



MORITO

Integrated Report MORITO CO., LTD.

2026



MORITO

Where innovation is the norm

To us at MORITO, the norm means something that is always close at hand in daily life, something that feels natural to use and causes neither stress nor discomfort.

At first glance, our parts may seem quite ordinary. But we are constantly pursuing ease of use as we develop and propose products that are perfectly suited to their intended purpose.

You may find "Where innovation is the norm" in your own life. We invite you to take a closer look.



Product example

Snap fasteners
MAGICTAPE®
Buttons
Tapes
Eyelets
Shoelaces
Accessories
Bags
Own brands

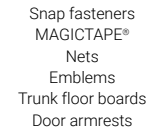
Apparel Business

Invisible snap fasteners

This product was developed in response to demand for a refined look even when the snap fastener is unfastened. Unlike typical snap fasteners, which often have a raised rim around the stud, this product features a flat, rimless design that gives the part a stylish appearance. It's especially popular for winter outerwear within the casual wear category. Because it requires careful compatibility checks with the fabric during the planning stage (more so than standard snap fasteners), this product is made possible by MORITO's global support system, which facilitates design proposals and on-site installation guidance at manufacturing facilities.

School supply parts and products

MAGICTAPE®
Insoles
Shoe care products
Supports
Straps
Commercial kitchen grease
filters
Own brands



Metal emblems

These products feature the logos of various automakers, so they're often subject to demanding standards when it comes to design. At MORITO, each sales representative possesses creative production expertise, which allows us to quickly propose processing methods and designs that meet customer needs. We also apply fastening techniques developed through our experience with snap fasteners to streamline mat installation processes at manufacturing plants. Among the key reasons customers trust and choose MORITO is our global sourcing and supply capability, which tracks the needs of the automakers that manufacture vehicles around the world. Another is our commitment to consistently delivering high-quality products that help ensure passenger safety.



Where MORITO Stands

• Net sales

56,867 million JPY*¹
(up 17.2% YoY)

• Operating profit

3,333 million JPY*¹
(up 16.2% YoY)

• Return on equity (ROE)

7.4 %*¹
(up 0.8 percentage points YoY)

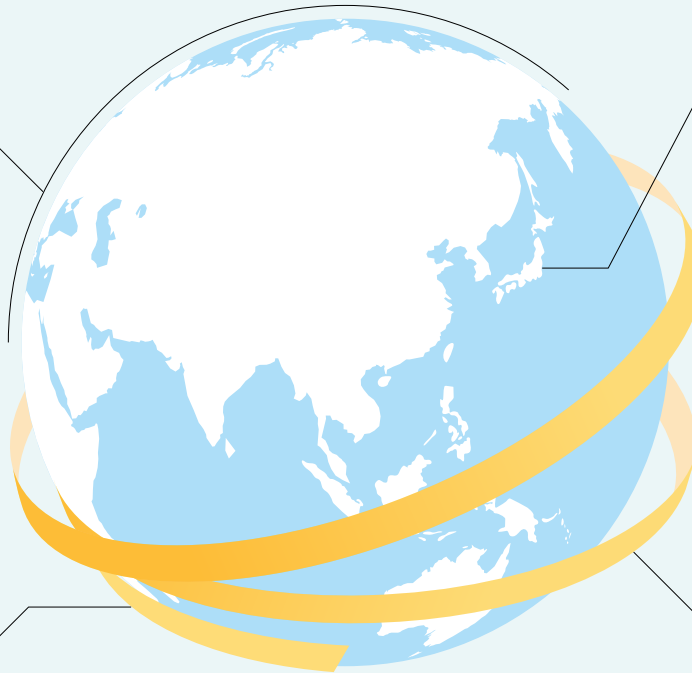
No.2

market share in the world*²

Designated supplier of metal snap fasteners for national brand baby wear

Annual number of snap fasteners sold

More than **1** billion



No. **1** market share in Japan*²

MAGICTAPE®, eyelets and metal snap fasteners, insoles, hook and bar closures, surfboard blanks, automotive metal emblems, and commercial grease filter rental services

Annual sales volume
of MAGICTAPE® (by length)
Approx.

90,000 km

More than
twice around
the earth

Number of consolidated
basis employees

1,708 *³

Percentage of international
employees

58.7 %*³

Number of domestic and
overseas group companies

22 companies*⁴

Business breakdown
Procurement to production ratio

About **7:3**

Equity ratio

In the **70** % range

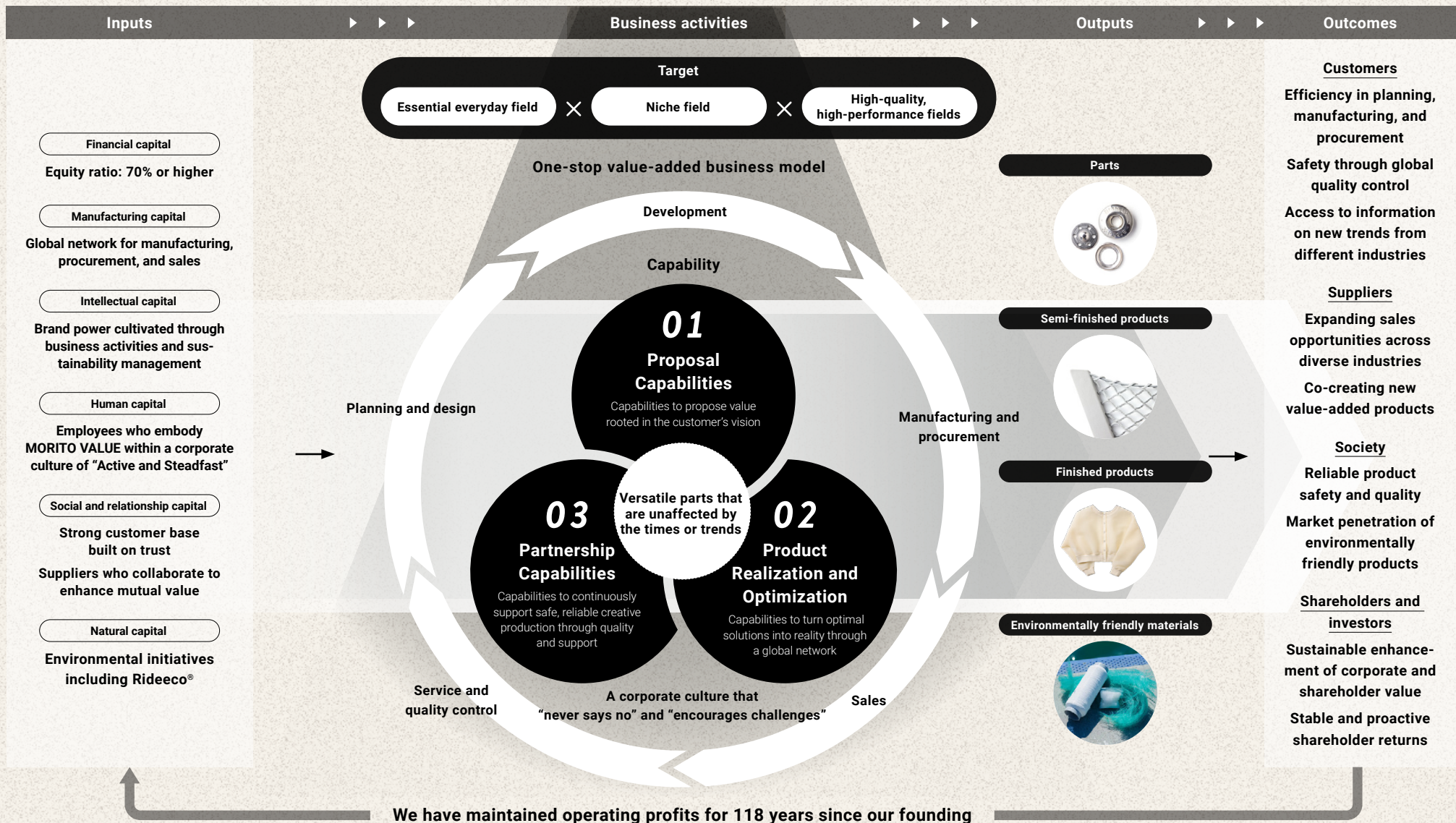
Note: MAGICTAPE® is a registered trademark of Kuraray Co., Ltd.

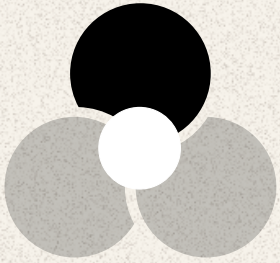
*¹ For the fiscal year ended November, 2025. *² According to internal research. *³ As of November 30, 2025. *⁴ As of April 3, 2026

Value Creation Process

MORITO's Vision

A global niche top company that keeps making a big difference in the world with small parts





Capability

01

Proposal Capabilities

Capabilities to propose value rooted in the customer's vision

Starting with the customer's vision and underlying challenges, we use our expertise and creativity to shape the optimal solution. We offer comprehensive solutions that go beyond individual parts to include peripheral design, product design, and mass production, and design and deliver tangible added value to our customers.



POINT 01

Proposing a complete set, from a single part to its surrounding components

Upon receiving a request for parts, our sales personnel carefully consult with the customer to understand the concepts and challenges associated with the final product. In addition to selecting appropriate parts and developing original products, we aim to expand the range of solutions adopted by our customers by offering additional proposals covering peripheral components, development, and design. We also offer solutions combining over 500,000 parts, enabling our customers to streamline their procurement processes.

POINT 02

Demonstrating a commitment to standing by our customers through a culture that "never says no" and "encourages challenges"

We provide custom-made planning and design services tailored to our customers' needs. We flexibly address everything from proposals for specialized functions and highly sophisticated designs to vague needs, drawing on the know-how we have cultivated over many years. We never say "it can't be done" in response to difficult customer requests from the outset. We have a deeply rooted culture of thoroughly devising ways to turn ideas into reality and taking on challenges in new industries and fields.

POINT 03

Delivering valuable proposals enabled by a seamless, end-to-end approach

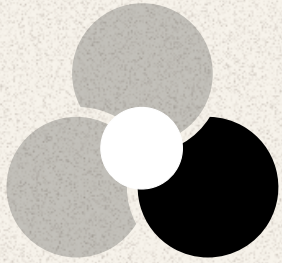
We offer proposals leveraging the insights gained through our end-to-end operations from planning and development to manufacturing, procurement, sales, and quality control. Our sales personnel incorporate customer requests into design sketches to ensure rapid development; simultaneously, they collaborate with the Quality Assurance Department to propose designs optimized for mass production, thereby proactively preventing defects.

POINT 04

Enhancing creative production expertise together with suppliers and across the entire MORITO Group

We foster an open corporate culture that encourages open communication across various business divisions and group companies; within this environment, we work to enhance our product knowledge and proposal-making capabilities, for instance, by sharing insights through in-house training. We create value by leveraging the technologies and know-how cultivated through collaboration with our suppliers to offer solution-based proposals to our customers.





Capability

02 Product Realization and Optimization

Capabilities to turn optimal solutions into reality through a global network

We bring our customers' requests to life through collaboration with suppliers and by producing semi-finished and finished products that combine multiple parts. Furthermore, we leverage our global production and procurement network to realize optimal manufacturing and procurement solutions for our customers.

POINT 01

Collaborative creative production with suppliers

We collaborate with long-standing suppliers to create prototypes starting from the planning stage, and repeatedly evaluate them with customers to visualize challenges and ensure rapid creative production. We share information on usage scenarios and functions with our suppliers to explore better methods and ideas, and also leverage this collaboration to develop parts and items that do not yet exist. For example, "Raku Raku Kan®," an original MORITO adjustable hook and bar closure that incorporates a spring into the fastener used on the front or side of pants and skirts, automatically expands and contracts to adjust to the waistline, such as after meals, thereby reducing the feeling of constriction caused by the garment.



POINT 02

Semi-finished and finished products combining different materials

Leveraging our network of suppliers handling a wide range of products, we develop parts by combining materials sourced from multiple suppliers. Furthermore, by leveraging our own sewing factories in Vietnam and partner facilities, we provide integrated support through to the production of semi-finished and finished products. This enables high flexibility in the creative production. This contributes to streamlining our customers' procurement processes while also enabling us to handle ODM and OEM production for global brands. Even among global competitors, few possess the capabilities to handle everything from parts to semi-finished and finished products. In fact, many people may already be using MORITO products without even realizing it.

POINT 03

Local production for local consumption— creative production that is completed close to the customer

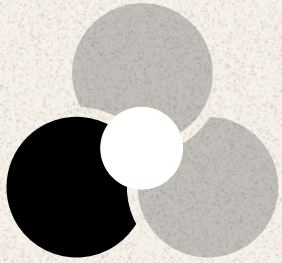
To meet customer needs, we leverage our global network, including our own factories in Japan, China, the U.S., and Vietnam, as well as partner factories and suppliers worldwide, to select the optimal production locations and carry out production and procurement through an efficient system. We also promote "local production for local consumption," which involves producing, procurement, and selling products as close as possible to our customers' production areas. For example, we procure parts in Mexico for Japanese automakers operating in the U.S. Local production for local consumption brings cost advantages, helps reduce logistics lead times and energy consumption, and enables us to establish production and procurement systems that address geopolitical risks.



Raku Raku Kan®

This adjustable hook and bar closure incorporates an expandable metal spring, reducing pressure around the waist when sitting or after meals.





Capability

03

Partnership Capabilities

Capabilities to continuously support safe, reliable creative production through quality and support

The capabilities to provide long-term support for our customers' manufacturing operations through global quality control and support systems. We are committed to supporting customers diligently at every stage, from risk mitigation during the planning phase to post-shipment support, and continue to be a trusted partner for our customers.

POINT 01

Value chain that delivers
"MORITO Quality" globally

We become closely involved in customers' business processes from the planning, design, and development stages, and work to minimize defects through risk assessments and design reviews. We have a quality assurance system in place for our suppliers, including process audits, and in the event of a defect, we ensure a prompt response, identify the root cause, and implement measures to prevent recurrence. Furthermore, we collaborate with group companies and partner factories around the world to establish production and procurement systems that meet the quality standards of each region. Through this, we have established "MORITO Quality" on a global scale and secured market share in industries demanding high quality, such as baby clothing, medical wear, and workwear.



POINT 02

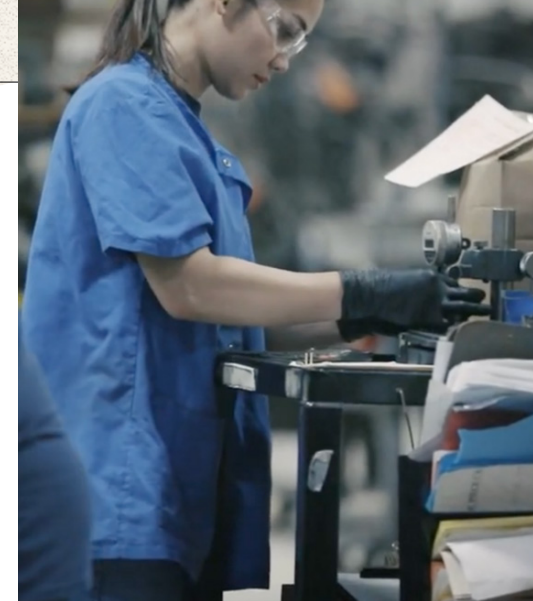
A trusted, customer-centered utility provider

We respond flexibly to small-lot orders and have built strong relationships of trust with many customers. By acting not just as a trading company but as a familiar and trusted utility provider, we are the kind of partner customers immediately think of when they need help with parts. We gain a deep understanding of our customers' challenges and needs, work alongside them to address these issues, and leverage these insights to propose complementary products and enhance our product value. By resolving our customers' challenges and building relationships of trust, brand designers continue to choose MORITO for other projects, creating new business opportunities. It's truly gratifying to see apparel brands that we've worked with since their founding grow into global names.

POINT 03

Comprehensive support services extending from planning and development through to post-shipment

We support our customers' production and prevent issues before they occur. In our sales of snap fasteners, we provide and maintain the specialized machinery used at our customers' sewing factories and provide guidance on how to attach snap fasteners based on the material and thickness of the fabric being used. In the unlikely event that a problem arises, we coordinate with our group companies and agents around the world to respond quickly and sincerely. For example, when an issue arose in New York, employees of MORITO SCOVILL AMERICAS rushed to the site, demonstrating the Group's deeply rooted culture of mutual support. Through this system, we provide safety for our customers engaged in global production and sales.



Message from the CEO

We Aim High, Trust Our People on the Front Lines, and Take on Challenges Together

Achieving net sales of 100 billion JPY and creating a future
in which everyone involved can lead a fulfilling life

Takaki Ichitsubo

Representative Director, CEO



Where MORITO Stands

We are currently in the final year of our 8th Mid-term Management Plan (hereinafter called the "Current Plan"), which covers the five-year period from the fiscal year ended November 2022 to the fiscal year ending November 2026. We have continued to make steady progress despite a business environment characterized by uncertainty, driven by factors such as rising resource and raw material prices, U.S. trade policies, geopolitical risks including the situations in Ukraine and the Middle East, and fluctuations in financial and capital markets.

In recent years, in addition to improved profitability driven by structural reforms accelerated during the COVID-19 pandemic, M&A activities involving Ms.ID INC. (hereinafter called the "Ms.ID") and MITSUBOSHI CORPORATION CO.,LTD. (hereinafter called the "MITSUBOSHI CORPORATION") have contributed significantly to our business performance. In the fiscal year ended November 2025, we achieved record net sales, operating profit, and ordinary profit for 3 consecutive years, and we achieved operating profit of 3 billion JPY ahead of schedule, which was our financial target for the Current Plan indicating steady progress.

At the same time, I do not intend to take these figures at face value. I recognize that our existing businesses are growing only modestly and have not yet reached a satisfactory level relative to their underlying potential. Here, I would like to explain how our company has transformed under the Current Plan, what we aim to achieve under the new Mid-term Management Plan, "ACTION 1000" (hereinafter called the "New Plan"), starting in the fiscal year ending November 2027, and the underlying philosophy of MORITO.

Message from the CEO

Breaking Free from Big-Company Syndrome and Transforming Employee Mindsets

I believe that the greatest achievement of the Current Plan lies not so much in the record-breaking financial results, but rather in the steady progress made in transforming the mindset of our employees.

In the past, thanks to our robust business portfolio, we were able to offset underperformance in one area with results from others, thereby maintaining a solid overall performance. But that stability was also a pitfall for the organization. A sense of detachment had spread among our employees—a feeling that even if their department failed to meet its targets, they would still receive decent salaries and bonuses. It was a corporate culture typical of big-company syndrome, where a healthy sense of crisis had faded.

“We won’t survive like this.” Sensing this, I decided to fundamentally overhaul our management structure. We began restructuring the Group in the fiscal year ended November 2019, and in June 2022 split MORITO JAPAN CO., LTD., the Group’s largest operating company, into three companies based on its core business lines: Apparel, Product, and Transportation. It took slightly longer than initially planned, but this structural reform has enabled us to establish a system that can respond quickly and flexibly to changes in our markets, customers, and business practices.

Furthermore, the shift in mindset regarding profitability, the true aim of the structural reform, has also produced clear results. The thorough delegation of responsibility and authority spurred the management and individual employees of each group company to take ownership of their company’s

profit and loss, and to think and act proactively. The structural reform also brought about changes that exceeded initial expectations. It heightened their awareness not only of profitability but also of financial stability and asset efficiency, as reflected in the balance sheet and the cash conversion cycle.

I believe that the improvement in profitability during the Current Plan is the result not only of M&A activities but also of the cumulative effect of a shift in employee mindset, specifically, the move toward employees thinking and acting on their own initiative. I am truly heartened and grateful that each and every employee has taken the reform seriously.

The Ambition of 100 Billion JPY in Net Sales and Putting Capital to Productive Use

Given the steady improvement in profitability achieved under the Current Plan, the New Plan (fiscal years ending November 2027 through November 2031) will focus on “pursuing a greater scale” as a key priority and set a target of 100 billion JPY in net sales.

We had the option of setting a more conservative target, but we deliberately chose to aim for 100 billion JPY because we believed it offered a more compelling ambition. No one can accurately foresee what the global situation will be like in 5 years. Even if we create a plan by simply projecting current figures forward, it can easily fall apart if an unforeseen situation arises. That is precisely why I believe it is important not to be swayed by external circumstances, but rather to hold onto our ambitions and passion for “where we want to be in 5 years” and do our very best.

100 billion JPY in net sales is a lofty target that we cannot achieve unless we really stretch ourselves. However, when you accomplish something with your own hands that seems impossible, you gain a great sense of confidence and accomplishment. I really hope all our employees will have the chance to experience that.

And this target is not simply about expanding our scale. It is a means to expand our operations, increase operating profit, and raise employee salaries and bonuses. I aim to increase average employee compensation to more than 1.5 times its current level over the next 5 years. My responsibility and my wish as the head of the company are to build an organization that instills pride in its employees and enables employees and their families to lead fulfilling lives.

The key to achieving our targets lies in a two-pronged approach: growing our existing businesses and expanding into new growth areas based on our strengths. The vision of our New Plan, “Challenge Through Parts, Leap Beyond Parts,” embodies our determination to achieve two goals with equal emphasis: steadily generating annual growth of around 5% in the parts business—our company’s foundation—to solidify global leadership in niche markets; and leveraging that strength to continuously drive M&A and new business initiatives, thereby cultivating new pillars of growth. A major strength is that HISANAGA SEISAKUSHO CO., LTD. (hereinafter called the “HISANAGA SEISAKUSHO”), formerly a partner factory, joined the Group in April 2026. This enabled us to bring its advanced metal snap fastener manufacturing technology in-house and further strengthen our manufacturing capabilities. Moving forward, we will position this facility as our lead plant and roll out its technologies to our factories worldwide, thereby driving the

Message from the CEO

global standardization of “MORITO Quality” and establishing a framework for local production for local consumption.

While advancing these growth strategies, we will continue to improve capital efficiency, including ROIC, at each group company and review our business portfolio. As for the consolidation or reorganization of business operations and trading areas, we intend to make objective decisions as a matter of management responsibility and to respond flexibly to changes in the business environment.

I also always tell our people on the front lines, “Spend freely on what creates value. Just don’t waste money on what does not.” You must not cut necessary expenses or shrink the organization simply for the sake of short-term profit. If a challenge

is backed by a sound explanation and pursued with passion, I would like our employees to invest such initiatives proactively. This is because I believe that the entire process, including failures and setbacks, helps them grow. I want them to think and take action on their own without fear of failure as we work toward our target of 100 billion JPY in net sales. With these ideas in mind, we named our New Plan “ACTION 1000.”

Commitment to Authenticity Deeply Rooted in MORITO

To achieve net sales of 100 billion JPY, we must steadily grow

our existing businesses, strengthen the Growth Business that will drive our “Leap Beyond Parts,” and actively pursue M&A. Ms.ID forms the core of Growth Business. It possesses B2C expertise, which represents a new strength for MORITO, and is already contributing significantly to earnings. ACE INDUSTRIAL MACHINERY CO., LTD. (hereinafter called the “ACE INDUSTRIAL MACHINERY”) and MANEUVERLINE INC. (hereinafter called the “MANEUVERLINE”) also possess the capacity for autonomous growth, driven by their own respective strategies. Going forward, we will actively strengthen corporate functions, make capital investments, pursue M&A in related areas for these operating companies, and develop them into pillars that drive our next phase of growth.

Furthermore, the criteria we apply when considering acquisition targets for M&A can be summarized in three points: being niche top players in their markets, yielding synergies with the MORITO Group’s businesses, and having a stable earnings base. Rather than rushing to expand our scale of operations, we are committed to M&A that steadily enhances the competitiveness of the entire Group.

However, the success or failure of an acquisition depends on the post-merger integration (PMI). The successful performance of companies that have recently joined the Group, such as Ms.ID and MITSUBOSHI CORPORATION, is due entirely to the respect we have shown toward those companies. We take the time to understand and respect differences in business characteristics and corporate culture. It may take time, but I believe this is the surest path to fostering trust and generating authentic synergy.

This commitment to authenticity also aligns with our approach to sustainability. We conduct business aimed at



The Challenges Undertaken by Employees Who Think and Act for Themselves Pave the Way for “ACTION 1000”

Message from the CEO

realizing a sustainable society based on the Rideeco® concept, but we do not engage in superficial environmental initiatives. For example, “MURON®,” a yarn made from 100% recycled Japanese discarded fishing nets, is a quality-focused product that can be traced to the regions where the raw material nets were collected. Thanks to the recognition of our sincere commitment to authentic creative production, inquiries about our products are increasing year by year, particularly from environmentally conscious apparel brands. This has led to tangible achievements, such as the adoption of our parts for some of the staff uniforms at Expo 2025 Osaka, Kansai, Japan.

Many of the parts we handle often end up hidden within the final product. Yet, the meticulous attention to detail, encompassing functionality, quality, and environmental considerations, invested in those small parts translates into safety, security, and a more fulfilling daily life for people. I believe that is precisely MORITO’s reason for being.

Investing in People to Thrive in the AI Era

The source of our company’s competitiveness lies in our people. Even in an era of accelerating AI adoption, digitalization, and automation, it is people who leverage these technologies to create added value, and their importance is growing ever greater. While we are currently actively recruiting highly specialized professionals, we are simultaneously ensuring an environment where existing employees, who have supported our company for years and built the foundation of our business, are fairly rewarded. We consider this to be a vital management responsibility. It is essential to raise the overall

salary level of the organization, including existing employees, rather than providing preferential treatment to only a select few. Based on this philosophy, we have been raising wages, including base pay, in recent years.

As top management, I regard it as my mission to steadily build a fair HR system in which existing employees and new team members respect one another and can work with a genuine sense of satisfaction.

Field-Oriented Approach, Commitment, and Integrity —MORITO’s Management Philosophy

What I value most in business management is a field-oriented approach. I am convinced that the “firsthand insight” gained by visiting our sites in Japan and overseas and engaging in direct dialogue with local executives and employees serves as a vital foundation for management decisions. And since we are delegating authority to the front lines and encouraging them to take on new challenges freely, I must be prepared to take full responsibility for any failures. It is precisely because I have that resolve that I can wholeheartedly trust my employees and entrust them with responsibilities.

Finally, let me touch upon the corporate culture that lies at the heart of MORITO. We used to recite the phrase “Always be polite and greet others with a smile” during our morning assembly. In today’s world, where efficiency and speed are prioritized, this practice might seem old-fashioned. However, it is precisely now that I feel the importance of basic standards of human decency stands out once again. We respect

every individual’s dignity and treat everyone with courtesy, at all times. We exchange greetings with a smile. I believe that this human sincerity is precisely the reason we have earned the enduring trust of our stakeholders, including our customers and suppliers.

There is no such thing as guaranteed stability in business management. I am resolved to maintain a constant sense of urgency and a forward-looking perspective, while never losing sight of the importance of humility. And I regard it as a crucial responsibility to earnestly pursue management that is mindful of the share price, in order to meet the expectations of our shareholders and investors.

Under ACTION 1000, the MORITO Group will continue to pursue its target of 100 billion JPY in net sales, with all employees united in their efforts. I hope that this report helps you understand our philosophy and strategy, and that you look forward to our future growth.



Representative Director, CEO

Growth Trajectory and Next Leap Forward

Review of the 8th Mid-term Management Plan

Under the 8th Mid-term Management Plan (the Current Plan), structural reforms such as corporate spin-offs heightened frontline employees' awareness of profitability and ownership, enabling us to build a lean profit structure. We achieved our operating profit target of 3 billion JPY ahead of schedule, while net sales, operating profit, and ordinary profit hit record highs for the three consecutive years from the fiscal year ended November 30, 2023 through the fiscal year ended November 30, 2025 achieving high performance. We also worked on improving employee awareness about CCC* and inventories while promoting growth investments and M&A, resulting in increased asset efficiency and cash generation capacity. On the other hand, excluding the contribution from M&A, net sales have remained largely flat, making it clear that expanding the scale of our business is a key challenge to achieving sustainable growth going forward.

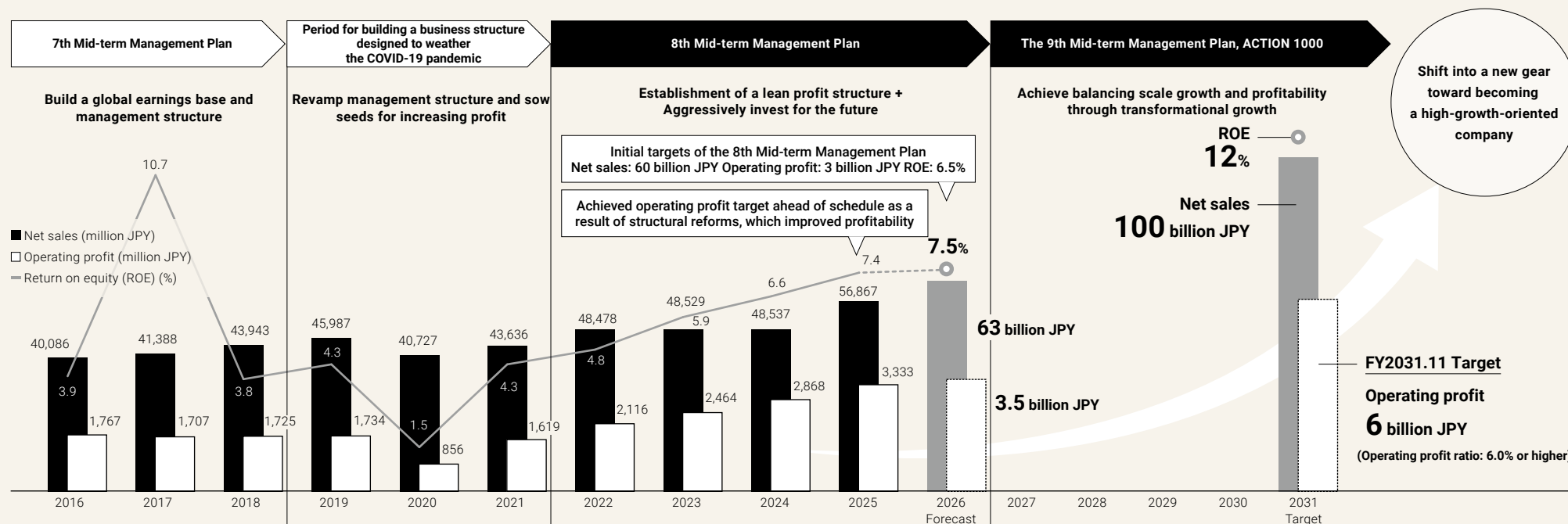
*CCC: cash conversion cycle

Overview of the 9th Mid-term Management Plan, ACTION 1000

We formulated ACTION 1000, our 9th Mid-term Management Plan, covering the five years from the fiscal year ending November 30, 2027 to the fiscal year ending November 30, 2031. We have set ambitious targets of 100 billion JPY in net sales, 6 billion JPY in operating profit, and an ROE of 12% as we aim to shift gears toward a high-growth-oriented company.

Under ACTION 1000, we have identified "pursuing a greater scale" as a key priority, in addition to maintaining and improving profitability, which has been a key focus of the Current Plan. We will focus on M&A aimed at creating new pillars of growth and acquiring management resources that enhance our growth potential and competitive advantage, while establishing global leadership in niche markets through our existing businesses, with an aim of achieving transformational growth and balancing scale growth and profitability.

We will also promote proactive investments and encourage employees to take on new challenges to enhance the organization's growth potential, while striving to improve job satisfaction and a sense of personal growth through investment in human resources, which will lead to the sustainable enhancement of corporate value.



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Editorial Policy

In the Integrated Report 2026, we focused on people, the source of value creation at MORITO, and concentrated on articulating the strengths of its business model and the value it generates. The report also explains the significance of our goal of achieving 100 billion JPY in net sales under our new Mid-term Management Plan, ACTION 1000, through which we aim to transition into a growth company. It also describes the strategies we will pursue to achieve that goal. We hope that the report will provide an opportunity to deepen dialog with all stakeholders, including shareholders, investors, business partners, and employees.

In compiling the Report, we drew on frameworks such as the International Integrated Reporting Framework recommended by the IFRS Foundation and Guidance for Collaborative Value Creation, a set of guidelines published by Japan's Ministry of Economy, Trade and Industry.

Logo Design Concept

The letter M expresses the excitement you feel when you experience something new. The logotype that is cropped at the bottom to make it look slightly hidden represents the role we play in supporting various industries and expresses the dynamism of the rising sun.



Cautionary note concerning forward-looking statements

The performance forecasts and forward-looking statements in this integrated report represent the Company's judgment based on information available at the time of publication. These statements inherently contain potential risks, uncertainties, and other factors. Actual results may differ significantly from the future outlook described or implied in the Report due to various factors such as changes in the business environment. Additionally, please note that the Company is not obligated to update these forward-looking statements based on new information or future events.

Reporting Scope

December 1, 2024 to November 30, 2025

Reports on business activities outside of this period may also be included where appropriate.

The scope covers MORITO CO., LTD. along with 22 consolidated subsidiaries, one unconsolidated subsidiary, and one equity-method affiliate.

If the scope is different, it will be noted.