

Strategies by Business: Global Initiatives of the Wacoal Business (Overseas)

Wacoal America, Inc.

(Wacoal International Corp.)

Net Sales (Fiscal 2021)

¥14.4 billion (incl. internal sales)

(down ¥3.9 billion YoY)

Breakdown by Sales Channel (Fiscal 2021)

55% 25% 41% 4% 15% 15%

■ Stores ■ EC ■ Other

Company Overview

Wacoal America, Inc. is a manufacturing and sales company for the Wacoal and b.tempt'd brands, for which it manages the entire supply chain process from planning and development through to production, inventory management, and sales. On the strength of its product planning, geared to providing high quality and a perfect fit, Wacoal America boasts a high in-store share at department stores. The company has turned its attention to e-commerce in recent years with the promotion of its "Digital-First" strategy, which emphasizes online customer experiences, digital and virtual fittings, distribution, and the redeployment of its fit consultant team. The company is also focused on improving product development capabilities, reorganizing the cost structure, and expanding business to neighboring companies.

Brands

Wacoal b.tempt'd

Mitch Kauffman
CEO
Wacoal America, Inc.

Intimates Online, Inc.

(Wacoal International Corp.)

Net Sales (Fiscal 2021)

¥3.6 billion

(up ¥2.3 billion YoY)

Breakdown by Sales Channel (Fiscal 2021)

92% 6% 2%

■ In-house EC site ■ Wholesale ■ Directly managed stores

Company Overview

Established as a wholly owned Group subsidiary in 2019, Intimates Online, Inc. conducts product planning and retail sales of women's innerwear under LIVELY, a brand that inspires women to live passionately, purposefully, and confidently. To reach out to customers who share this philosophy as well as the global views of Leisureé,* the company has implemented marketing strategies that have earned the support of countless millennials, contributing to the ongoing growth of its business since 2016. In February 2021, we began doing business with American retail giant, Target Corporation, rolling out LIVELY brand products through both online and off-line domains.

* A line of LIVELY brand products offering a blend of lingerie, leisure, and activewear

Brand

LIVELY

Michelle Cordeiro Grant
CEO
Intimates Online, Inc.

Wacoal Europe Ltd.

Net Sales (Fiscal 2021)

¥9.9 billion

(down ¥3.1 billion YoY)

Breakdown by Sales Channel (Fiscal 2021)

25% 16% 9% 50%

■ Dept. stores ■ Specialty stores ■ Directly managed stores ■ Third-party EC sites

Company Overview

Wacoal Europe Ltd. handles multiple brands, including Wacoal and Elomi, which are sold in the United States, Australia, and other countries across the globe. In addition to manufacturing products that are of the right fit for a diverse range of consumers, the company boasts the ability to consolidate multiple brands, including innerwear and swimwear. The company is currently working to enhance its brand portfolio and marketing capabilities in tune with the characteristics of each country and distribution channel while reinforcing its in-house e-commerce channel and expanding business in Germany and other European countries.

Brands

Wacoal elomi Freya FANTASIE Goddess

Geoff Embley
CEO
Wacoal Europe Ltd.

Wacoal China Co., Ltd.

Net Sales (Fiscal 2021)

¥8.8 billion

(down ¥1.6 billion YoY)

Breakdown by Sales Channel (Fiscal 2021)

27% 68% 5%

■ Dept. stores ■ Third-party EC sites ■ Other

Company Overview

Wacoal China Co., Ltd. is a manufacturing and sales company for the Wacoal brand in China, managing the entire supply chain process from planning and development through to production, inventory management, and sales. The company has been pursuing the growth of its e-commerce business in recent years by targeting young consumers and other untapped customer bases as well as by strengthening its branding and marketing activities through joint efforts with Wacoal Corp. in Japan. As for its brick-and-mortar business, the company is working to maximize store value by continuing to consolidate retail stores while renewing its membership system and expanding its line of in-store services.

Brands

Wacoal Salute AMPHI

Koji Tsujimoto
President and Representative Director
Wacoal China Co., Ltd.

Other

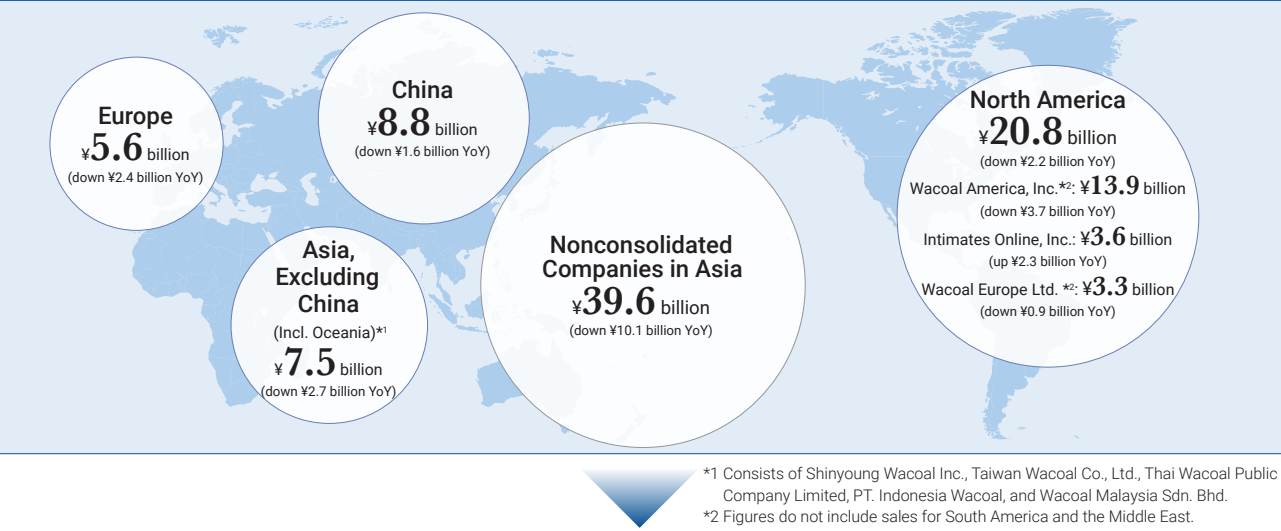
Sales companies: Wacoal Hong Kong Co., Ltd., Wacoal Singapore Private Limited, Philippine Wacoal Corp., and Wacoal India Private Limited

Manufacturing companies: Guangdong Wacoal Inc., Dalian Wacoal Co., Ltd., Myanmar Wacoal Company Limited

Manufacturing and sales company: Vietnam Wacoal Corp.

Companies in charge of manufacturing materials and procuring products and raw materials for innerwear: Wacoal International Hong Kong Co., Ltd., A Tech Textile Co., Ltd., G Tech Material Co., Ltd., etc.

Sales Volume of Overseas Business



Implementation of Customer Experience Strategies

Wacoal America, Inc.

Expanding the growth of in-house e-commerce business through the promotion of "Digital First" strategy

At Wacoal America, Inc., our "Digital First" strategy is proceeding forward as we aim to increase sales in the U.S., our largest market overseas, by strengthening digital marketing activities and continuing to develop our e-commerce business as a part of this core project.

The company is also bolstering the functions of its distribution and sewing factories in an effort to enhance operating efficiency.

Launch of mybraFit™ smartphone app in February 2021 as part of "Digital First" strategy

LIVELY brand image

Intimates Online, Inc.

Expanding the scale of ambassador community and customer base through the strengthening of brand power and marketing capabilities

Through the sharing of information on social media and other digital media platforms as well as unique marketing activities that evoke consumer interest in chain reactions, Intimates Online, Inc. is working to increase its number of ambassadors—loyal customers with an unwavering passion for the brand—and users. Meanwhile, the company is also proceeding with marketing strategies that underpin its advancement toward a new growth phase and, in so doing, aims to become a highly profitable company.

Wacoal Europe Ltd.

Promoting marketing activities through the use of 3D smart & try

Wacoal Europe Ltd. has begun undergoing trial experiments on the 3D smart & try body scanner system in pursuit of sales to local markets. This technology allows the company to provide customers with an unrivaled experience, sparking greater brand recognition and closer ties with existing customers. As a part of its business expansion in Europe, the company will also look to ramp up the level of its e-commerce activities in the German market.

Meeting geared to the introduction of 3D smart & try body scanner

Asia / ASEAN Region

Acquiring new customers through the development of a universal e-commerce platform

With the rising level of personal income and the growing number of digital natives, the ASEAN region will likely see the growth of its e-commerce market and sales climate. To expand our business in this region, we developed an e-commerce platform that flexibly adapts to the needs of customers and markets in each country and region and commenced sales activities at Wacoal Malaysia Sdn. Bhd. in March 2021. Going forward, we will continue to expand our sales network and e-commerce business in Asia and the ASEAN region.

Our Medium- to Long-Term Vision

1. Attain net sales of ¥150.0 billion or more in overseas business (including nonconsolidated sales)

2. Achieve growth in North American market

3. Coordinate online and off-line operations and increase the ratio of e-commerce sales

4. Strengthen ties with customers worldwide (increase lifetime value)