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November 13, 2023

To whom it may concern,

Company name: Mitsubishi Paper Mills Limited
Representative: Ryuichi Kisaka, President and CEO
(Code No.3864, TSE Prime)
Contact: Daisuke Yamada
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**Notice of Group Organization Restructuring
(Merger of wholly owned subsidiaries and others)**

Mitsubishi Paper Mills Limited (hereinafter “MPM”) hereby announces that at our board of directors meeting held on November 13, 2023, our group organization restructuring (hereinafter the “Organization Restructuring”) was resolved. As the Organization Restructuring is going to take place between MPM and its consolidated subsidiaries, and between its consolidated subsidiaries, certain disclosure items and details are omitted.

Details:

1. Purpose of the Organization Restructuring

MPM group is actively pursuing the strengthening of our business foundation and the creation of a new Mitsubishi Paper Group as outlined in our medium-term management plan (for the period from March 2023 to March 2025). As part of this initiative, on April 1, 2023, we integrated Diamic Co., Ltd. into Mitsubishi Oji Paper Sales Co., Ltd., consolidated subsidiaries at the Kitakami site, and merged subsidiaries at the Hachinohe site.

Furthermore, we are proceeding with the merger of the following subsidiary companies within our group to further rationalize our organization, reduce fixed costs, and strengthen corporate governance.

2. The essence of this organizational restructuring

① The merger schedule

	Date	Absorbed (merged) and extinguished company
The date of the Board of Directors' resolution of our company	November 13, 2023	
The date of the merger agreement signing	November 13, 2023	
The effective date of the merger	April 1, 2024 (scheduled)	Shin-Hokuryo Forest Products Co., Ltd. Kyoryo Chemical Co., Ltd. Takasago Paper Processing Co., Ltd.
	July 1, 2024 (scheduled)	KJ SPECIALTY PAPER Co., Ltd.

② The method of merger

We will proceed with the merger by which our company will be the surviving entity and Shin-Hokuryo Forest Products Co., Ltd., Kyoryo Chemical Co., Ltd., Takasago Paper Processing Co., Ltd., and KJ SPECIALTY PAPER Co., Ltd. will be the absorbed and extinguished entities.

③ The content of the allocation related to the merger

There will be no issuance of new shares and no payment of merger consideration as a result of the merger.

④ Treatment of New Stock Warrants and Convertible Bonds with Stock Warrants in Connection with the Merger

There are no relevant items.

⑤ Overview of the Companies Involved in the Merger

	Surviving company	
(1) Company name	Mitsubishi Paper Mills Limited	
(2) Location	2-10-14 Ryogoku, Sumida-ku, Tokyo	
(3) Name and title of representative	President and CEO Ryuichi Kisaka	
(4) Main business	Production, processing, and sale of paper, pulp, and photosensitive materials	
(5) Stated capital	36,561 million yen	
(6) Date of establishment	April 1, 1898	
(7) Issued shares	44,741,433 shares	
(8) End of fiscal year	March 31	
(9) Major shareholders and shareholdings ratio (As of September 30, 2023)	Oji Holdings Corporation	32.90%
	Isao Nasu	4.77%
	The Master Trust Bank of Japan, Ltd. (Trust account)	3.51%
	BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	2.44%
	Mitsubishi Paper Mills Shareholder Association	2.14%
(10) The financial condition and operating performance of the most recent fiscal year		
End of fiscal year	FY2023.03 (consolidated)	
Net Assets	74,041 million yen	
Total Assets	227,058 million yen	
Net assets per share	1,646.59 yen	
Net sales	209,542 million yen	
Operating Income	968 million yen	
Ordinary Income	3,089 million yen	
Net profit attributable to owners of parent	△571 million yen	
Dividend per Share	△12.97yen	

	Absorbed company			
(1) Company name	Shin-Hokuryo Forest Products Co., Ltd.	Kyoryo Chemical Co., Ltd.	Takasago Peaper Processing Co., Ltd.	KJ SPECIALTY PAPER Co., Ltd.
(2) Location	Aomoriyachi-3 Kawaragi Hachinohe, Aomori	Kōtarihashimoto-15 Nagaokakyo, Kyoto	105 Takasagochō Sakaemachi Takasago, Hyogo	7-1 Shinbashichō Fuji, Shizuoka
(3) Name and title of representative	President & CEO Goro Imahori	President & CEO Yukio Tokunaga	President & CEO Hironori Oikawa	President & CEO Ryuki Fuchiwaki
(4) Main business	The manufacturing, purchase, and sale of wood chips and other related activities	The finishing of paper and packaging materials, as well as the manufacturing of disinfectants and sanitizers, among other activities	The cutting, sorting, and packaging of paper	The manufacturing, processing, and sale of chemical paper
(5) Stated capital	70 million yen	12 million yen	30 million yen	50 million yen
(6) Date of establishment	November 1980	May 1957	December 1979	July 2011
(7) Issued shares	129,000 shares	240 shares	60,000 shares	2 shares
(8) End of fiscal year	March 31	March 31	March 31	March 31
(9) Major shareholders and shareholdings ratio (As of September 30, 2023)	MPM 100%	MPM 100%	MPM 100%	MPM 100%
(10) The financial condition and operating performance of the most recent fiscal year				
End of fiscal year	FY2023.03 (standalone)	FY2023.03 (standalone)	FY2023.03 (standalone)	FY2023.03 (standalone)
Net Assets	550 million yen	28 million yen	136 million yen	4,142 million yen
Total Assets	2,217 million yen	123 million yen	582 million yen	8,129 million yen
Net assets per share	4,264.78 yen	116,680.32 yen	2,267.00 yen	2,070,959,514.50 yen
Net sales	8,651million yen	759million yen	912million yen	8,550million yen

⑥ The post-merger situation

There are no changes in our company's name, address, representative's position and name, business activities, capital, and fiscal year after the merger.

3. Others

In addition to the integration mentioned above, on April 1, 2024, the following mergers between our group companies will also be implemented:

- ① Merger of Mitsubishi Paper Engineering Co., Ltd. and Ryokou Co., Ltd..
- ② Merger of Mitsubishi Oji Paper Sales Co., Ltd. and Ryoshi Co., Ltd..

4. Future outlook

The impact on consolidated performance due to this organizational restructuring is minimal.