

2Q FY2024 (Apr.-Sept. 2024)

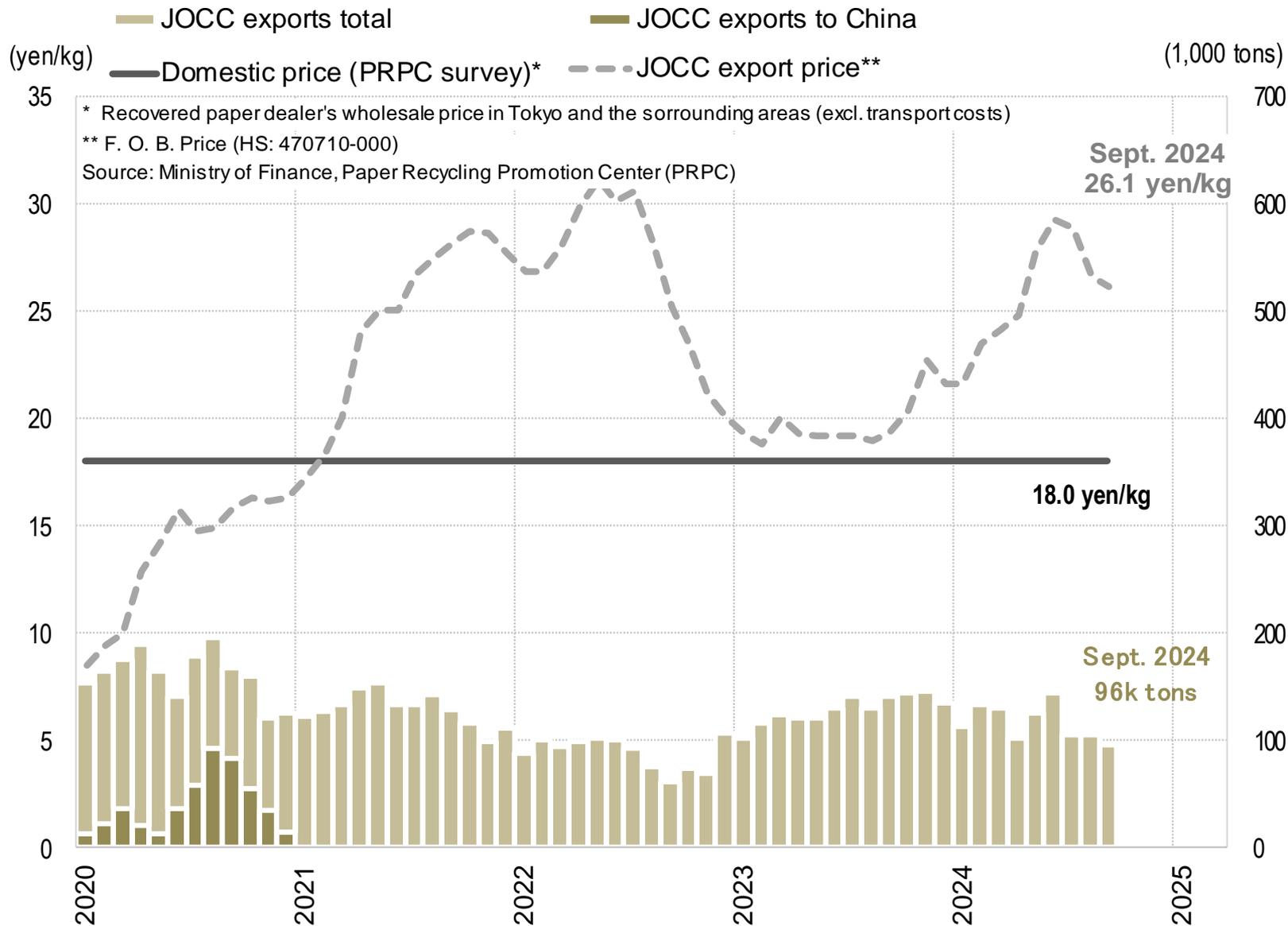
Earnings Presentation

November 6, 2024

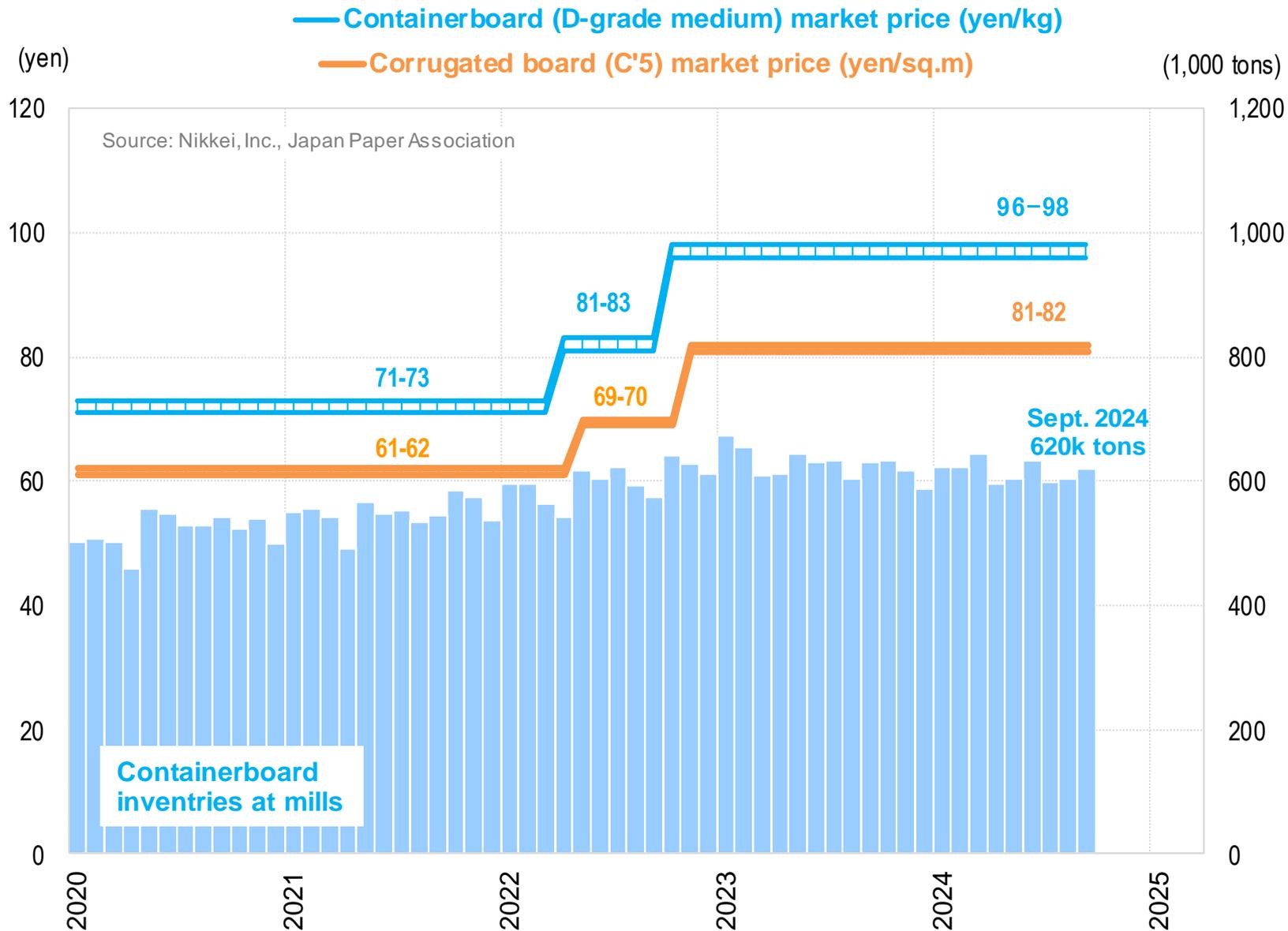
Contents

- | | |
|---|---|
| 1 | Trends in Old Corrugated Containers (OCC) |
| 2 | Trends in Containerboard and Corrugated Board |
| 3 | Consolidated Operating Results (YOY) |
| 4 | Breakdown of Changes in Consolidated Operating Profit (YOY) |
| 5 | Consolidated Performance Results at a Glance (YOY) |
| 6 | Consolidated Balance Sheet |
| 7 | Consolidated Statement of Cash Flow |
| 8 | Consolidated Financial Forecast for FY2024 (YOY) |
| 9 | Major Financial Indicators |

1. Trends in Old Corrugated Containers (OCC)



2. Trends in Containerboard and Corrugated Board



3. Consolidated Operating Results (Year-on-year)

(billion yen)

| | Apr.-Sept. 2023 | Apr.-Sept. 2024 | YoY | Diff. |
|--|--------------------|--------------------|--------|-------|
| Net sales | 452.9 | 495.1 | 109.3% | 42.2 |
| Operating profit | 25.7 | 19.8 | 77.1% | -5.9 |
| Ordinary profit | 27.5 | 21.9 | 79.6% | -5.6 |
| Extraordinary gain and loss | -0.2 | 3.9 | - | 4.1 |
| Profit attributable to owners of parent | 18.4 | 18.9 | 102.6% | 0.5 |

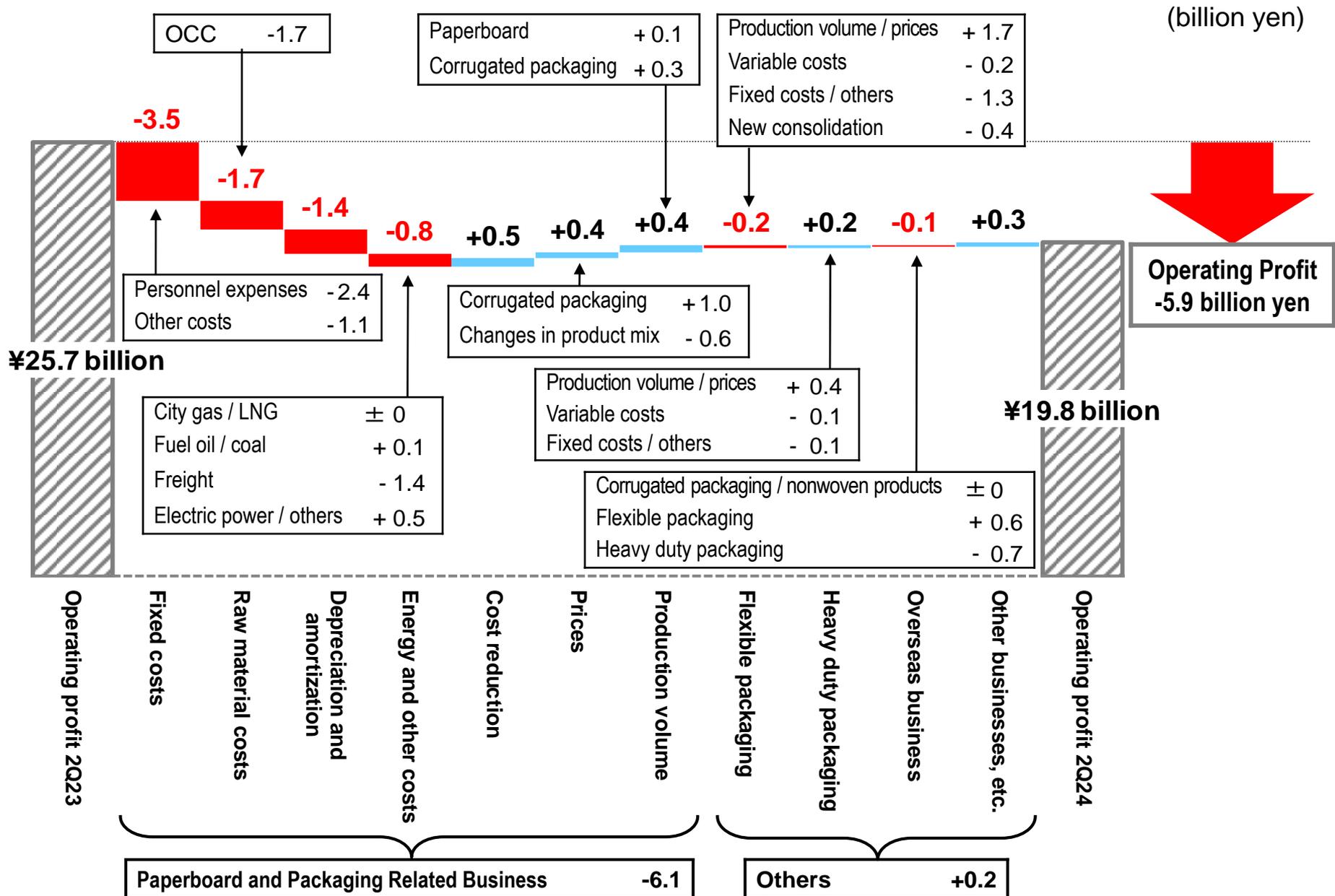
Main factors underlying extraordinary gain and loss

(billion yen)

| | Apr.-Sept. 2023 |
|---|--------------------|
| (Extraordinary gain) | |
| Gain on sales of noncurrent assets | 0.2 |
| Insurance income | 0.2 |
| (Extraordinary loss) | |
| Loss on sales/retirement of noncurrent assets | 0.5 |

| | Apr.-Sept. 2024 |
|---|--------------------|
| (Extraordinary gain) | |
| Gain on bargain purchase | 5.4 |
| (Extraordinary loss) | |
| Loss on sales/retirement of noncurrent assets | 0.6 |
| Plant renewal expenses | 0.6 |
| Loss on disaster | 0.3 |

4. Breakdown of Changes in Consolidated Operating Profit (Year-on-year)



5. Consolidated Performance Results at a Glance

(Year-on-year)

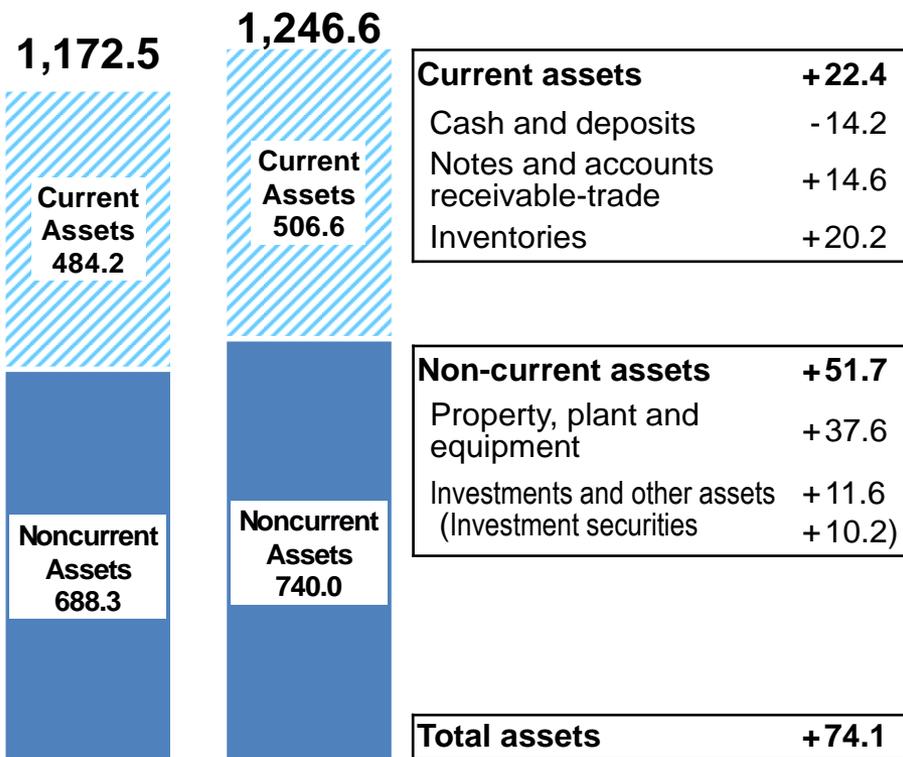
| | | Number of companies* | | Net sales (billion yen) | | | | Ordinary profit (million yen) | | | | Containerboard production (1,000 MT) | | | Corrugated board production (million sqm.) | | |
|-----------------------------------|--|----------------------|------------|-------------------------|--------------|--------------|-------------|-------------------------------|---------------|--------------|---------------|--------------------------------------|--------------|--------------|--|--------------|--------------|
| | | 2Q23 | 2Q24 | 2Q23 | 2Q24 | YoY % | Diff. | 2Q23 | 2Q24 | YoY % | Diff. | 2Q23 | 2Q24 | YoY % | 2Q23 | 2Q24 | YoY % |
| 1 | Rengo (unconsolidated) | 1 | 1 | 183.7 | 184.0 | 100.2 | 0.3 | 17,273 | 12,073 | 69.9 | -5,200 | 881 | 894 | 101.5 | 1,042 | 1,048 | 100.6 |
| 2 | Paper manufacturing subsidiaries | 3 | 3 | 25.1 | 25.0 | 99.6 | -0.1 | 2,115 | 1,450 | 68.6 | -665 | 223 | 212 | 95.1 | | | |
| 3 | Paperboard packaging subsidiaries | 37 | 35 | 126.1 | 126.1 | 100.0 | 0.0 | 3,954 | 4,110 | 103.9 | 156 | | | | 1,086 | 1,084 | 99.8 |
| 4 | Flexible packaging subsidiaries | 4 | 5 | 58.0 | 91.4 | 157.7 | 33.4 | 2,329 | 2,916 | 125.2 | 587 | | | | | | |
| 5 | Heavy duty packaging subsidiaries | 3 | 3 | 25.3 | 25.8 | 102.1 | 0.5 | 1,412 | 1,697 | 120.2 | 285 | | | | | | |
| 6 | Other subsidiaries | 5 | 6 | 97.2 | 97.0 | 99.8 | -0.2 | 921 | 1,174 | 127.5 | 253 | | | | | | |
| Domestic total (1 to 6) | | 53 | 53 | 515.3 | 549.2 | 106.6 | 33.9 | 28,004 | 23,420 | 83.6 | -4,584 | 1,104 | 1,105 | 100.1 | 2,128 | 2,132 | 100.2 |
| 7 | Paperboard packaging & nonwoven products Subs. | 9 | 9 | 11.5 | 12.8 | 111.2 | 1.3 | -82 | -46 | - | 36 | | | | 117 | 102 | 87.2 |
| 8 | Flexible packaging subsidiaries | 6 | 7 | 15.9 | 19.6 | 123.1 | 3.7 | 1,391 | 2,470 | 177.6 | 1,079 | | | | | | |
| 9 | Heavy duty packaging subsidiaries | 119 | 123 | 89.6 | 100.6 | 112.3 | 11.0 | 6,109 | 5,642 | 92.4 | -467 | | | | | | |
| Overseas total (7 to 9) | | 134 | 139 | 117.0 | 133.0 | 113.7 | 16.0 | 7,418 | 8,066 | 108.7 | 648 | - | - | - | 117 | 102 | 87.2 |
| Simply aggregated (1 to 9) | | | | 632.2 | 682.2 | 107.9 | 50.0 | 35,422 | 31,486 | 88.9 | -3,936 | | | | | | |
| 10 | Companies subject to the equity method | 17 | 17 | | | | | 1,162 | 1,605 | 138.1 | 443 | | | | | | |
| 11 | Intersegment eliminations | | | -179.4 | -187.0 | - | -7.6 | -9,123 | -11,220 | - | -2,097 | | | | | | |
| Total (1 to 11) | | 204 | 209 | 452.9 | 495.1 | 109.3 | 42.2 | 27,461 | 21,871 | 79.6 | -5,590 | 1,104 | 1,105 | 100.1 | 2,245 | 2,235 | 99.6 |

* Changes in the number of companies compared to the previous year are as follows ([1] [2] [3] [4] are part of RM TOHCELLO Group).

- Two companies decreased (Nitto Shiki Kogyo Co., Ltd. and Tachikawa Danboru Kogyo Co., Ltd.) in the domestic paperboard packaging subsidiaries.
- Two companies increased (RM TOHCELLO CO., LTD.^[1] and Shikoku Tohcello Co., Ltd.^[2]) and one company decreased (Sun·Tox Co., Ltd.) in the domestic flexible packaging subsidiaries.
- One company increased (Tohcello Logistics Co., Ltd.^[3]) in the other subsidiaries.
- One company increased (SIAM TOHCELLO CO., LTD.^[4]) in the overseas flexible packaging subsidiaries.
- Four new subsidiaries have been added to the overseas heavy duty packaging, all of which belong to Tri-Wall Group.

6. Consolidated Balance Sheet

Assets

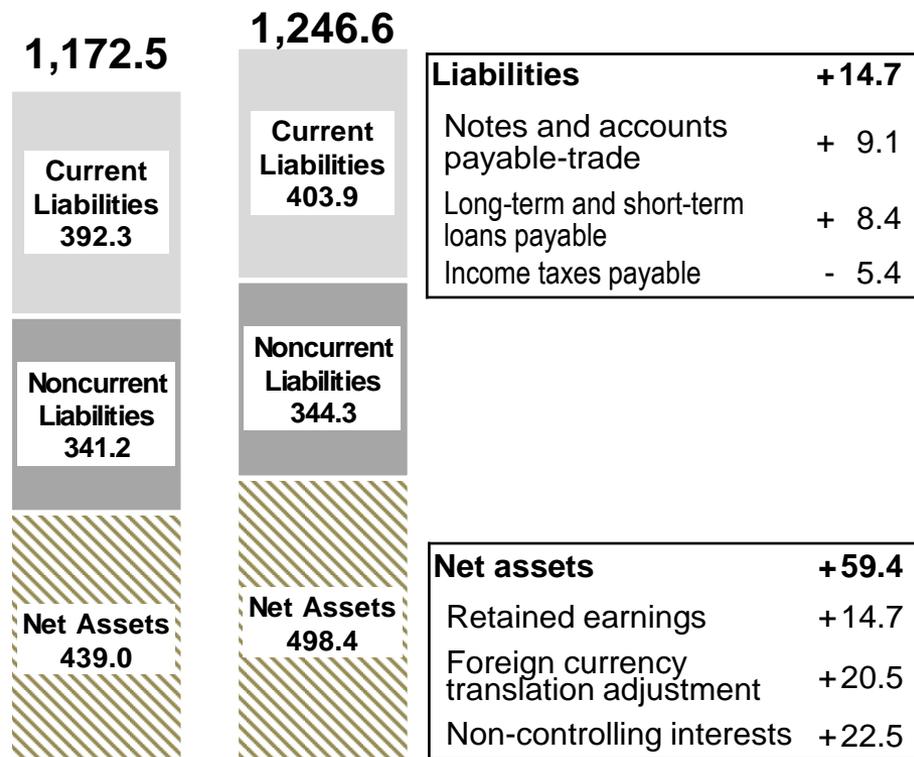


Mar. 31, 2024

Sept. 30, 2024

Liabilities & Net Assets

(billion yen)



Mar. 31, 2024

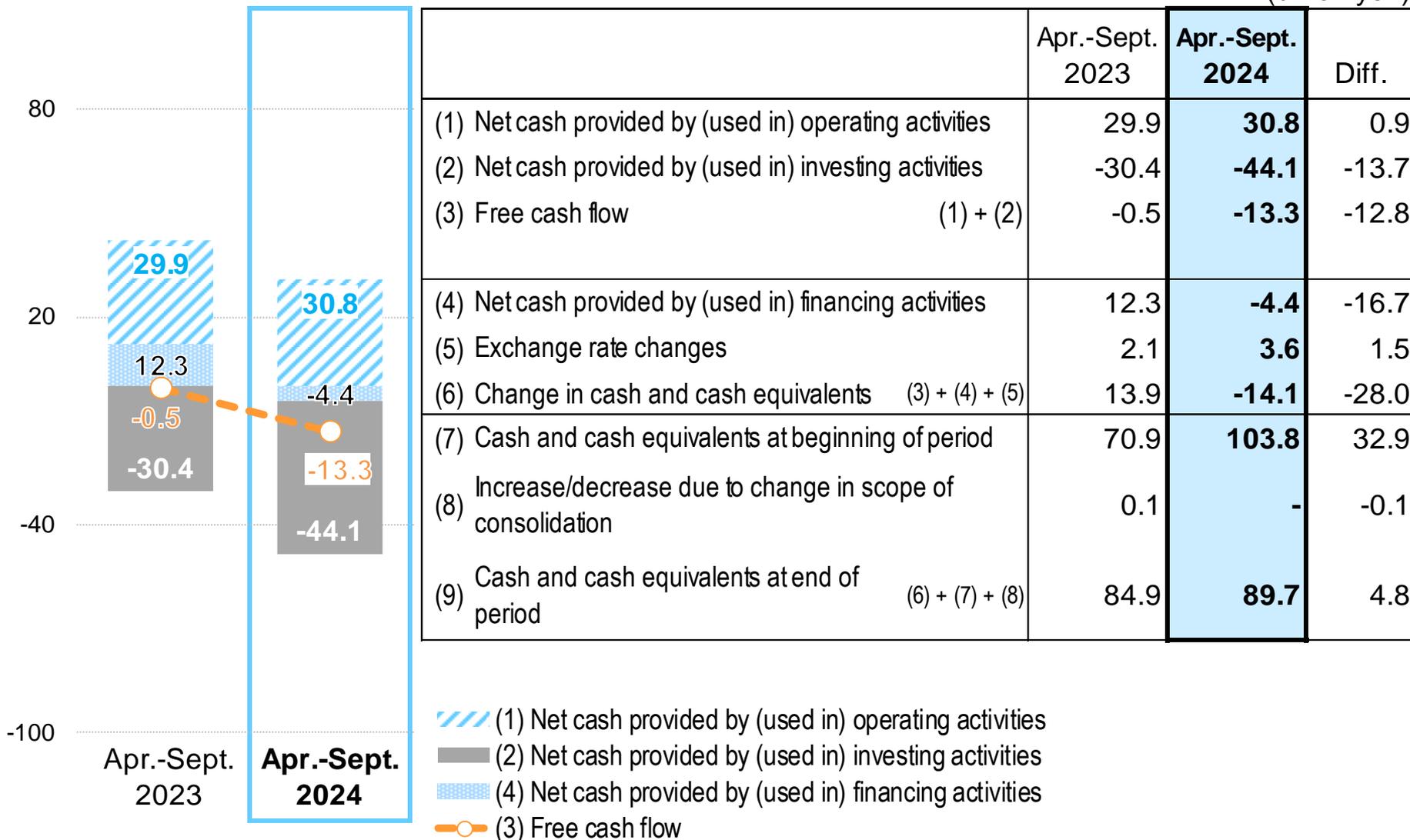
Sept. 30, 2024

| | Mar. 31, 2024 | Sept. 30, 2024 | |
|----------------------------|---------------|-------------------|--------------------|
| Interest-bearing debt | ¥437.7 bn | ¥447.1 bn | (+9.4 billion yen) |
| Shareholders' Equity ratio | 36.3 % | 37.1 % | (+0.8 pts) |
| D/E Ratio | 1.03 times | 0.97 times | (-0.06 pts) |

7. Consolidated Statement of Cash Flow

(billion yen)

(billion yen)



8. Consolidated Financial Forecast for FY2024 (Year-on-year)

(billion yen)

| | 2Q24 Forecast | 2Q24 Results | YoY |
|--|------------------|-----------------|------|
| Net sales | 500.0 | 495.1 | -4.9 |
| Operating profit | 21.0 | 19.8 | -1.2 |
| Ordinary profit | 22.0 | 21.9 | -0.1 |
| Profit attributable to owners of parent | 17.0 | 18.9 | 1.9 |

| FY2024 Forecast | YoY | Diff. |
|----------------------------|---------------|--------------|
| 1,000.0 | 111.0% | 99.2 |
| 50.0 | 102.3% | 1.1 |
| 52.0 | 108.4% | 4.0 |
| 35.0 | 106.0% | 2.0 |

9. Major Financial Indicators

| | | (million yen) | | |
|---|-------------|---------------|------------------|-----------------------------------|
| | | FY2023 | 2Q24 | |
| (1) Net sales | | 900,791 | 495,134 | |
| (2) Operating profit | | 48,855 | 19,798 | |
| (3) Ordinary profit | | 47,984 | 21,871 | |
| (4) Profit attributable to owners of parent | | 33,025 | 18,883 | |
| (5) Total assets | | 1,172,515 | 1,246,611 | |
| (6) Total shareholders' equity ^{*1} | | 425,294 | 462,214 | |
| (7) Net assets | | 438,978 | 498,427 | |
| (8) Interest-bearing debt | | 437,669 | 447,124 | |
| (9) Capital expenditures | | 73,833 | 35,376 | |
| (10) Depreciation and amortization | | 48,761 | 26,891 | |
| *1 Total shareholders' equity = Net assets - non-controlling interests | | | | |
| (11) Return on equity (ROE) ^{*2} | % | 8.3 | - | (4) / (6) |
| (12) Shareholders' Equity ratio | % | 36.3 | 37.1 | (6) / (5) |
| (13) EBITDA | million yen | 101,054 | - | (2)+(10)+Amortization of goodwill |
| (14) D/E Ratio | times | 1.03 | 0.97 | (8) / (6) |
| (15) Ratio of net sales to interest-bearing debt | % | 48.6 | - | (8) / (1) |
| (16) Ordinary profit margin | % | 5.3 | 4.4 | (3) / (1) |
| *2 Calculated with the average of equity at the beginning and the end of the year | | | | |
| Cash dividends applicable to the period | yen | 30 | 15 | Annual plan for FY2024: 30 yen |

The description of the business plan and the financial forecasts is based on the information currently available.
Any forward-looking information is not a guarantee of future performance.



Finance and Investor Relations Department

Email: ir@rengo.co.jp

<https://www.rengo.co.jp/english/>