

Since the 1970s, the Oji Group has been expanding overseas in a variety of fields. In this section, we introduce the challenges faced by each company in expanding its business activities around the world. The second issue of the anniversary book will feature the following six companies founded in the 1990s

- 1** 1990.9 Establishment **KANZAN** Germany
- 2** 1992.9 Establishment **SPFL** New Zealand
- 3** 1993.8 Establishment **APFL** Australia
- 4** 1995.5 Establishment **QPFL** Vietnam
- 5** 1995.11 Establishment **Shanghai East Oji Packaging Co., Ltd.** China
- 6** 1996.11 Establishment **AOSP** Thailand



since 1990

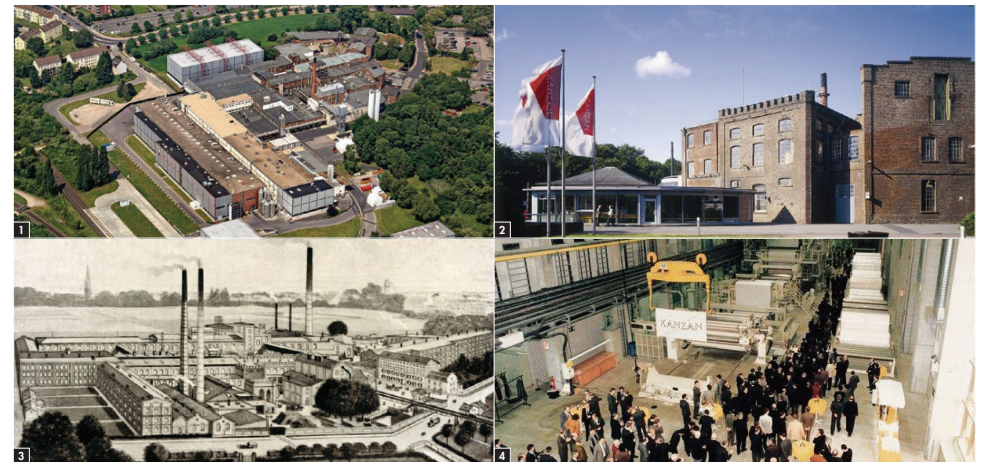
## KANZAN Spezialpapiere GmbH (KANZAN)

Germany

### First Japanese thermal paper manufacturer in Europe

The growing popularity of thermal paper in Europe in the 1980s was mainly served by imports from Japan, in addition to a few local manufacturers. The steadily growing volume, but also other factors, led major thermal manufacturers from Japan to look for production opportunities in Europe. Kanzaki had already worked with the fine paper manufacturer Zanders for many years in the carbonless paper sector. This good cooperation was the central basis for the willingness to think about a new joint project. Kanzaki was looking for a production site in Europe with a paper machine and an experienced workforce. Zanders, on the other hand, had just such a production site with its Neumühl mill in Düren, for which a new business model was being sought. Thus, in September 1990, a new joint venture was created whose name was formed by combining the first syllables of Kanzaki and Zanders: KANZAN. Due to their sales experience for thermal papers in Europe, Marubeni became a minority shareholder.

After Zanders lost interest in KANZAN, Oji was able to take over their share in 2000 and thus integrate KANZAN almost completely into the group. Today KANZAN is a very competitive technology leader in Europe in the field of high value added coated specialty papers.



1 Overall view of KANZAN 2 Entrance of KANZAN 3 Neumühl factory in 1919 4 Completion ceremony of Coater 1 in 1991

Company Profile	History
<b>Company Name</b> KANZAN Spezialpapiere GmbH (KANZAN)	<b>1710</b> Start operation at Neumühl by Rütger von Scheven
<b>Business</b> Manufacture and sale of thermal paper, etc.	<b>1990</b> Establishment of KANZAN Spezialpapiere GmbH as a joint-venture between Kanzaki, Zanders and Marubeni
<b>Year of Establishment</b> 1990	<b>1991</b> Installation of Coater 1
<b>Location</b> Düren, Germany	<b>1995</b> Introduction of on-line basecoating on the paper machine
	<b>2000</b> Oji acquires the Zanders share and becomes main shareholder
	<b>2001</b> Installation of Coater 2
	<b>2002</b> Extensive rebuild and speed increase of the paper machine
	<b>2010</b> The "Neumühl" mill celebrates its 300th anniversary
	<b>2024</b> Extensive investments in coating technology and slitting

since 1992

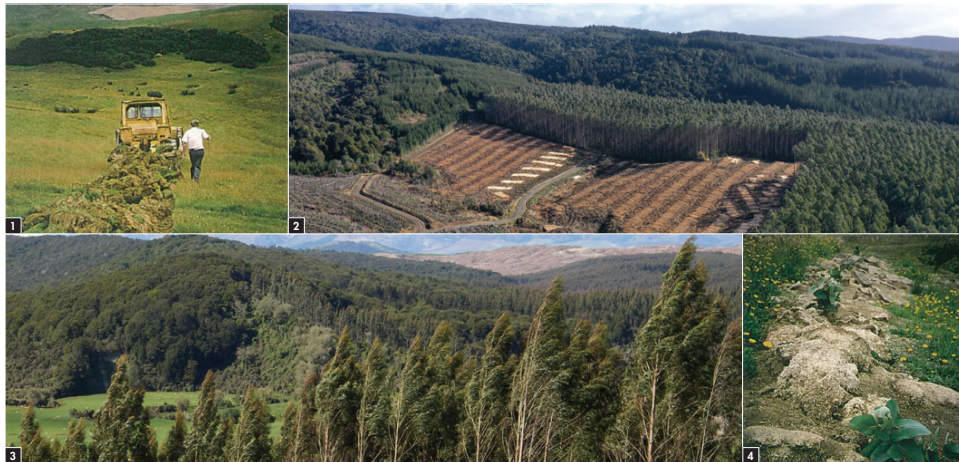
## Southland Plantation Forest Company of New Zealand Ltd. (SPFL)

New Zealand

### Together with local farming and ranching communities

In the late 1980s, hardwood chips, the raw material for paper, were largely dependent on chips from natural forests in Chile and the United States, and it was necessary to promote afforestation projects to secure raw materials for the future and to protect the environment. Oji Paper, together with the trading companies with which it did business at the time, investigated Oceania, South America, Southeast Asia and Africa in search of suitable afforestation sites. At the time, New Zealand was experiencing a temporary recession due in part to the termination of government subsidies for wool-related businesses, a major industry in that country, and much land for pastoral farming was being sold at low prices. In 1992, SPFL was established in New Zealand as a joint venture with ITOCHU Corporation (51% owned by Oji and 49% by ITOCHU at the time), as SWEL, a subsidiary of ITOCHU, was engaged in afforestation, logging, chip processing and port loading and unloading in New Zealand. In 2004, SPFL acquired forest management certification and became the first New Zealand hardwood plantation company to receive FSC™ certification.\*

In the local community, SPFL will continue to coexist and prosper with neighboring businesses and supply renewable raw materials as a chip supply base for Oji Group companies and, in the future, as a resource base for hardwood lumber.



1 The purchased pasture is cultivated with heavy machinery 2 Front: Forest plantation, Center: Harvested raw woods and forest land grown for 20 years, Back: Other companies' forest land and natural forest 3 All the eucalyptus trees spreading from the front to the center of the photo were planted by SPFL. Pastureland (yellow-green area) surrounds the forest plantation, with a mountain range in the back.

4 Newly planted Eucalyptus

Company Profile	History	
<b>Company Name</b> Southland Plantation Forest Company of New Zealand Ltd. (SPFL)	1992	Establishment of Southland Plantation Forest Company of New Zealand Ltd. (SPFL)
<b>Business</b> Afforestation	2004	Obtained FSC™ Forest Management /Chain of Custody Certification* *License code FSC™ C008418
<b>Year of Establishment</b> 1992	2005	First logging and shipping of chips
<b>Location</b> Southland Region, New Zealand	2007	Forest plantation area exceeded 10,000 ha
	2020	Oji Holdings acquired additional shares (70% owned by Oji and 30% by Itochu Pulp & Paper)

since 1993

## Albany Plantation Forest Company of Australia Pty., Ltd. (APFL)

Australia

### Significant contribution to improving the local environment

In the late 1980s, many environmental groups critical of the deforestation of natural forests were active in protests around the world, and there was an urgent need to shift the supply of raw materials for papermaking to a system based mainly on plantation forests. In these circumstances, APFL, an afforestation company, was established in Albany, Western Australia in 1993, following a company on the South Island of New Zealand. Its major shareholder was Oji Paper (current shareholders: Oji Holdings, Senshukai and Nippon Yusen).

In the Albany area, the livestock grazing environment had deteriorated due in part to deforestation and salt damage caused by the excessive logging of natural forests in the past, and the Conservation and Land Management (CALM) of the Western Australian government had begun afforestation in the Albany area in the late 1980s to prevent salt damage to agricultural land and to provide windbreaks. However, CALM did not have much experience in afforestation, and as a result, APFL played a pioneering role in afforestation projects in Albany. APFL's contributions to the prevention of salt damage and soil erosion were highly evaluated, and the company received the Landcare Award in 1995 and the First Asia Pacific Environmental Marketing Award in 1997. The local government has also praised the company's attitude of promoting environmentally friendly afforestation while coexisting with existing agriculture.



1 Distant view of APFL's forest plantation 2 Planting operation at the time of establishment in 1994 3 The first woodchip export ceremony in 2002. The chip ship is "OJI UNIVERSE."

4 Woodchips stockpile at the Albany Port

Company Profile	History	
<b>Company Name</b> Albany Plantation Forest Company of Australia Pty., Ltd. (APFL)	1993	Establishment of Albany Plantation Forest Company of Australia Pty., Ltd. (APFL)
<b>Business</b> Afforestation	1995	Awarded the Western Australia Landcare Award
<b>Year of Establishment</b> 1993	1997	Awarded the first Asia Pacific Environmental Marketing Award
<b>Location</b> Albany, Western Australia, Australia	2000	Oji Paper and ITOCHU Corporation established Albany Plantation Export Company Pty., Ltd. (APEC) in Albany
	2002	APEC started exporting woodchips produced from APFL's planted trees

since 1995

# Quy Nhon Plantation Forest Company of Vietnam Ltd. (QPFL)

Vietnam

## Contribution to the revitalization of Vietnam's afforestation business

Oji Paper, which was considering expanding its overseas afforestation business, turned its attention to Vietnam, which had a mild climate with abundant rainfall that was suitable for afforestation, together with an abundant labor force. In 1995, Oji Paper established QPFL, an afforestation company, jointly with Nissho Iwai Corporation (now Sojitz Corporation) and Dai Nippon Printing Co., Ltd.

At the beginning of the business, eucalyptus and acacia trees were planted, but they did not grow well and could not be harvested as expected. After that, they selected Acacia hybrids (natural hybrids) that grew well in the nursery and forest lands, and switched to clonal afforestation using cuttings. While no method had yet been established, the company established its own afforestation cycle through trial and error in order to find the best, most cost-effective method, and succeeded in increasing its harvest volume. In 2002, a joint venture, BDC, was established with a chip mill in Qui Nhon, enabling integrated production from the planting of trees to chips. In 2006, QPFL became the first company in Vietnam to obtain FSC™ certification. \* QPFL continues to provide wood in harmony with the local community through the provision of health checkups to local residents and the donation of school equipment.



1 Eucalyptus forest plantation in a hilly area. Field check after weeding. 2 Acacia hybrids of 5 years old. Trees grow so large that the person standing beside a tree looks small. 3 A forest plantation with steep slopes, full of rocks. A feeding damage survey is being conducted.

Company Profile

History

<b>Company Name</b> Quy Nhon Plantation Forest Company of Vietnam Ltd. (QPFL)	<b>1992</b> Started trial afforestation of eucalyptus and acacia in Vietnam
<b>Business</b> Afforestation	<b>1995</b> Establishment of Quy Nhon Plantation Forest Company of Vietnam Ltd. (QPFL)
<b>Year of Establishment</b> 1995	<b>1998</b> Started business afforestation of Acacia hybrid
<b>Location</b> Qui Nhon, Vietnam	<b>2002</b> Establishment of Binh Dinh Chip Limited Liability Company (BDC). First harvesting and shipping of chips
	<b>2006</b> Obtained FSC™ Forest Management/Chain of Custody Certification* for the first time in Vietnam

\*License code FSC™ C016623

since 1995

# Shanghai East Oji Packaging Co., Ltd.

China

## Foothold in the Chinese market

ITOCHU Corporation had predicted that paper bags would experience huge demand in the Chinese flour market as it switched from selling flour by weight to square bottom bag packaging. Oji Paper therefore started to consider the project positively, positioning it as a foothold to advance into the Chinese market. In 1995, Shanghai Higashi Oji Packaging Co., Ltd. was jointly established by Oji Seitai, which was responsible for the Oji Group's bag manufacturing business, ITOCHU Corporation, ITOCHU (China) Holding Co., Ltd. and Zhongshang Huatian Industry Co., Ltd. (Oji Seitai: 46%, ITOCHU: 25%, ITOCHU (China): 19%, Zhongshang Huatian Industry: 10%).

Initially, the company had difficulty in developing the market because plastic bags were the mainstream. However, the strength of the bags and the excellent printability of the base paper (bleached kraft from Oji Paper's Kasugai Mill) gained a good reputation, and the market gradually expanded, with deliveries to major department stores being confirmed despite the high price. Later, the company developed a number of other markets, including other department stores and apparel brands, and established the Oji brand in the handbag market.



1 Taken from in front of the main gate. 2 Taken from in front of the main gate during a rare snowfall. 3 A scene of bag-making by all manual processing for Isetan. 4 A scene of bag making by a fully-automated flat string machine

Company Profile

History

<b>Company Name</b> Shanghai East Oji Packaging Co., Ltd.	<b>1995</b> Establishment of Shanghai East Oji Packaging Co., Ltd.
<b>Business</b> Manufacturing and sale of paper bags for heavy and light packaging	<b>1997</b> Start of mill operations
<b>Year of Establishment</b> 1995	<b>2005</b> Establishment of Oji Packaging (Shanghai) Co., Ltd.
<b>Location</b> Shanghai, China	<b>2011</b> Transfer of equity interests from ITOCHU Corporation and Zhongshang Huatian Industry Co., Ltd.
	<b>2014</b> Shanghai East Oji Packaging moved to the premises of Oji Packaging (Shanghai) and the two companies merged

since 1996

# Advance Oji Speciality Papers (AOSP)

Thailand

## Oji Group's first step into Asia

In October 1993, after the merger of Oji Paper and Kanzaki Paper, New Oji Paper concluded a technical assistance agreement with Advance Agro (AA), a paper manufacturer in Thailand, for the production of coated paper. AA was a paper manufacturing company that belonged to the Soon Hua Seng Group, Thailand's largest rice exporter. AA planned to start operating a mill with an annual production capacity of 200,000 tons of coated paper and woodfree paper in the spring of 1996, and New Oji Paper had dispatched a number of instructors under this agreement. In addition, AA proposed to New Oji Paper the establishment of a joint venture company for carbonless paper in the same industrial park as the new mill, and New Oji Paper, which had been focusing on the potential of the rapidly growing Asian market, accepted the proposal, which resulted in the establishment of Advance Oji Speciality Papers (AOSP) in 1996. This was the first step in New Oji Paper's entering the Southeast Asia market.

AOSP has established a production system for a wide variety of functional papers and exports not only to Southeast Asia but also to Oceania, the Middle East and Africa, playing a role in the Oji Group's global expansion of thermal paper.



1 Panoramic view of the Prachinburi Mill 2 A thermal paper coater (CM2) 3 A carbonless paper coater (CM1) 4 An adhesive paper laminator (LM2/OLT)

Company Profile

History

<b>Company Name</b> Advance Oji Speciality Papers (now OPT)	<b>1996</b>	Establishment of Advance Oji Speciality Papers (AOSP)
<b>Business</b> Manufacturing and sales of carbonless paper and thermal paper	<b>1997</b>	Asian currency crisis occurred. AOSP became a subsidiary and changed its name to OPT.
<b>Year of Establishment</b> 1996	<b>1998</b>	Prachinburi Mill completed and started production of carbonless paper
<b>Location</b> Prachinburi Province, Thailand	<b>2002</b>	Establishment of Oji Label (Thailand) Ltd. (Establishment of production system for adhesive paper)
	<b>2005</b>	Production of thermal paper started