



**Moriroku Co., Ltd.**

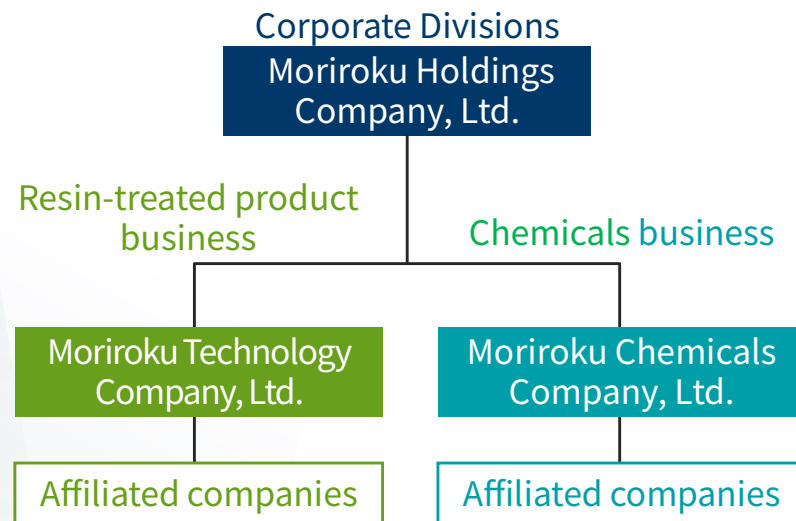
# **14th Medium-term Management Plan**

**(FYE March 2026 to FYE March 2028)**

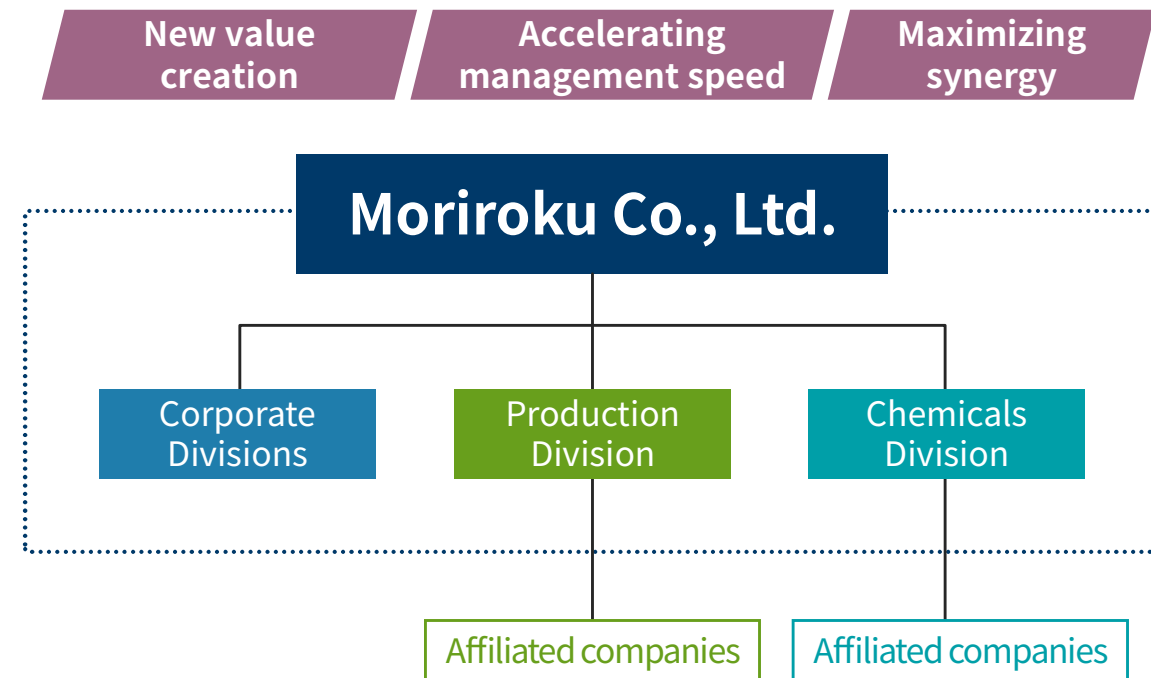
# Integration into Morioku Co., Ltd.

In April 2025, under Morioku Holdings, Morioku Technology and Morioku Chemicals were integrated into a **single entity: Morioku Co., Ltd.**

Organizational Structure up to March 2025



Organizational Structure as of April 1, 2025



**Generating group synergies, to create new value for a sustainable future**

# Integration into Morioku Co., Ltd.

In response to changes in the business environment, Morioku Group has strengthened cross-organizational cooperation among business divisions and affiliated companies, aiming to generate group synergies, enhance management efficiency, and further accelerate the execution of its growth strategies.

## Purpose of integration

- Value creation through the execution of growth strategies
- Accelerating decision-making to enhance management speed
- Maximizing synergies through cooperation among business divisions
- Strengthening corporate governance

## Morioku Group Integration Slogan

**共に挑もう、新たな未来。**

**Create A New Future As One**

## 2035 Long-Term Vision

# CREATE THE NEW VALUE

### Our Mission

Delivering valuable solutions to society through the power of chemistry  
and the craftsmanship of *monozukuri* (manufacturing)

### Company-Wide Strategy (Mid-Term Management Plan)

Maximizing synergies across core  
businesses

Business strategy for the Resin-  
treated product business

Business strategy for the Chemicals  
business

# Looking Back on the 13th Mid-Term Management Plan



13th Mid-Term Management Plan: Basic Policy  
(FYE March 2023 to FYE March 2025)

## Enhance Business Which Are Our Strengths/ Concentrate on Growth Business

### Basic Strategies

#### I Establish a stable financial foundation and enhance profitability

- Advance a flexible production system
- Promote high-efficiency production

#### II Create value and sow seeds for 2030 by strengthening R&D

- Expansion of technological fields, possession of unique technology
- Create advantages through the supply chain

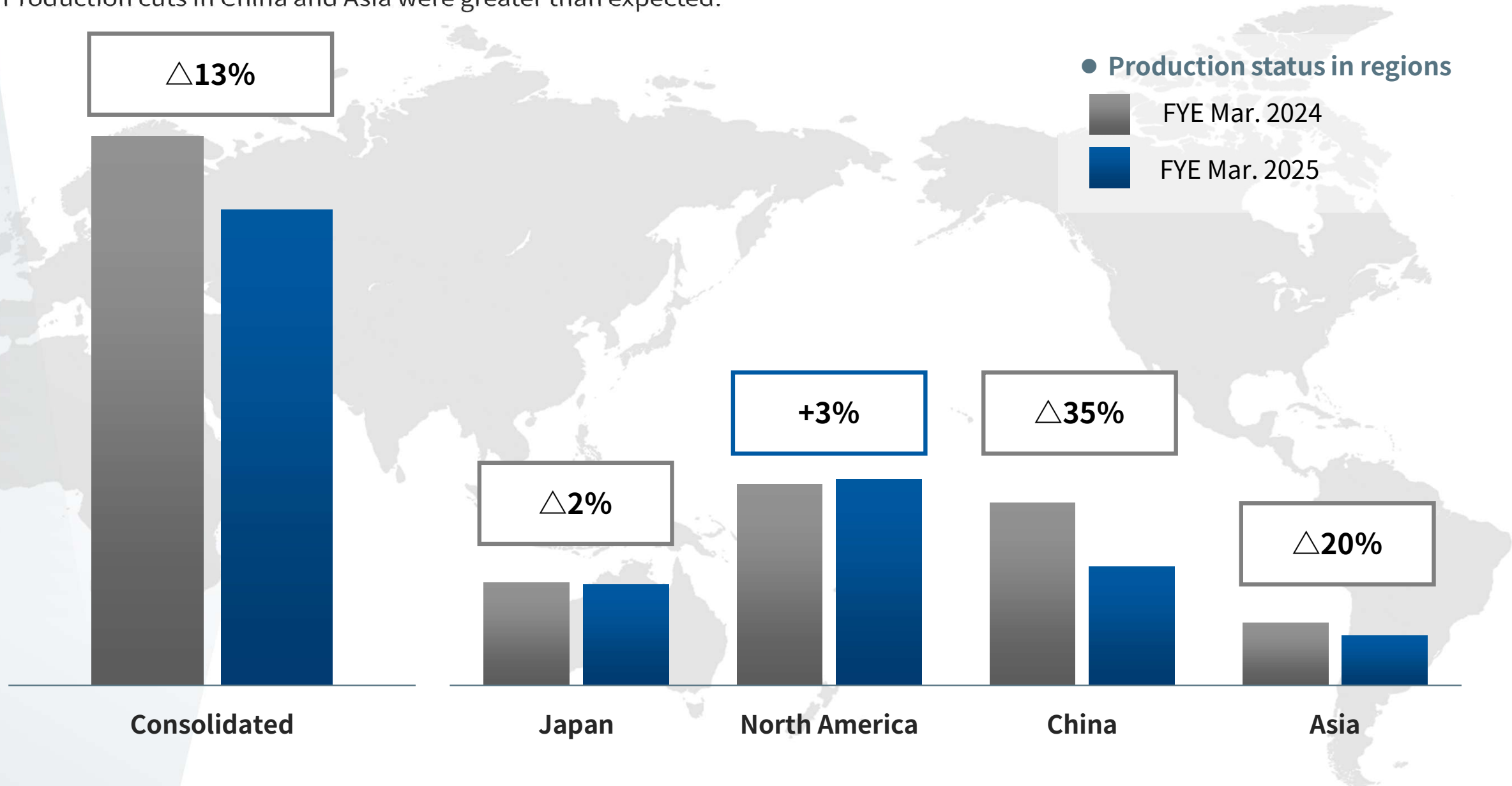
#### III Increase management resilience by promoting sustainable activities

- Increase corporate value
- Strengthen corporate governance functions
- Hire and cultivate diverse human resources



# FYE March 2025 Business Environment (vs. Previous Period : Production Volume)

The core businesses were heavily affected by automobile production volume.  
Production cuts in China and Asia were greater than expected.



# Looking Back on the 13th Mid-Term Management Plan

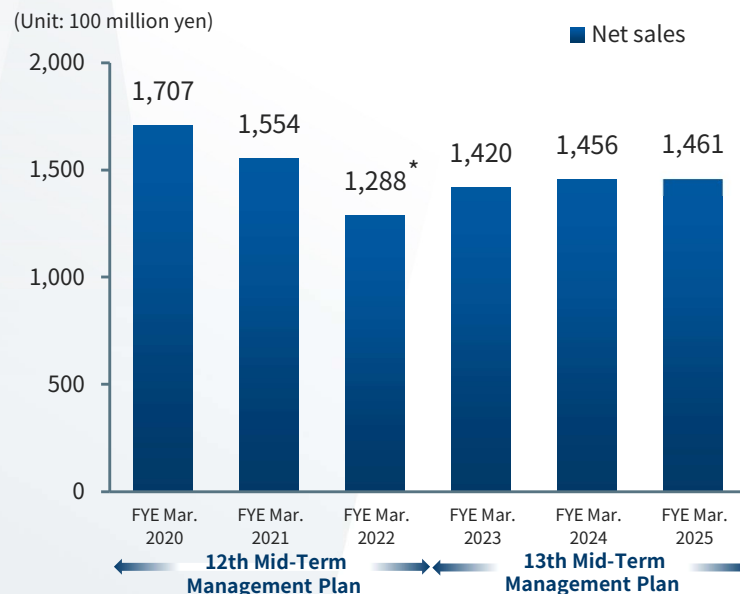
(Consolidated Moriroku Group)



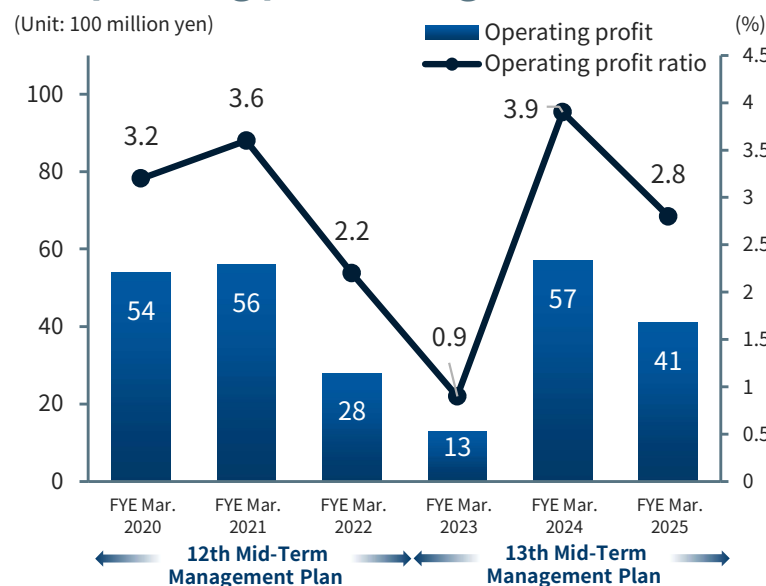
## ● Plan vs. Actual Performance (Consolidated Moriroku Group)

Indicators	FYE March 2025			
	Plan (As of the formulation of the Mid-Term Management Plan)	Plan (Per year plan)	Results (vs. per year plan)	Change (vs. per year plan)
Net sales (100 million yen)	1,430	1,500	1,461	-39
Operating profit (100 million yen)	110	52	41	-11
Operating profit margin (%)	7.7	3.5	2.8	-0.7
ROE (%)	9.1	4.5	-11.3%	—

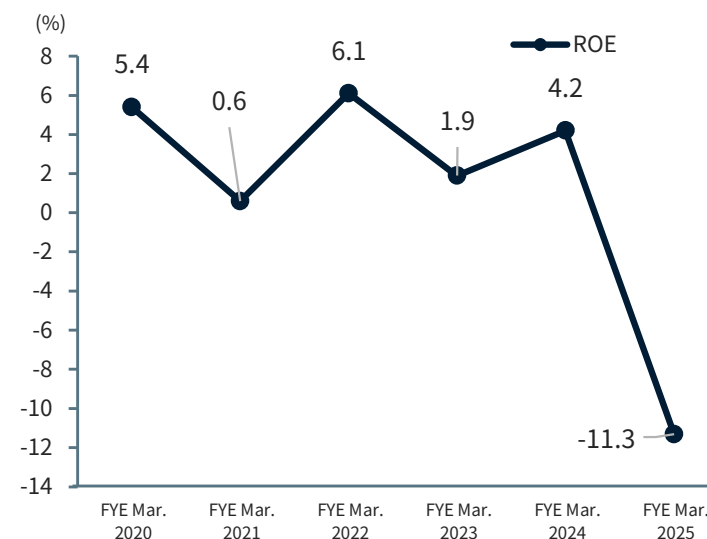
## ● Consolidated net sales (Moriroku Group)



## ● Consolidated operating profit/ operating profit margin (Moriroku Group)



## ● ROE (Moriroku Group)



Note: The “Accounting Standard for Revenue Recognition” has been applied starting from FYE March 2022.



# 13th Mid-Term Management Plan Results – Resin-Treated Product Business



Strengthened core competencies through the development of competitive proprietary technologies and strategic investment in high-value-added areas, laying the foundation for the next Mid-Term Management Plan and future growth

## Establishment of proprietary technology

### Delivering added value through hot stamp technology

- Established hot stamp (thermal press) as a decorative technology to replace conventional plating processes with high environmental impact
- Leveraging proprietary hot stamp technology as a core strength to drive expansion with existing customers and acquire new ones

#### Moriroku's strengths and differentiation points

##### 1. Excellent weather resistance

Enables proposals for application to large exterior parts

##### 2. High stretchability

Enhances design flexibility for resin parts, enabling application to a wide range of decorative finishes



Established an integrated in-house system for development, manufacturing, testing, and evaluation

## New customer development

### Launched order acquisition activities to drive business expansion

- Strengthened sales efforts and order capture from new customers
- Participated in trade shows targeting new customers and proposed joint development of proprietary technologies
- Conducted sales activities based on regional and vehicle-specific parts strategies

## Growth investment initiatives

### Expansion of production capacity at India Plant (Exterior painting line)

- Introduced new production equipment capable of delivering highly competitive products to meet the growing demand for large painted exterior parts
- Strategic investment in the rapidly growing Indian market to establish a foundation for acquiring new customers

### Enhancing manufacturing efficiency through DX and automation in North America and Japan

- Reduced losses by visualizing production volume and operating status across molding, painting, and assembly processes
- Enabled faster decision-making through real-time visualization of infrastructure and workforce status at North American plants.
- Accelerated labor reduction through expanded automation and mechanization
- Built a high-efficiency production system leveraging AI, DX, and IoT technologies

# 13th Mid-Term Management Plan Results – Chemicals Business

Established a foundation for future growth and the next Mid-Term Management Plan through site optimization, European market expansion, and the development of proprietary materials

## Growth investment initiatives

### Strengthen Monozukuri Business (Proprietary material development)

#### [Resin material development]

- Launched and utilized the Compound Lab as a dedicated materials R&D facility
- Completed foundational research on recycled carbon-reinforced resin and stampable sheets (thin and easy to process)
- Completed formulation of high-performance plastics using plant-derived cellulose fiber
- Developed environmentally responsive compound resin

#### [Chemical product development]

- Developed a proprietary biostimulant production method using natural components from discarded shellfish
- Initiated market research for entry into the functional cosmetic raw materials sector

### Expansion of manufacturing capabilities at contract chemical manufacturing subsidiary

- Enhanced research facilities and equipment for new chemical product development
- Completed facility upgrades to expand contract manufacturing in the solvent reaction field
- Entered the electronic chemicals-related materials sector

### Investment in South Korean company and establishment of joint venture

- Plan to install pilot equipment for the research, production, and sale of insulating slurry for lithium-ion batteries
- Initiated studies for future plant construction



Goko Kasei Industrial's dried powder facility completed in May 2025

## Strengthen marketing

### Expand sales of CNT (Carbon Nanotube) masterbatch

- Offer “high-dispersion CNT masterbatch” utilizing proprietary dispersion technology (enhancing electrical conductivity, electromagnetic shielding, and thermal conductivity)
- Strengthen proposal capabilities through dedicated project-based sales initiatives

## Strengthen presence in high-growth regions

### Expand Chemicals Business in Europe, India, and Malaysia

- Established an office in Düsseldorf, Germany. Together with the existing base in Austria, operations now cover the entire European region
- Expanded market development and achieved profitability at the local subsidiary in India; further business expansion under consideration
- Entering the Malaysian market through growth in the electronic chemicals sector



# 13th Mid-Term Management Plan: Achievements and Issues

Despite an uncertain business environment, the Group established a high-efficiency production system and developed proprietary technologies. The key challenge going forward is to create new sources of revenue.

Core Strategies and Key Initiatives	Achievements	Identified Issues	Focus Points of the Next Mid-Term Management Plan
<b>I Establish a stable financial foundation and enhance profitability</b> <div> <div>Resin-treated product</div> <div>Chemicals</div> </div> <ul style="list-style-type: none"> <li>● Advance a flexible production system</li> <li>● Promote high-efficiency production</li> </ul>	<ul style="list-style-type: none"> <li>■ Automation of production processes</li> <li>■ Pursuit of high-efficiency production</li> <li>■ Profit optimization through selection and focus</li> <li>■ Overall optimization of sales offices</li> </ul>	<ul style="list-style-type: none"> <li>■ Stagnating growth in core businesses</li> <li>■ Major shifts in the geographic distribution of profit</li> <li>■ Limited expansion of new business through global cooperation in core operations</li> </ul>	<b>Strengthen core businesses (Profitability focus)</b>
<b>II Create value and sew seeds for 2030 by strengthening R&amp;D</b> <div> <div>Resin-treated product</div> <div>Chemicals</div> </div> <ul style="list-style-type: none"> <li>● Expansion of technological fields, possession of unique technology</li> <li>● Create advantages through the supply chain</li> </ul>	<ul style="list-style-type: none"> <li>■ Orders received from new customers</li> <li>■ Developed high value-added products</li> <li>■ Developed environmental-friendly resin</li> <li>■ Product development leveraging proprietary technologies</li> <li>■ Entry into new markets</li> </ul>	<ul style="list-style-type: none"> <li>■ Variability in profitability by product</li> <li>■ Promote profit growth by leveraging synergies within core businesses</li> <li>■ Development and sales expansion in new business domains</li> </ul>	<b>Expand customer base and market reach</b>  <b>Develop high value-added products</b>  <b>Create new sources of revenue</b>
<b>III Increase management resilience by promoting sustainable activities</b> <div>Corporate</div> <ul style="list-style-type: none"> <li>● Increase corporate value</li> <li>● Strengthen corporate governance functions</li> <li>● Hire and cultivate diverse human resources</li> </ul>	<ul style="list-style-type: none"> <li>■ Strengthened response to climate change issues</li> <li>■ Transitioned to a company with an Audit and Supervisory Committee</li> <li>■ Promoted improvement of engagement</li> <li>■ Enhanced development of future management talent</li> <li>■ Promote D&amp;I</li> </ul>	<ul style="list-style-type: none"> <li>■ Further enhancement of governance functions</li> <li>■ Strengthening corporate functions to support execution of growth strategies</li> </ul>	<b>Further strengthen the business foundation</b>

# Business Growth Roadmap Toward 2035





# Business Growth Roadmap Toward 2035

Enhance earning power by contributing to the future of mobility through technological capabilities and leveraging the combined strengths of *monozukuri* (manufacturing) and trading to realize the 2035 vision

## Key Points for Realizing the 2035 Long-Term Vision

### Enhance customer portfolio

Acquire new business at global sites by leveraging regional and customer-specific strengths.

### Expansion of exterior resin parts

Advance large-module product technologies

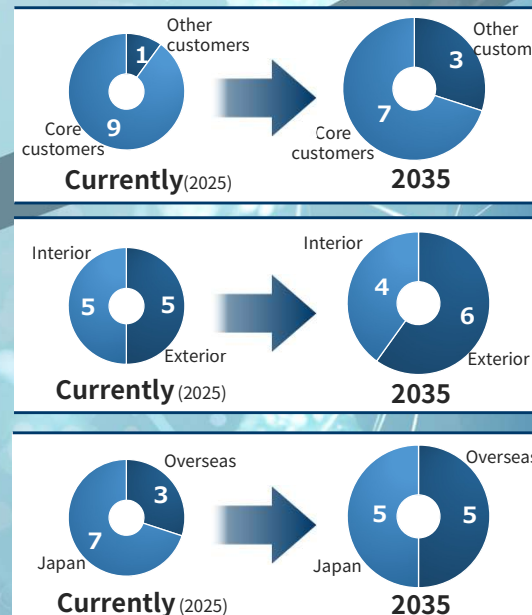
### Increase global trading ratio

Entry into new regions

### Expansion of motorcycle business and entry into multi-purpose mobility segment

Growth of existing businesses and entry into new business domains

## Transformation Roadmap (Image)



## 2035 Long-Term Vision

**CREATE  
THE NEW VALUE**

### Our Mission

Delivering valuable solutions to society through the power of chemistry and the craftsmanship of *monozukuri* (manufacturing)

Operating profit  
**5.0**  
billion yen

ROE  
**5%**  
or higher

Operating profit  
**110%**  
Increase  
(Compared to  
FYE March 2026)

ROE  
**6%**  
or higher

FYE March 2026

Plan

FYE March 2028

Target

2035

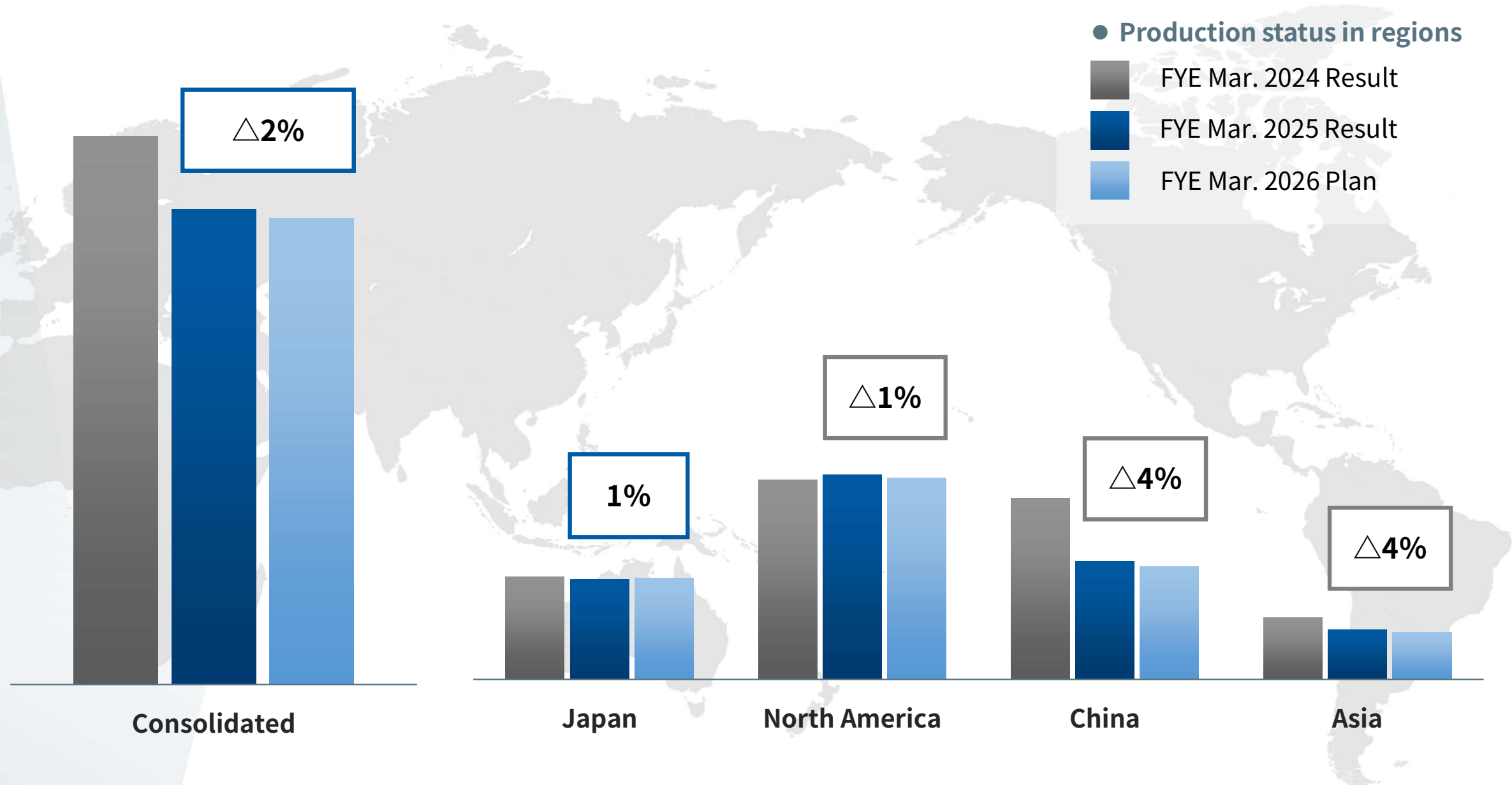
# 14th Mid-Term Management Plan





# FYE March 2026 Business Environment (vs. Previous Period : Production Volume)

Automobile production volume continues to face challenging conditions this fiscal year



# 14th Mid-Term Management Plan: Moriroku Group Policy and Strategy

14th Mid-Term Management Plan: Basic Policy (FYE March 2026 to FYE March 2028)

## Pioneering the Future through Agile Management — Accelerating Growth with Flexibility and Profit Focus —

### Strategy 1 Pursue greater profitability in core businesses

- Expand profits through global market growth and acquisition of new customers
- Expand profits by establishing a well-balanced product and materials portfolio
- Reduce environmental impact and increase profits through production technology development and high-efficiency manufacturing

### Strategy 2 Advance development for future commercialization

- Strengthen monozukuri (manufacturing) capabilities to enhance differentiation
- Develop highly unique and value-added products

### Strategy 3 Create new value through business synergy

- Expand business domains and pursue profitability by leveraging synergies
- Accelerate value creation through strategic investments and business partnerships

### Strategy 4 Further strengthen the business foundation

- Integrate corporate functions with business strategy
- Maximize the potential of a diverse talent base across nationalities and genders
- Deepen sustainability management

FYE March  
2026

Operating profit:  
**5.0 billion yen**

FYEMarch  
2028

**110% or higher**  
Compared to FYE March 2026

# Business Strategy

- Resin-Treated Product Business
- Chemicals Business



## Establish a foundation for business growth by accelerating monetization in growth sectors and creating new business models

### Strategy 1

Pursue greater profitability in core businesses



### Strategy 2

Advance development for future commercialization

#### Customer and Parts Domain

##### Enhance customer portfolio

1. Strengthen proposals for core and proprietary technology-based parts to new customers
2. Build a manufacturing framework capable of delivering high-value-added, high-quality products

##### Expand parts portfolio

1. Increase orders based on parts portfolio (high-value-added)
2. Execute selection and focus strategy to grow shares of high-profit parts
3. Expand shares of large painted exterior parts for next-generation vehicles

#### Regional Domain

##### Increase profitability in North America

1. Enhance value-added through orders for strategic parts
2. Improve profitability through cost structure reform
3. Pursue greater development efficiency

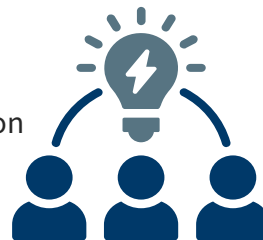
##### Restructure operations in Asia

1. Increase value-added output by expanding production capacity at the India facility
2. Optimize operations at the China site

#### Development Domain

##### Strengthen development for adoption of new models

- Develop through customer co-creation
- Enhance marketing capabilities
- Leverage open innovation



##### Development of environmentally friendly products

- Develop customer-preferred sustainable materials
- Collaborate to expand eco-material applications
- Jointly evaluate 3R-based resource circulation with customers



##### Product development to enhance profitability

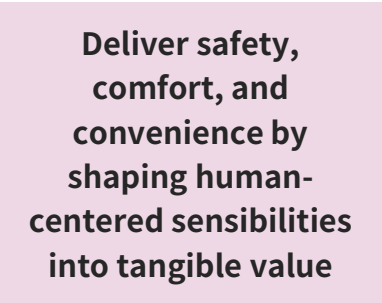
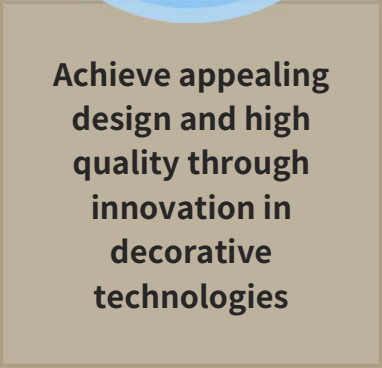
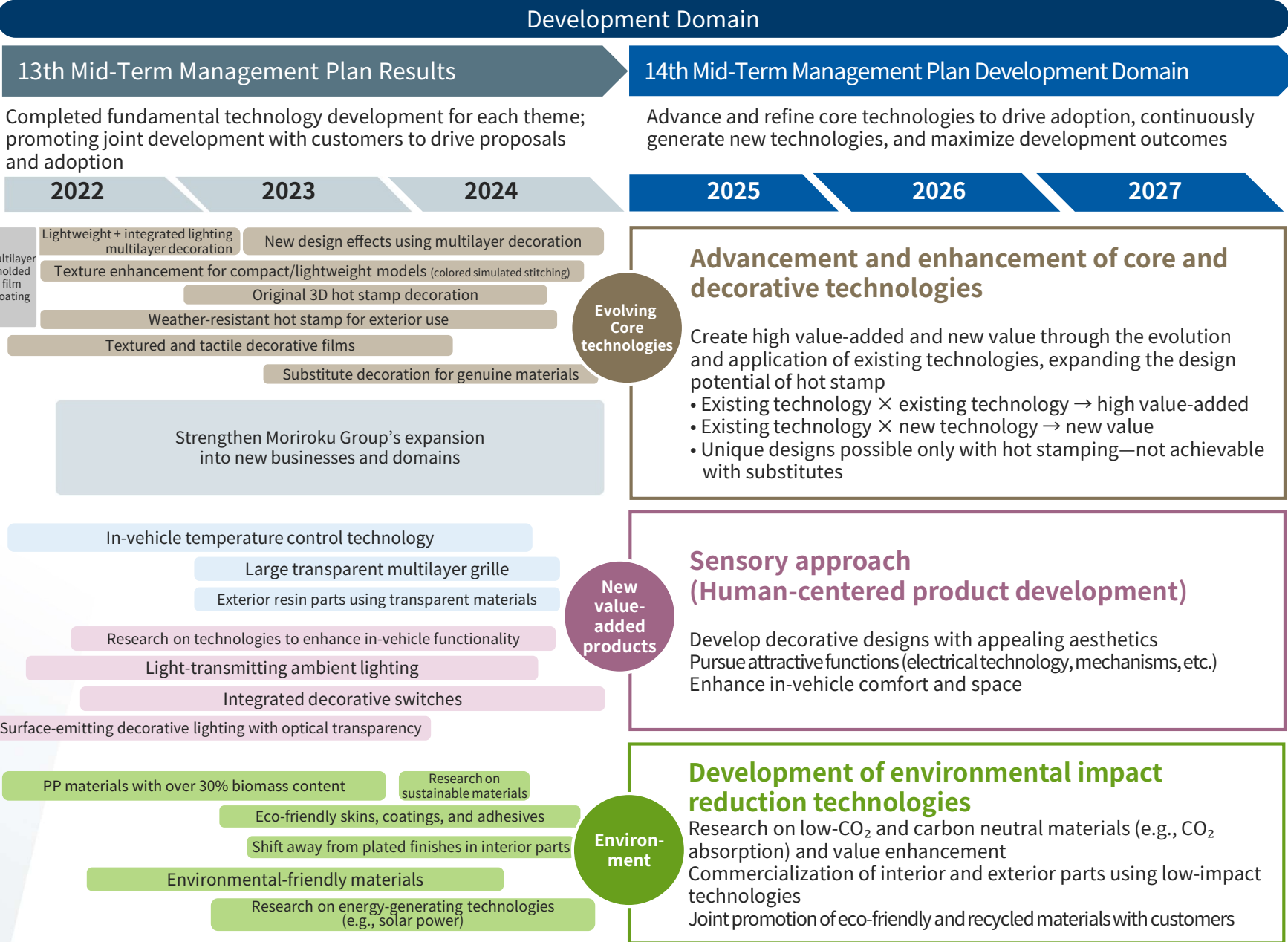
- Advance core technologies to increase product value
- Develop proprietary technologies to enter new markets
- Create products aligned with a strategic parts portfolio



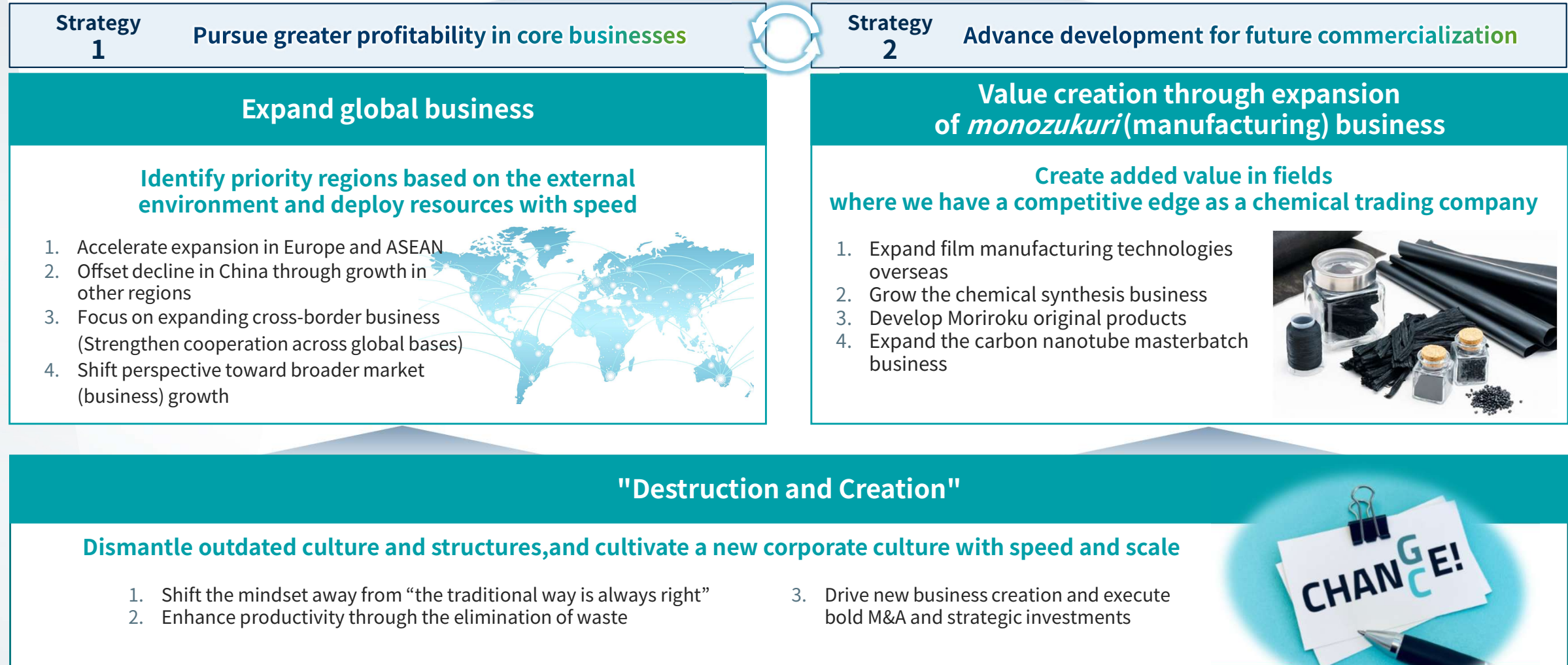


14th Mid-Term Management Plan:  
Resin-Treated Product Business Strategy: **Development Domain**

Technology themes



## Become a global company that pursues operating profit in the chemical domain



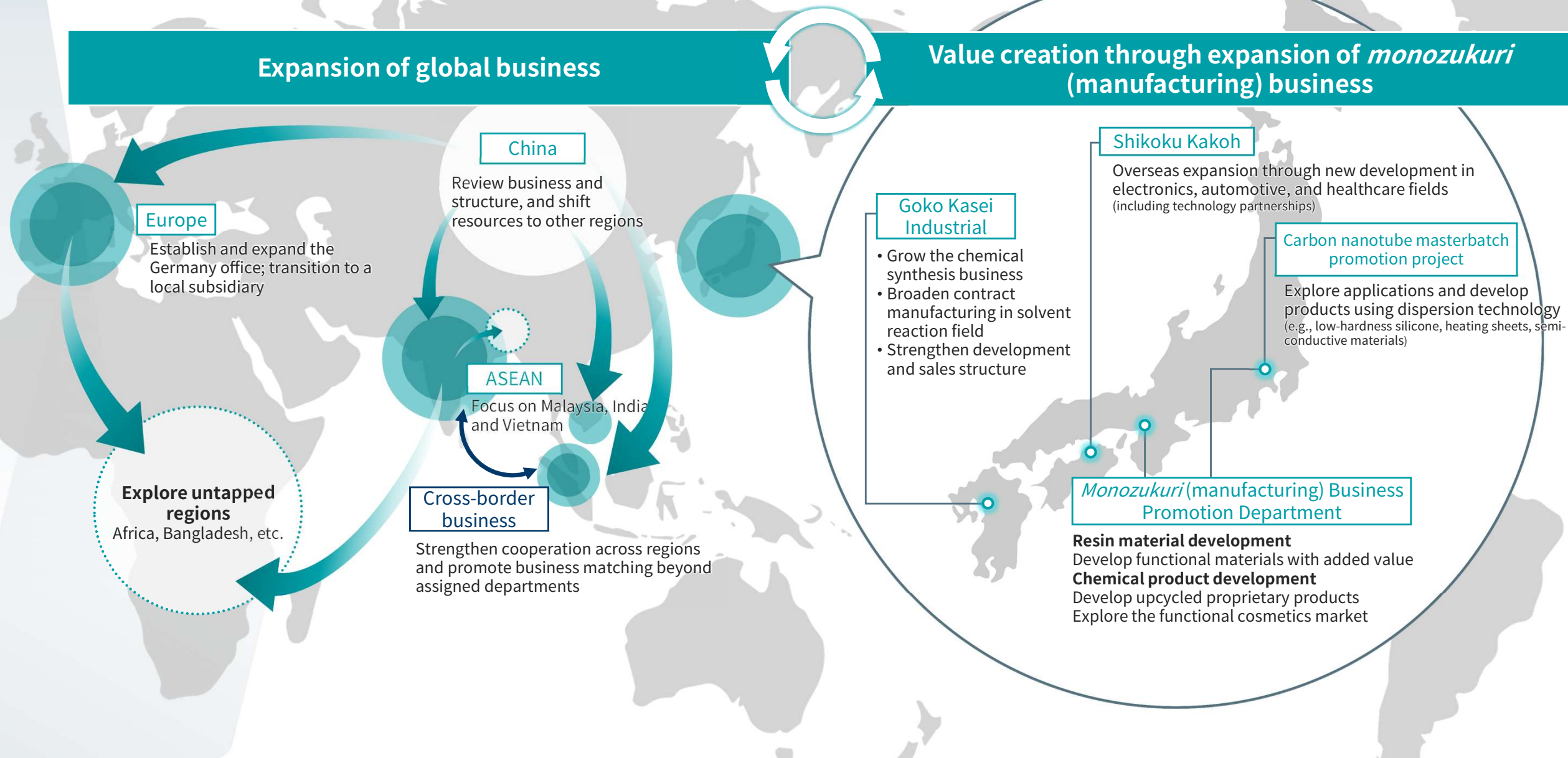


# Chemicals Business Strategy - Global Business Expansion

Identify priority regions based on the external environment and allocate management resources to expand global market share

## Expansion of global business

## Value creation through expansion of *monozukuri* (manufacturing) business



# 14th Mid-Term Management Plan: **Performance Targets** (FYE Mar. 2026-2028)

Securely achieve the financial and non-financial targets set for the final year of the 14th Mid-Term Plan and work toward realizing the 2035 Our Mission

## Financial targets (Consolidated MoriRoku Group)

### Operating profit

**5.0 billion yen**  
(FYE Mar. 2026 plan)

### Operating profit growth rate

**110% or higher**  
(FYE Mar. 2028 target: Compared to FYE Mar. 2026 Results)

### ROE

**5% or higher** → **6% or higher**  
(FYE Mar. 2026 plan) (FYE Mar. 2028 target)

## Non-financial targets (Consolidated MoriRoku Group)

### Employee engagement

#### Employee engagement

Positive response rate  
Improve by 5 points

**45% or higher**  
(FYE Mar. 2028 target)

#### Environment for utilizing employees

Positive response rate  
Improve by 5 points

**47% or higher**  
(FYE Mar. 2028 target)

### Number of women in managerial positions

Compared to April 2024

**to double**  
(FYE Mar. 2028 target)

### CO<sub>2</sub> emissions reduction rate

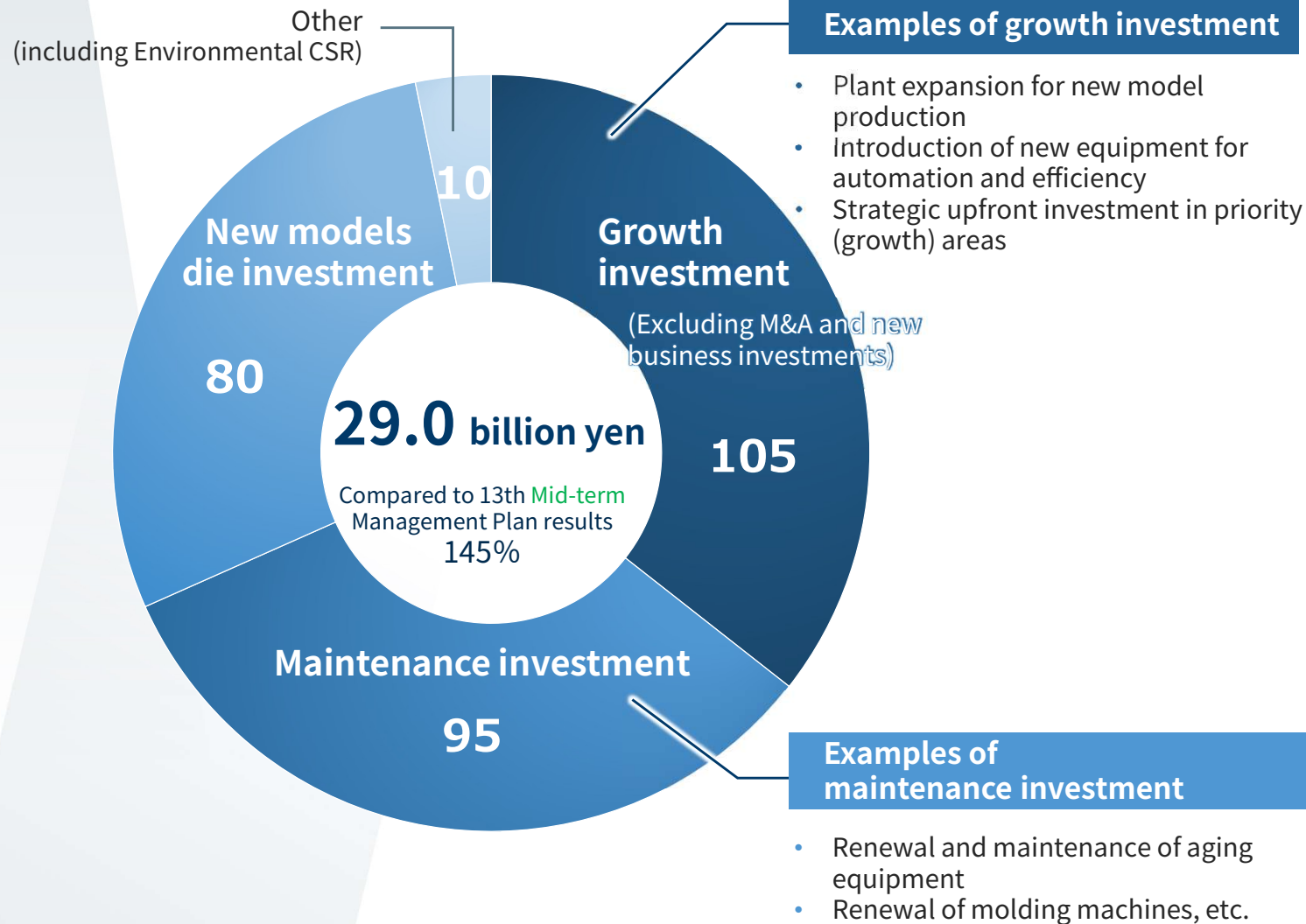
Baseline: Compared to FY2019

**45%**  
(FYE Mar. 2028 target)

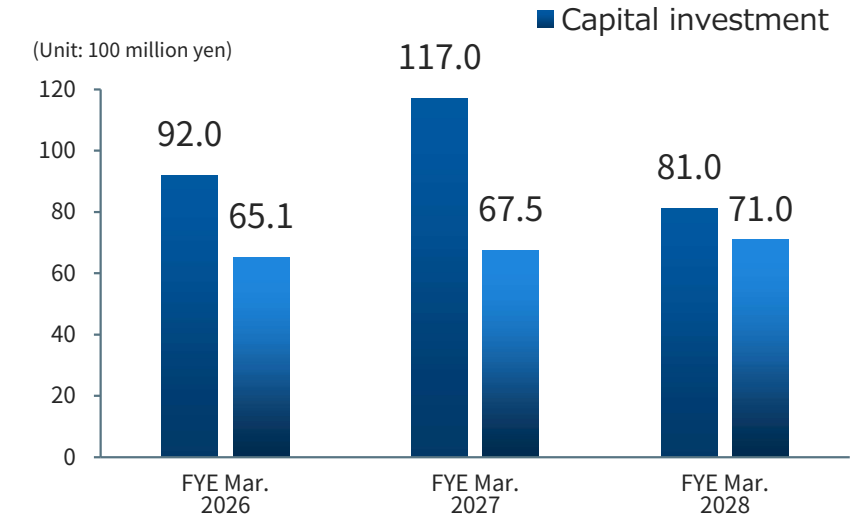
# 14th Mid-Term Management Plan: Capital Investment

## ● 14th Mid-Term Management Plan capital investment plan

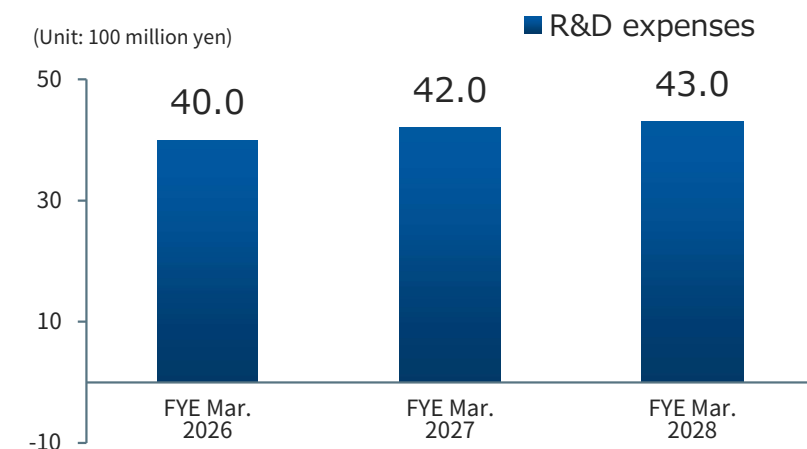
(100 million yen)



## ● Capital investment and depreciation



## ● R&D expenses



# Creating New Value through Business Synergy





## Share resources between two core businesses to accelerate strategic execution

### Resin-Treated Product Business

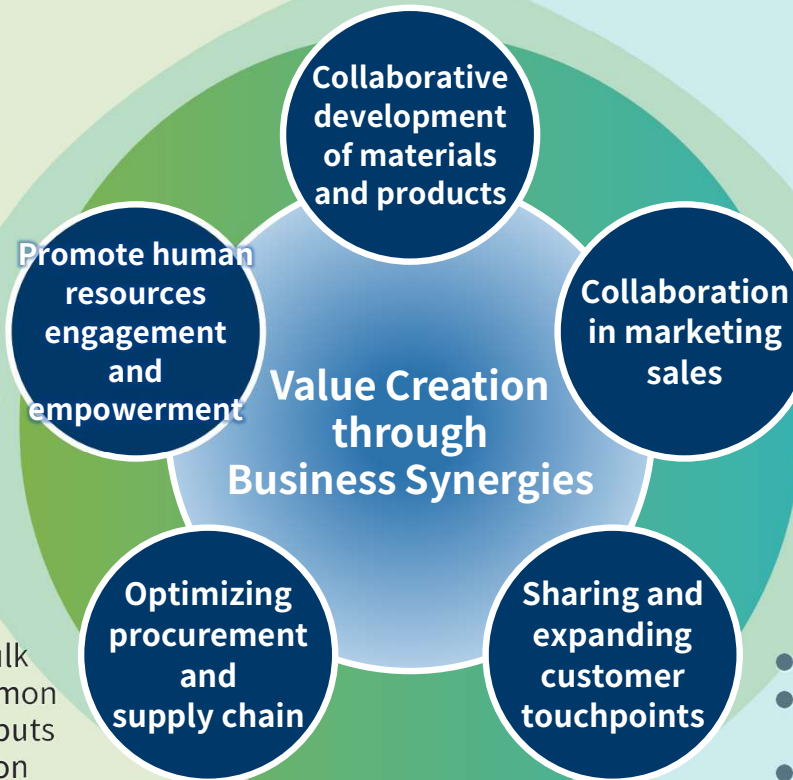
#### Business strategy

- 1 New customer development
- 2 Reduction of production costs
- 3 Improving development efficiency

- Collaboration on new business creation and company-wide issue resolution
- Mutual development of next-generation leaders

- Efficiency through bulk procurement of common materials and raw inputs
- Information sharing on suppliers and partners
- Procurement through departmental cooperation

- Utilize the combined expertise of both businesses to co-develop new products driven by market and customer needs



### Chemicals Business

#### Business strategy

- 1 Destruction and creation
- 2 Expansion of global business
- 3 Value creation through expansion of *monozukuri* (manufacturing) business

- Analyze and cross-utilize customer information, market trends, and competitor insights held by each business unit
- Cross-sales to shared customers
- Co-creative technology development based on customer needs
- Customer expansion on a global scale

# Further Strengthening the Business Foundation





# 14th Mid-Term Management Plan: Moriroku Group Policy and Strategy

14th Mid-Term Management Plan: Basic Policy (FYE March 2026 to FYE March 2028)

## Pioneering the Future through Agile Management

— Accelerating Growth with Flexibility and Profit Focus —

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- Maximize the potential of a diverse talent base across nationalities and genders
- Deepen sustainability management

FYE March  
2026

Operating profit:  
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FYEMarch  
2028

**110% or higher**  
Compared to FYE March 2026

# Foundation for Business Growth



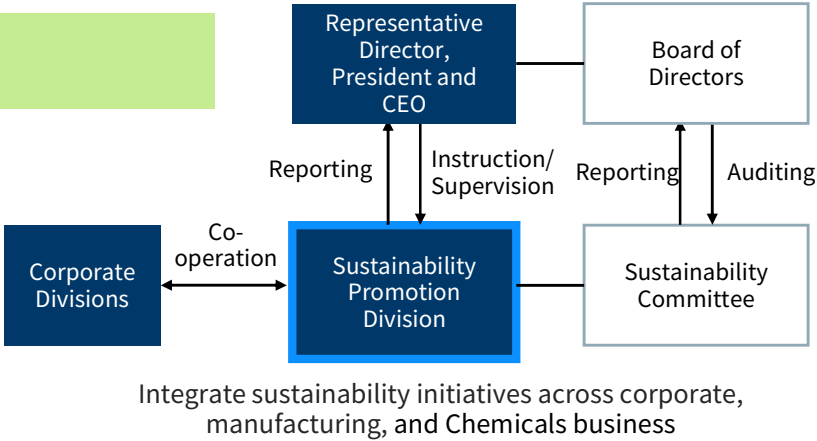
# Review of Priority Issues (Materiality)

Reassessed materiality in response to changes in the business environment to support sustainable growth and strengthen competitiveness

Formulated at the start of the 13th Mid-Term Management Plan (FY2022–FY2024)			Revised in line with the 14th Mid-Term Management Plan (FY2025–FY2027)		Main sustainability KPI	
1	Response to climate change issues	Ongoing	1	Strengthened response to climate change issues	✓	E
2	Recycling of resources	Ongoing	2	Recycling of resources		
		New	3	<b>Preservation of water resources</b>		
		New	4	<b>Biodiversity-conscious business activities</b>		
3	Development and sales of social issue resolution-type products/solutions	Ongoing	5	Development and sales of social issue resolution-type products/solutions		S
4	Creation of a fulfilling workplace	Ongoing	6	Creation of a fulfilling workplace	✓	
5	Promotion of D&I	Ongoing	7	Promote diversity & inclusion	✓	
6	Occupational safety and health	Ongoing	8	Ensure thorough occupational safety and health		
7	Respect for human rights	Ongoing	9	Respect for human rights		
8	Promotion of CSR procurement	Ongoing	10	Build a sustainable supply chain		
		New	11	<b>Thorough enforcement of compliance</b>		G
		New	12	<b>Strengthen information security</b>		
9	Establishment of CSR management	Completed				

Sustainability promotion system revised following integration into a single company

- Strengthen the ability to drive progress on sustainability priority issues (materiality)
- Respond swiftly to increasingly complex and sophisticated societal demands
- Create social value through business activities

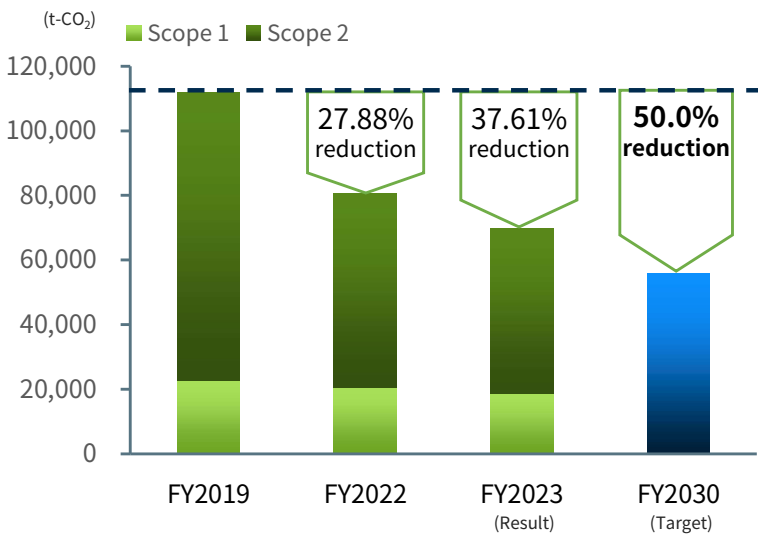


Global sustainability promotion and information disclosure

- Disclose information in line with international institutional standards
- Advance engagement with ESG rating body
- Promote GHG emissions reduction and resource circulation (material recycling) across the global Moriroku Group
- Initiate monitoring and disclosure of broader sustainability-related risks

Human rights risks in the supply chain	Water risk
Biodiversity (Preparation for TNFD compliance)	Preparation for ISSB disclosure

● Rate of reduction in GHG emissions (as of April 2024)



Sustainability Strategy

Enhance resilience of the entire group



# Human Resources Strategy/DX Strategy/ Intellectual Property Strategy

## Human Resources Strategy

Create an environment where people and organizations can grow together

### Pillars of each strategy

**Investment and cultivation of strategic human resources**

**Provide opportunities and systems that support individual challenges and performance**

**Align compensation with contributions and results while optimizing the talent structure to support corporate growth**

### Specific measures

- Expand selective and open-call human resources development programs
- Strengthen human resources retention initiatives
- Establish a system that enables employees to take on greater roles through in-house recruitment
- Promote diversity, including women and persons with disabilities
- Develop HR systems that support career transitions

## DX Strategy

Data utilization and enhanced system infrastructure reliability

**Drive sustainable business growth through digital transformation**

**Strengthen security and optimize risk management**

- Automate and streamline business processes
- Promote data-driven management (analyze data by KPI, performance, product, and customer)
- Digitalize operations in development and manufacturing
- Enhance cybersecurity measures

**Provide strategic support aligned with business transformation**

**Build a patent portfolio that ensures competitive advantage and establish a global patent network**

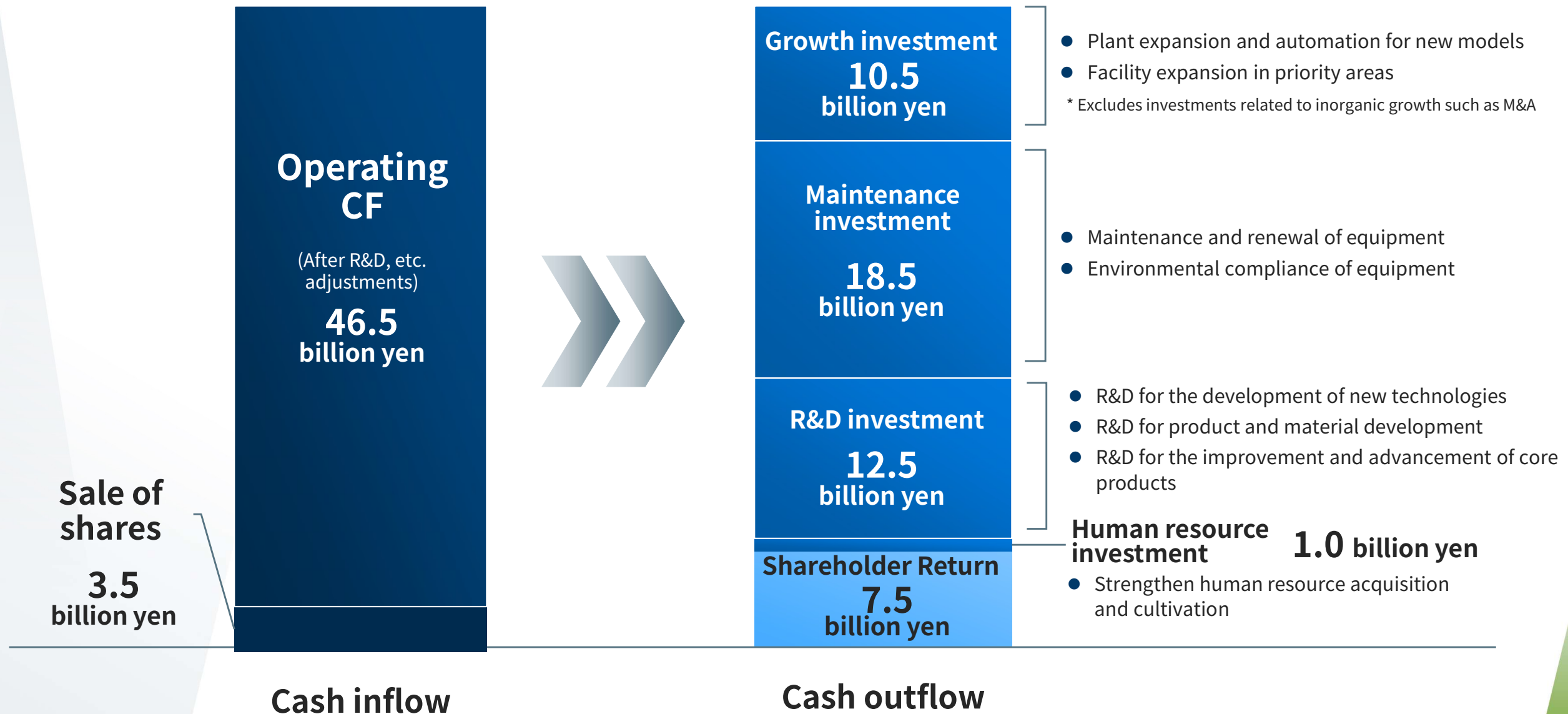
- Build an patent network for strategically important proprietary technologies
- Establish workflows to prevent patent infringement
- Visualize and prioritize technology assets through patent mapping
- Enhance patent quality and quantity while strengthening processes to prevent infringement

## Intellectual Property Strategy

Maximize profit from a mid- to long-term perspective

# 14th Mid-Term Management Plan: Cash Allocation

Balance business growth and capital efficiency through focused investments in R&D, human resources, and facilities

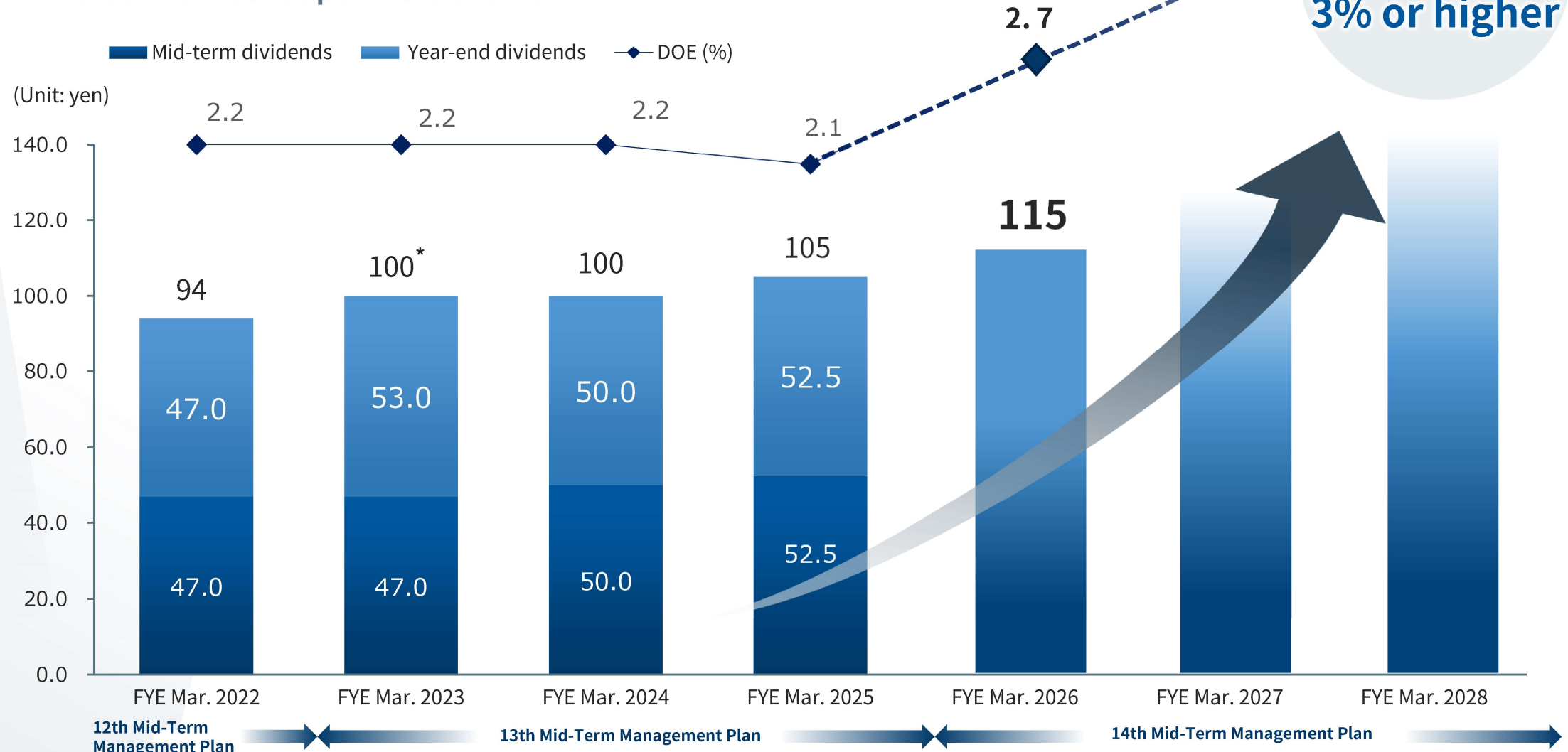




# Shareholder Return

With DOE (Dividend on Equity ratio) as a key indicator, the company has set a policy to raise the DOE to 3.0% by FYE March 2028.

## ● Trends in dividends per share and DOE



\*Regular dividend: 47.0 yen; 360th anniversary commemorative dividend: 6.0 yen



## | Notes |

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