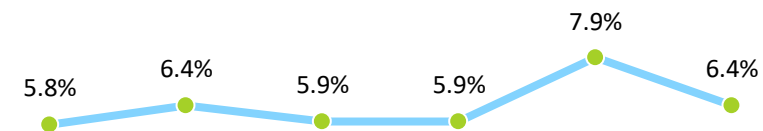
Consolidated net assets (Millions of yen)



Consolidated ROE



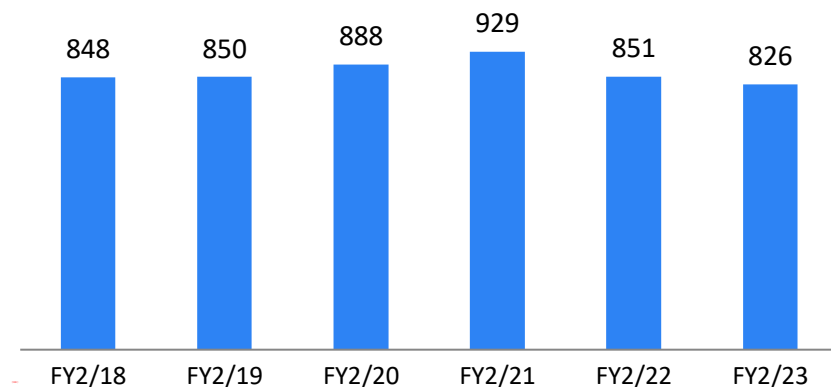
Consolidated ROA



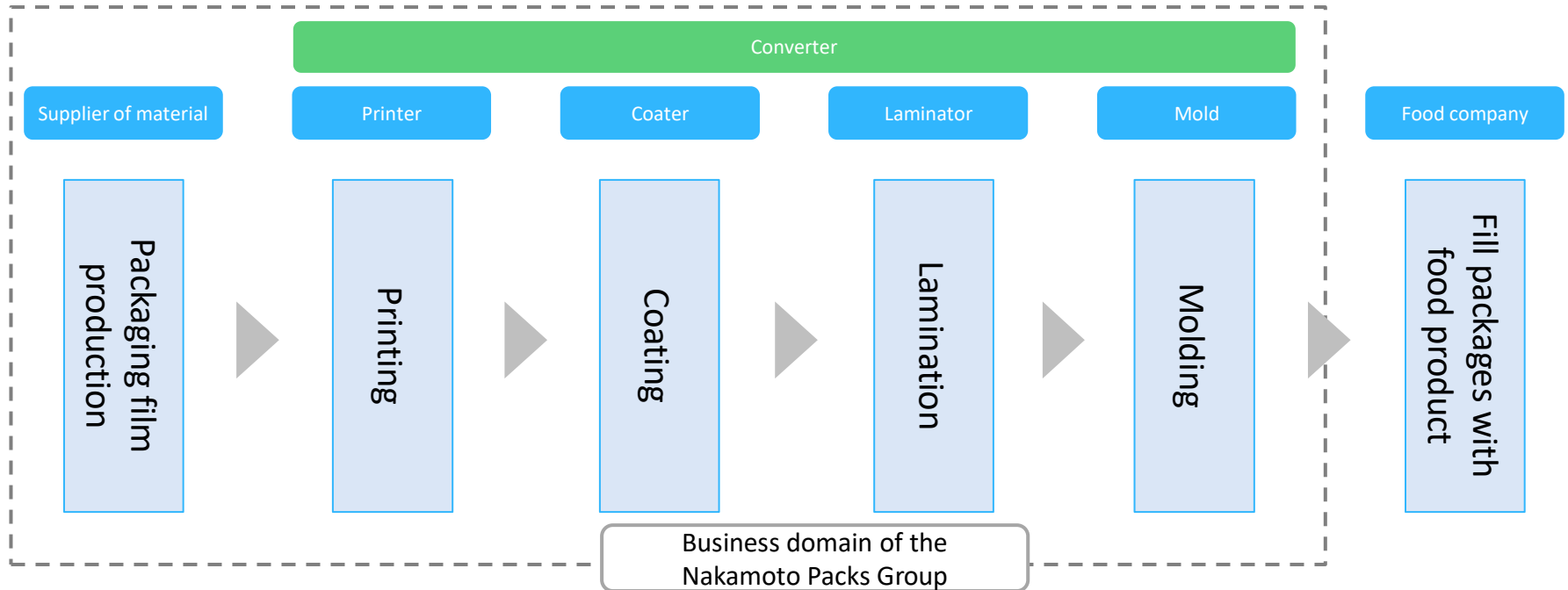
FY2/18 FY2/19 FY2/20 FY2/21 FY2/22 FY2/23

FY2/18 FY2/19 FY2/20 FY2/21 FY2/22 FY2/23

Number of consolidated employees (persons)

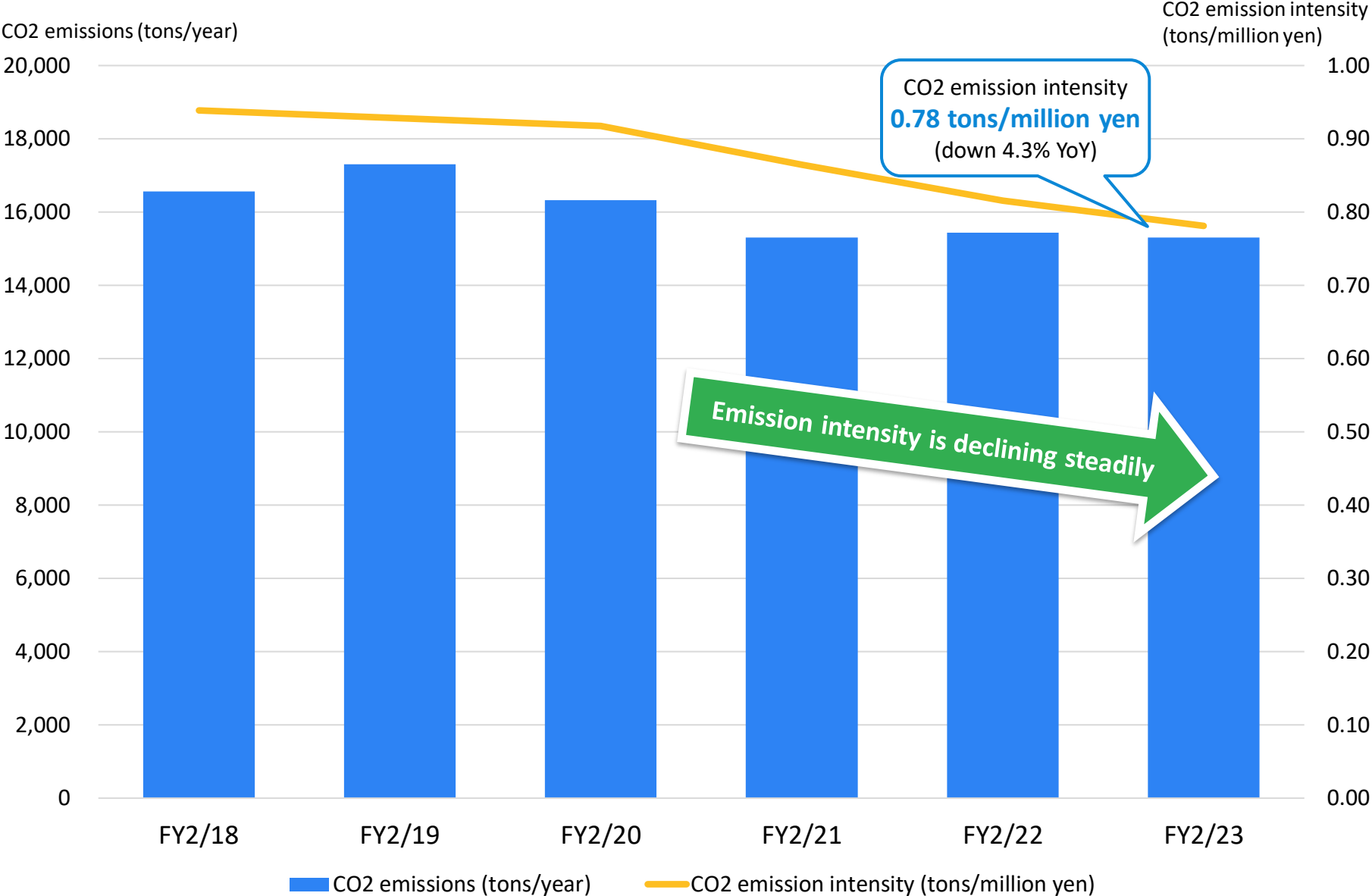


Packaging Material Printing Process (Example)



Process	Explanation
Gravure printing	A form of intaglio printing (a plate with text, patterns and other items engraved in reverse is used for printing) produces very fine differences in color gradations.
Lamination (dry and thermal)	Adhesives are used to bond multiple layers of materials for the purpose of strengthening and adding functions to packaging materials.
Coating	A material is coated with a thin layer of a resin or other substance to protect the material and give it specific functions.
Molding	A plastic sheet is heated to alter its shape (for making a food container, tray, lid or other item) or the inflation method is used to fabricate a plastic film or sheet.

CO2 Emissions and Emission Intensity



Dedicated to being a company that is kind to people and the environment
-Clean & Safety-

The Nakamoto Packs Motto

Our business depends on people. People depend on their hearts. An enjoyable company is the sum of diligence, dedication to serving others, and people.

Our Code of Conduct

Use sincerity to earn even greater trust

Use perseverance to create innovative ideas

Always improve yourself and cooperate with others

Contribute to society through the spirit of co-existence and mutual prosperity

Be dedicated to improving technologies and overcoming challenges

Make good behavior and the spirit of gratitude a source of happiness

Our Six Missions

We will listen with open minds to what our customers say

We will constantly acquire new technologies for printing, packaging and containers

We will maintain close internal and external lines of communication and deliver goods and services on time with speed and in good faith

We will be responsible for maintaining co-existence and mutual prosperity with our customers

We will attract more dedicated fans of our group by using work and systems that generate strong impressions

We will make the Nakamoto Packs Group an organization guided by the same destiny

Precautions

This presentation was prepared for the purpose of providing information about Nakamoto Packs and is not a solicitation to buy or sell any particular security. All or part of the contents of this presentation may be corrected or revised without prior notice. This presentation contains statements about future performance. These statements are not guarantees concerning future performance and actual performance may differ from these statements due to a change in market conditions or some other reason.